

PUBLIC NOTICE

**ODESSA DEVELOPMENT CORPORATION
BOARD OF DIRECTORS MEETING**

**City Council Chambers - City Hall, 5TH Floor
411 W. 8th Street, Odessa, Texas 79761**

Thursday, March 12, 2020, at 2:00 p.m.

In accordance with the Open Meetings Act, Chapter 551 of the Government Code of Texas, notice is hereby given to all interested persons that the Odessa Development Corporation will meet as set out above to consider the following items:

1. Invocation
2. Consider Minutes of February 13, 2020 ODC Board
3. Contractors reports:
 - A. Economic Development Dept.-Odessa Chamber - Wesley Burnett
 - B. CVA Advertising & Marketing - Craig Van Amburgh
 - C. UTPB-America's SBDC - Tyler Patton, Sr. Business Consultant
 - D. UTPB-Business Challenge - Bryan Bierwirth
 - E. MOTRAN - James Beauchamp, President
 - F. City Administrative Support; Financials - Cindy Muncy
4. Discuss Council request that ODC provide feedback regarding increasing the number of Directors from 5 directors to 7 directors. Robert Carroll
5. ODC Committee and Officer reports
6. Adjourn

This notice is being posted on the south door of City Hall and on the bulletin board of the first floor of City Hall, Odessa, Texas, on the City of Odessa's website www.odessa-tx.gov, and on the Odessa Development Corporation's website www.odessatex.com, this the ____ day of _____, 2020, at _____.m., said time being more than seventy-two hours (72) prior to the time at which the subject meeting will be convened and called to order.

The meeting is available to all persons regardless of disability. Individuals with disabilities who require special assistance should contact the City Secretary's Office at 432-335-3276, or 411 West 8th Street, First Floor, Odessa, Texas, during normal business hours at least twenty-four hours (24) in advance of the meeting.

Norma Aguilar-Grimaldo, City Secretary

**ODESSA DEVELOPMENT CORPORATION
CITY OF ODESSA, TEXAS
February 13, 2020**

A regular meeting of the Odessa Development Corporation (ODC) was held on February 13, 2020 at 2:00 p.m., in the Council Chambers, fifth floor, City Hall, 411 W. 8th St., Odessa, Texas.

Members present: Tim Edgmon, Gene Collins, Melanie Hollmann, David Boutin, Chris Cole; and Mayor David R. Turner, ex-officio.

Others present:

City Staff: Norma Aguilar-Grimaldo, City Secretary; Natasha Brooks, City Attorney; Robert Carroll, Assistant City Attorney; Cindy Muncy, Interim Assistant City Manager and Michael Marrero City Manager;

ODC Contractors: Craig Van Amburgh, CVA; Wesley Burnett, Economic Development; Tyler Patton, UTPB-SBDC; Bryan Bierwirth, UTPB-SBDC; and Kathy Vaughn, Chamber of Commerce; and

Others: Council member Tom Sprawls, and other interested citizens.

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

Mr. Collins gave the invocation.

January 9, 2020 minutes. Motion was made by Mr. Boutin and seconded by Mr. Cole to approve the minutes. The motion was approved by unanimous vote.

Contractors report: Economic Development: Odessa Chamber, CVA Advertising and Marketing, UTPB-America's SBDC, MOTRAN, and City Administrative support.

Mr. Burnett had ongoing projects and housing projects would be coming soon. There was no slowdown in activity. The Sabre Chemical was expanding. The OHFC housing project on 87th St. was moving forward. PSP approved \$6 million for the project. Mr. Collins asked about the business project of townhomes. Mr. Burnett stated that the program was created to assist with infrastructure to develop economic development. It was also developed for priced workforce. It was not specific to a business. The grant incentives assisted to buy down a home through infrastructure. Mr. Boutin stated with less expensive housing the buyer benefits.

Mr. Van Amburgh reported on January's advertising activity. The podcast ran featuring the community funding to the survivors, which received good feedback. Spirit of Odessa had segments on housing, education and local expansion. Investing at Home featured Bubba Saulsbury. Television spots continued to run on sports channels for business retention. It featured a testimony by Nick Fowler.

