



**CITY COUNCIL AND
ODESSA DEVELOPMENT CORPORATION
JOINT MEETING
CITY OF ODESSA, TEXAS**

JULY 10, 2017

On July 10, 2017, a joint meeting was held with the Odessa City Council and the Odessa Development Corporation Board (ODC) at 3:04 p.m., in Room E, second floor, ECISD Administration Building, 802 N. Sam Houston, Odessa, Texas.

City Council Members present: Mayor David R. Turner; Council members; Malcolm Hamilton, District One; Dewey Bryant, District Two; Barbara Graff, District Three; Mike Gardner, District Four; and Filiberto Gonzales, District Five.

Odessa Development Corporation members present: Charles Carlson, Betsy Triplett-Hurt, Tim Edgmon, Gene Collins, and Melanie Hollmann.

Others present: Richard Morton, City Manager; Larry Long, City Attorney; Norma Grimaldo, City Secretary; Todd Stephens, Joel Roberts, Michael Marrero, Deputy City Manager, Konrad Hildebrandt, Assistant City Manager; Renee Earls, Wesley Burnett, and others.

Mayor Turner convened the City Council meeting to order. Mr. Carlson convened the ODC meeting to order and the following action took place.

Discuss the use of ODC funds for Department of Transportation (TxDOT) projects in Ector County. Mayor Turner reported that we were 2/3 away of funding local projects. In the past, there was a discrepancy of more funds to Midland than Odessa. There would be a recommendation to allocate Category 2 that was controlled by MOTOR. This would provide funding 45% in Odessa, 45% to Midland and a 10% discretionary fund. ODC allocated \$15 million for projects. There were three areas being worked. One was 8th St. that ODC allocated \$2 million, which would assist in obtaining other funds. The second project was Hwy. 385 South to provide a safer intersection. The other project was adding an interchange on Yukon and W. Loop 338. The next set of projects included Yukon that was on the Ector County line and Yukon into Hwy. 191 that would go into Loop 40. Council member Hamilton asked for a list of developers. Mayor Turner stated that the developers who owned the land would assist with some funding. The list included Faudree and I-20 and Faudree and BI-20. The two projects were on the line of Ector and Midland Counties. The final list was being prioritized. TxDOT has funds to do the project on 42nd and Kermit Hwy.

Mr. Collins asked if the 87th St. & Hwy. 385 intersection could be added to the project list. The intersection was very dangerous and difficult to cross. It has three stops which made it confusing. Safety was needed in that intersection. Mayor Turner explained there was a right-of-way issue in that intersection. Traffic may be redesigned at 100th St. He would check if it was on the list. Mr. Carlson stated that Ponderosa and 52nd St. was another dangerous intersection. Mayor Turner explained the process of TxDOT funding projects.

Discuss Council priorities for ODC funding. Council member Bryant's number one objective was to develop and focus on the opportunity that enhances the City economically. He wanted projects that affected the city and size should not be a hindrance. He would like

