



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

SEPTEMBER 4, 2018

On September 4, 2018, a Finance Committee meeting of the Odessa City Council was held at 5:00 p.m., in the fifth floor conference room, City Hall, 411 West 8th Street, Odessa, Texas.

Committee members present: Council member Dewey Bryant.

Others present: Mayor David R. Turner; Council members Barbara Graff; Norma Aguilar-Grimaldo, City Secretary; Michael Marrero, City Manager; Gary Landers, Interim City Attorney; Cindy Muncy, Interim Assistant City Manager; and other members of City staff.

Mayor Turner called the meeting to order and the following proceedings were held:

Create a Tax Increment Reinvestment Zone. Vanessa Shrauner, Development Services Manager, stated that public input would be received on the September 11 Council meeting with Council to consider an ordinance at the September 25 meeting.

Interlocal agreement with Ector County Elections. Mrs. Grimaldo stated that the ESlate voting machines had an increased cost for its use from \$150 to \$225 each. The cost of the election would be shared with ECISD and the County.

Appointment of judges for general city and special election. Mrs. Grimaldo stated that the ordinance would be for the appointment of judges for the November 6 election.

Contract award for wrecker service. Phillip Urrutia, Director of Purchasing & Fleet, stated that two proposals were received. After evaluation, staff recommended Neal Pool Wrecker to award for the wrecker service. The agreement would be for five years with options of one-year renewals.

Annual supply contract for the purchase of irrigation supplies. Mr. Urrutia recommended renewing the contract to Ewing Irrigation for \$70,000.

Contract renewal for ambulance collections services. Mr. Urrutia stated that the contract was for a one-year renewal from a three-year contract. With the services, there was \$90,000 collected annually. The services were only for ambulance delinquent fees.

Contract renewal for crack sealing compound. Mr. Urrutia stated that the crack sealing were the same price as the original agreement from three years ago.

Contract renewal for purchase of polymer. Mr. Urrutia stated that the polymer was used at the Derrington Plant. The price increased \$0.05 per pound. Polydyne was the vendor for a total cost of \$40,000. No local companies carried the chemical.

Bid award for the purchase of office supplies. Mr. Urrutia stated that the vendor was Buffalo Office Supplies for a cost of \$275,000.

Consulting services agreement with SDM Financial. Mr. Urrutia recommended SDM as the consultant for the naming rights on the hotel and convention center. The cost was \$47,000 plus 4% commission obtained. Council member Graff stated there should be oversight on the Ector Theater and parking garage.

City of Odessa FY 2019 annual budget. Mrs. Muncy stated that the budget was for the Fiscal Year 2018-19. There was \$223 million in revenues and \$216 million in expenditures.

Proposed tax rate and schedule final vote. Mrs. Muncy stated that the proposed tax rate was 47.6601 cents. The vote would be on September 24 and 25.

Ratifying the property tax revenue increase reflected in FY 2019 budget. Mrs. Muncy stated that the tax revenues increased and reflected in the budget.

Bid award for tap contract. Thomas Kerr, Director of Public Works/Utilities stated that one bid was received. There was a backlog of 120 taps. He recommended award to Edgardo Madrid & Associates. There would be an appropriation of \$2 million in the Water/Sewer Fund Balance. A cost of service and rate analysis would identify for recovering the funds. The rate structure would be reviewed. Council member Graff did not want the citizens to pay the cost difference of the taps. The backlog of taps were for infills, not the new development.

Discuss University project update. Mr. Kerr stated that the right-of-way had progressed smoothly. No bids were received for the roadway construction. He would be reissuing the project as an RFP, which allowed flexibility. He reviewed the revised schedule for the project. The construction was an approximate cost of \$9.3 million. Council member Graff stated big signs were needed identifying that the City was doing the project.

Discuss/update transportation master plan. Mr. Kerr stated that the pavements would be evaluated on the streets. Mayor Turned asked that the TxDOT roads be included such as Faudree, 42nd St., and 2nd St.

Discuss/update on Sewer CIP. Mr. Kerr stated that it was critical to move forward with Line P & Line Q. He reported that the sewer-shed delineation was complete. The Line P & Line Q CIP was under development. He reviewed the costs for the sewer line replacement and the Bob Derrington Plant that had a total rehab of \$26 million. He discussed in detail the Line P at a cost of \$25 million and Line Q at a cost of \$25 million. He reviewed the funding rate impact. He stated that the Derrington Plant must be evaluated in the near future with a possibility of a future expansion. He stated funds were needed for professional services design. Mr. Marrero would discuss with our financial advisor on options for funding. Fund options included Pioneer funds, bond, and shared cost with new development. Council member Graff suggested impact fees on the new development. Council member Bryant stated it was critical to get the project underway. Council member Graff did not want to use Pioneer funds for the water and sewer but for use on fresh water. Mr. Marrero would bring information on options for Council direction. Council member Graff did not want to burden the new council with impact fees. Council member Bryant did not want to burden growth in the community.

Discuss/update on Water/Sewer fund cost of service and rate study. Mr. Kerr stated that the water quality report was wrapping up.

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There was no other business, the meeting adjourned at 6:03 p.m.

ATTEST:

APPROVED:

Norma Aguilar-Grimaldo, TRMC, CMC
City Secretary

David R. Turner
Mayor