Mr. Patton reported on SBDC's January activity. January's capitalization was \$6 million, which was trending well. There were 200 counseling session and 215 counseling hours. Seminars were presented. Seminars included marketing and QuickBooks.

Mr. Bierwirth reported that the Business Challenge orientation had 89 attendees with 37 people signed up for the Challenge. There was an increase in numbers from last year. A workshop was held, as all the workshops were mandatory. The first round of

elimination was March 6. There was a \$350 fee to enter the competition. After the first round of elimination, the individuals eliminated would be referred to SBDC.

Discuss audit draft of ODC financials performed by Weaver and Tidwell. Greg Peterson, Weaver and Tidwell, stated that the audit was an unmodified report for Fiscal Year ending September 2019. He pointed out the financial narrative of the activity. He reviewed the balance sheet. He reviewed the assets and explained the prepaid items. There were \$8.1 million in contracts payables. He reviewed the itemized list for committed funds. A correction would be made on Summit as it was \$5 million. The investment income was \$1,441,461 with expenditures of \$10,976,106 with incentives of \$8,546,914. The investments were invested at low risk and conservative. There were no unfavorable variances with the budget and actual.

Motion was made by Mr. Boutin and seconded by Ms. Hollmann to approve the audit with the one correction. The motion was approved by unanimous vote.

City Administrative Support: Financials. Mrs. Muncy reported the December's financials. Total assets were \$58,737,616 with accounts payable to TxDOT and Odessa College of \$6,049,123. She reviewed the reserved short term and long-term commitments. The investment summary was reviewed.

Motion was made by Mr. Cole and seconded by Mr. Boutin to approve the finance report. The motion was approved by unanimous vote.

Consideration and possible action regarding newly drafted ODC bylaws. Mr. Carroll stated that the bylaws were reviewed in November. The bylaws included the requested clause of conflict of interest Section 2.10. Mr. Boutin asked about the Downtown Committee appointments. Mr. Carroll reported that there was no limit to the committee.

Motion was made by Mr. Boutin and seconded by Mr. Collins to approve the bylaws. The motion was approved by unanimous vote.

Resolution No. ODC-2020R-02 - Economic development agreement auditing and payment process and amend economic development agreements to reflect potential changes. Ms. Brooks stated that Section 4 was added regarding Compliance Committee procedures.

Motion was made by Mr. Collins and seconded by Ms. Hollmann to approve the resolution. The motion was approved by unanimous vote.

Discuss and possible action regarding Economic Development Agreement with Kaige Equipment, LLC. Mr. Burnett stated that Compliance reviewed the application. Eight jobs would be retained with six new jobs and a new building. The Compliance Committee recommended a \$318,000 incentive grant to be paid out in five years.

Motion was made by Ms. Hollmann and seconded by Mr. Cole to approve the Kaige economic development agreement. The motion was approved by unanimous vote.

Discussion and possible action regarding Tar Heel Holdings, LLC Housing Project and JARB Holdings, LLC Housing Project. Mr. Burnett stated that there were two companies with the same owners. One project was to provide townhomes and the other

was to provide single-family housing. The projects were reviewed by Compliance. The projects were in the city limits. The values needed to be certified. Ms. Hollmann stated that the projects followed the guidelines to incentives workforce housing.

Motion was made by Ms. Hollmann and seconded by Mr. Cole to approve the two projects.

Mr. Boutin asked about the reassurance of the buy down of cost to the end user. Mr. Burnett stated that the guidelines for the cost of the homes was \$130,000 to \$225,000. One of the obstacles was the high cost of infrastructure. Mr. Collins supported affordable housing but wanted to assure that the ODC followed the state statute. He stated that the housing fell under Type B. Mr. Burnett stated that the guidelines was for economic development of new developing enterprises. Ms. Brooks stated that the funds were used to pay for infrastructure as many other cities were doing. The funds were paid to the businesses. Ms. Hollmann called the question. Any business had the opportunity to build housing and apply for the funds under a certain amount. Mr. Burnett stated that the infrastructure development was for business enterprise.