ODC to look if the project would affect the City economically. Mr. Carlson asked about old and new businesses. Council member Bryant stated that each business should have the same rights and age & size was not a criteria. Mr. Carlson stated that the guidance and guidelines needed to fit the matrix. Council member Bryant did not want to risk dollars and there should be some capital invested from the company. Each application should be reviewed on case-by-case basis. Council member Gonzales stated that we have a responsibility to the City to work for the betterment of the City. All the projects should be reviewed. He stated that denial of a project from Council should not be seen as a rejection. Mr. Carlson stated that Compliance Committee worked through the matrix and a recommendation was given to the ODC board. Mr. Collins stated that ODC needed to see all the applications including the rejections, denials and approvals to show transparency. Ms. Hollmann stated that the applicants wanted confidentiality and wanted to keep the respect of confidentiality. Council member Graff stated that it seemed that the Compliance Committee has all the control and ODC rubber stamped the project. She stated, by law, Council was ultimately responsible for economic development. She wanted more involvement and give direction. Mr. Carlson stated that the matrix was approved by Council and the matrix should be by Council's direction. He suggested that the matrix may need to be changed. Ms. Hollmann stated that the matrix spells out the types of projects for Compliance to operate. It was not arbitrary. Council member Bryant wanted Odessa companies to apply. He stated that this was to help businesses. Council member Gonzales asked that all types of projects be reviewed. He explained voting Weir down for ODC funding. He stated that there was a shift in jobs, different companies and money was going to be given to Midland County. He stated that if a project was in Midland County then Midland should provide funding the project as well. He wanted to make Odessa better. Council member Gardner had no problem with the size. He would have a problem with oilfield companies. The issue with Weir was that it did not help the economy. He stated Weir was a foreign company and the money goes elsewhere. He wanted ODC to create economy and money. He explained the oilfield dynamics. He wanted ODC to watch for different types of companies to bring into Odesa and not just focus on oil companies. He stated that shrinking jobs and shifting jobs was not economic growth. He did not want to see all the applications. He stated that the perfect pattern to follow was the Glazer project. The Council was kept in the loop. Council member Graff did not vote for Weir because it was in Midland County. The schools, hospital and college would not receive funds from the project. She outlined the problem issues with Weir that included different companies from the tax abatement and grant. She read an excerpt from the tax abatement guidelines. She stated that the matrix was amended in 2013, which stated that diversification was related heavy on funding projects. She highlighted the General Development Plan that included the importance of diversification, develop downtown, expand railroad, work on infrastructure, and the trade corridor. She wanted to see diversification and bring outside companies into the City. She was pleased with Glazier. She stated that the thought process needed to be changed. She was not against oil and gas but did not like the Weir project. Council member Hamilton stated that the Weir contract did not look good. He stated it seemed like deception. Money was be lost to the schools and hospital since it was in Midland County. He wanted ODC to be friendlier to local small businesses. He would like to see more diversity. He did not want any threats from the companies or staff by saying the company will go elsewhere if not funded. Mr. Burnett stated that the matrix limits in the areas but with the new proposed matrix, it would allow for flexibility. Council member Hamilton stated that the projects were not making it through Compliance Committee. He stated that there was a perception of conflict of interest. He wanted balance and fairness. He stated that there was not a fair balance of people on Compliance Committee. All the Chambers should be represented. He stated that there were members associated with banks and other entities. Council member Bryant stated that there was no conflict of interest with financing. Council member Hamilton stated there needed to be a make-up of diversity of the Compliance Committee members.

Ms. Hollmann suggested amending the by-laws to include additional categories for diversity. She reviewed the requirements. Mr. Collins stated that there were not many minorities on the committee. He stated it needed to be an equitable committee.

Mr. Carlson stated that many large companies have subsidiary companies. He reported that each contract was reviewed by the City Attorney and the board relies on their expertise for contracts. Ms. Hollmann stated that every applicant must have a checklist completed. If the checklist was not completed, it was not considered. She would like to add an organizational chart to the requirements. Mr. Carlson stated that any changes made to the General Development Plan would be recommendations the Council. Mr. Collins did not want to bring in a competitor for another local existing business. He asked if that was included in the matrix.

Council member Hamilton stated that other Chambers that do economic development. The projects seem to be stalled from the other Chamber. He stated that there seemed to be a breach of information. He wanted to see all applications. Ms. Hollmann stated that it becomes public record and many companies want their information held confidentially. The companies were very protective of their information. Council member Graff stated that the general information should be open and transparent.

Mr. Carlson stated that ODC had questionnaires answered by local businesses. They were reaching out in advertising and programs. Cold calls were being made by the Chamber of Commerce and Hispanic Chamber of Commerce. Mr. Collins stated that most businesses were homegrown and they may need help to comply and get assistance. Council member Graff had concerns with people not living in Odessa.

Mayor Turner wrapped up by asking ODC to look at the Compliance Committee and by-laws, review the matrix and the General Development Plan with changes according to Council's direction. He stated to look at the Perryman Report document. Council member Bryant stated to read and stay with the Perryman Report. The incentives work for improving the economy. He asked ODC to keep incentivizing, including oil and gas and Perryman Report. Council member Gonzales asked for more consistency with contractors. The same rules needed to apply across the board. He did not want to single out contractors. Mr. Carlson reported that the contractors initial the assigned tasks. Council member Gardner thanked the members for their work. He asked that ODC look at the downside and factor into the consideration of projects. He wanted every angle to be considered. Council member Graff asked that ODC look at existing companies and how it may affect the company. She wanted the board to look at the whole picture and think of the entire community. She also wanted the board to work with new things, consider infrastructure, keep up with the changing economic development laws, and work through the Perryman Report. She thanked the members for serving. Council member Hamilton thanked the board. He asked that the board promote, encourage and support small businesses. Reward the local existing businesses for their loyalty to help them remain in Odessa. He wanted diversity for the City's future. He asked that the board provide fairness, transparency and balance with other organizations to help Odessa.

Review ODC Outside Agencies, Budget, and General Development Plan for Fiscal Year 2017-18. No discussion.

There was no other business, the meeting adjourned at 4:57 p.m.

ATTEST:

APPROVED:

Norma Aguilar-Grimaldo, TRMC, CMC
City Secretary

David R. Turner
Mayor