The motion was approved by a 4-1 vote with Mr. Collins casting the nay vote.

ODC Committee and Officer Reports. Mr. Edgmon reported that the Partnership discussed the Juvenile Center and the memorial for August 31. The Sewell Auto Tech grand opening was February 27 at 5 p.m. Mayor Turner reported that KOB would furnish cigarette boxes through a grant program for the Downtown businesses, if businesses wanted the boxes. Mr. Collins stated that the Downtown merchants would be meeting on input for the Grant St. development. Mr. Edgmon suggested moving the March 12 meeting to March 17 for a joint meeting with City Council and to hear Dr. Perryman's economic development report. More information would soon be provided. The meeting adjourned at 2:58 p.m.

ATTEST:

APPROVED:

Norma Aguilar-Grimaldo, TRMC, CMC
City Secretary

Tim Edgmon
President



Odessa Chamber of Commerce
Economic Development

Services for the Odessa Development Corporation

February 2020

Projects

2017-04

Project **American Standard** has received an incentive application and plans for major consolidation / expansion project, 60 sf with 6 acres of yard storage. They are exploring lease options in Odessa to retain 50 employees and hire 10 new. Company has contracted with CBRE for building search and will be working with Economic Development staff. This is an ongoing project information will be forthcoming as collaboration efforts proceed.

- Company continues to seek assistance with expansion in Odessa
- Company is working with landowner for location and increasing footprint
- Company has purchased land
- Waiting on Company to complete application
- No update
- Inactive
-

2018-01

- Lead from the Governor's office; **Sabre Chemical**, a chemical manufacturing business is seeking a HQ location in Odessa, adding 200 jobs to the workforce
- Seeking rail service location
- Company narrowing facilities list, will be working with Economic Development staff
- Negotiating for a facility continues and is close to completion
- Company is in final negotiation on existing facility in Odessa, will submit incentive application soon
- Company has closed on building, currently has 60 employees, plans to ramp up to 200 over 3 years
- HQ and distribution office, incentive application should be submitted soon
- Company continues to develop options for increasing facility size and job numbers. Discussion of locating more of operation in Odessa

- Company has incentive application, negotiations for increasing and expanding operations in Odessa
- Company making improvements / upgrades to existing local facility
- No update, waiting on application from company

2018-05

- **X-Energy** is seeking to construct and operate a specific nuclear reactor in Ector County, Texas. This is a long-term project that would not expect to be in operation until 2024 and a \$1.5 billion project
- This intrinsically safe procedure is expected to generate the sale of electricity and process heat from this facility which could self-suffice the plant operations and costs
- A feasibility study has returned favorable and positive feedback
- Ongoing discussion with company for further information
- Company visited Odessa, toured GCA-very favorable, feasibility moving forward on business model
- Company will return to Odessa and discuss water issues surrounding communities moving forward
- Company plans to be in Odessa in December 2018 with DOE representatives to explore options and Odessa investments
- Company and DOE, TRRC visited Odessa, project to move forward • Ongoing, no report

2019-01

- **Project Rockhound** is a 1000-megawatt solar project in western Ector County. \$1 billion CapEx, process of incentives with taxing entities ongoing
- No update

2019-02

- Manufacturer of housing components, 200-300 jobs, interest in locating facility in Odessa, initial discussions, application ongoing
- Exploring property in Opportunity Zone
- Negotiations continue for project location in Odessa
- Company is working on application
- No update

2019-03

- Oil and Gas manufacturing company out of state wishes to consolidate operations into Odessa
- 62 retained and transferred jobs, 46 new jobs created, \$7 million payroll
- Compliance met and will be recommending incentives to ODC board

- ODC Board and City Council approved an incentives package for the project
- Agreement executed

2020-01

- DEF Plant
- \$2.5-3 capital investment
- 15-20 jobs
- Project in early stage of planning

Local Business Retention and Expansion

- Multiple local expansions in beginning stages
- Kaige Equipment \$2.8 million expansion, 6 new jobs 8 retained. ODC approved awaiting city council approval
- Project Who, food manufacturer, working on ODC application

Odessa Partnership

- Partnership met January 16, 2020
- The next meeting is scheduled March 26, 2020

Business Retention and Expansion

- Completed 10 visits to local industries

Housing

- OHFC approved for incentives on 216-unit multi-family project expansion on 87th Street. PSP approved project for investment of \$6 million. Construction could begin April/May.
- Housing pod project with interest in multi-family, mixed use and single-family pursuing project for Downtown and NE Odessa. Evaluating investments to partner with PSP and Downtown Odessa area interest. Project moving forward on all fronts.
- Approved two housing grants. 7 single family, 6 townhomes.
- LOA Land Development, 192 lot subdivision working on infrastructure grant application.

Services and Other Activities

- Ingham Economic Index November Report sent via Mailchimp and posted to website
- Odessa Development News / Economic Indicators for January waiting for TWC employment report which will be available March 13th
- Certificates of Origin for Eckel International Inc., equipment and parts shipping to Saudi Arabia
- Demographic information sent to Janice Haven, Havens Group



Partner Visits

UTPB National Signing Day Breakfast	Director Participated
Citizen Of the Year	Director and Staff Participated
Strategic Planning Team Meeting	Director
Monahans Chamber Awards Banquet	Director Participated
MD&M Team Texas Trade Show	Staff Participated
Oberon Solar Meeting w/Taxing Entities	Director and Staff Participated
TEDC Winter Conference	Director Participated
United Way Annual Meeting	Director and Staff Participated
High Ground Las Vegas SHOT Show	Staff Participated
ECISD Table Facilitator Meeting	Director Participated
TWC Meeting w/Robert Andrade	Staff Participated
Quint Studor Workshop	Director Participated
OC Sewell Auto Tech Grand Opening	Director and Staff Participated

State of Downtown Odessa	Director Participated
Literacy Conference	Director Participated

Odessa Economic Indicators

2020

Building Permits

	2020	Total Value	2019	Total Value
New Single Family	61	\$16,021,250	37	\$9,194,910
New Commercial	2	\$625,733	3	\$2,054,000
Other	83	\$2,305,380	93	\$8,859,675
Totals	146	\$18,952,363	133	\$20,108,585
YTD Totals				

Sales and Use Tax

January	2020	2019	% Change
City of Odessa	\$5,075,685	\$6,023,322	-15.63%
Totals YTD			

Labor Market Statistics

January	2020	2019
Civilian Labor Force		
Total Employment	January	Report
Total Unemployment		Available
Unemployment Rate		March
Payroll Employment Estimate		13th

Permian Basin Rig Count

Month	2020	2019
January	296	378
December	299	2018
November	303	382

Midland International Air and Space Port

January	2020	2019
Enplaned	46,175	43,436
Deplaned	48,532	45,687
Enplaned YTD		
Deplaned YTD		

MLS Statistics-Residential (SF/COND/TH)

January	2020	2019
Total Sold	94	97
Dollar Volume	\$22,582,917	\$20,714,632
Total Sold YTD		
Volume YTD		



ADVERTISING & MARKETING

ODESSA DEVELOPMENT CORPORATION

FEBRUARY 2020 ACTIVITIES

PODCAST/TV AD SERIES

Podcast - Opportunity Odessa

Currently identifying new interviews for this series.

TV News Segment - Spirit of Odessa

Recording Wesley segments on housing, education, healthcare, local expansion, and explaining ODC's role in city growth on Wednesday, March 11.

KWES - Investing at Home

Aired in February: Bubba Saulsbury & Kirk Edwards.

TELEVISION

Our BR&E :30 TV spot ran on Golf Channel, NASCAR Races on FS1 and NBCS, NBA games on ESPN and TNT. New Nick Fowler testimonial TV spots (3) are completed and will begin airing on March 9, 2020.

PUBLICATIONS

Preparing new ad for Odessa American BR&E series featuring quotes from Nick Fowler and how ODC helped him grow his business.

SOCIAL MEDIA/DIGITAL MEDIA

Overview

In February, our overall social media engagement and likes were up significantly. Total social impressions and engagement increased 200+% compared to the previous month. We continued the page likes campaign on Facebook, resulting in 14 new page likes, compared to 9 last month. Our Twitter impressions and profile visits were down slightly, but we did see an increase in followers.



ADVERTISING & MARKETING

Facebook

Over the last month on Facebook, CVA has continued to generate content from relevant articles of local news organizations. Facebook metrics were much higher this month, with our post reach increasing by 186% and post engagement increasing by 241%. Our campaigns resulted in 14 new page likes and reached a total of 8,213 people.

Twitter

Over the last month on Twitter our followers were up, despite lower impressions and profile visits. We have continued to tweet the same content we share on Facebook to engage new and existing followers as well as retweeting relevant content. Our tweets resulted in 3,023 impressions and 55 visits to our profile.

Website

Our website metrics were mixed this month, with an increase in users and sessions, but a decrease in page views. The majority of our traffic this month came from organic search, which comprised 49% of visits, direct website entry was 22%, and social media made up 20%, up from only 5% last month.

Info on new followers/likes:

Facebook: 14 new page likes

Twitter: 4 new followers

LinkedIn: 0 new followers

Odessa Development Corporation Digital Report

February 2020

Social Overview

 Total Social Impressions

5.68K 16.70K

▲194%

IMPRESSIONS

 Total Social Clicks

258 835

▲224%

CLICKS

 Total Social Engagement

504 1.72K

▲242%

ENGAGEMENT

 Total Social Likes

185 713

▲285%

LIKES

 Total Social Followers

2.88K 2.89K

▲0%

FOLLOWERS

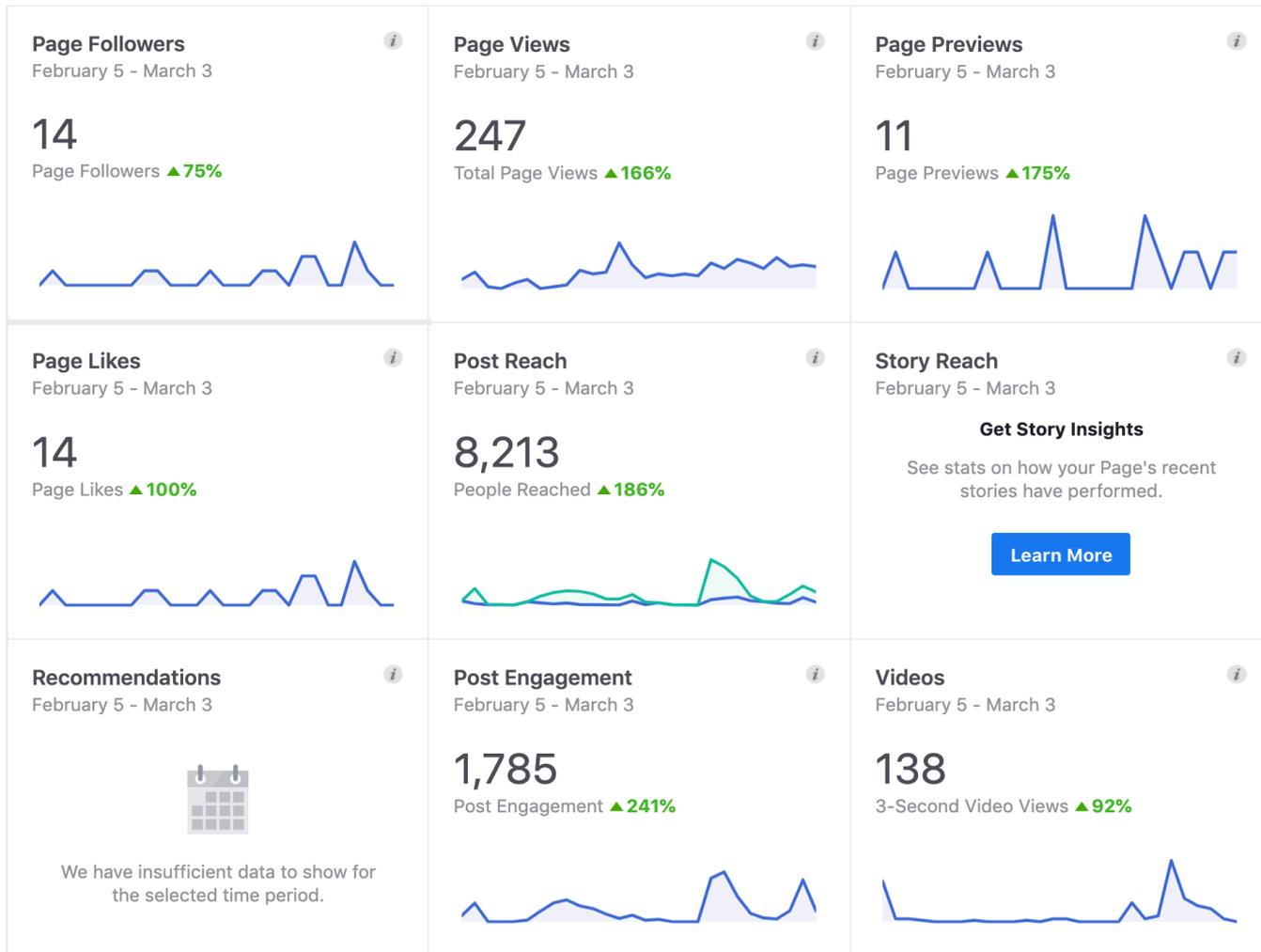
 Total Social Shares

48 154

▲221%

SHARES

Facebook Overview



Facebook Top Posts

 **Odessa Development Corporation**
Published by Caleb Burnett [?] · February 24 at 8:00 AM · 🌐

The brand new Sewell Auto Tech facility will host its grand opening February 27th!

The Odessa Development Corporation provided an \$8 million grant for the construction of and equipment for the facility, which will provide industry training for Professional Truck Driving, Auto, Diesel and Power Generation Technology, Instrumentation, Automation, and an Electrical technician program. It will also provide digital imaging upgrades for Radiologic Technologies, a Lineman program, and training for Occupational Health and Safety Specialists, Registered Nurses, Licensed Practical/Vocational Nurses, and Nursing Assistants.

More info here: <https://www.odessa.edu/.../Automoti.../SewellAutoTech/index.html>



3,770 People Reached **429** Engagements [Boost Again](#)

 **Odessa Development Corporation**
Published by Caleb Burnett [?] · February 10 at 8:00 AM · 🌐

Direct oil and natural gas employment in the Permian basin totaled 87,603 people in 2019, according to a new report from the Texas Independent Producers and Royalty Owners Association (TIPRO).



[About this website](#)

ODESSATEX.COM

Report: Permian oil and gas employed 87,000 people in 2019 - Odessa TX | Economic Development

2,332 People Reached **407** Engagements [Boost Again](#)

Twitter Overview

FEB 2020 SUMMARY

Tweets

7

Tweet impressions

3,023

Profile visits

55

Mentions

2

New followers

4

28 day summary with change over previous period

Tweets

8 ↑ 14.3%



Tweet impressions

3,135 ↓ 3.3%



Profile visits

55 ↓ 14.1%



Mentions

2



Followers

960 ↑ 4



Top Tweets

Feb 2020 • 29 days

TWEET HIGHLIGHTS

Top Tweet

earned 254 impressions

The Odessa Chamber of Commerce will honor David Boutin as the 2019 Citizen of the year during a luncheon from 11:30 a.m. to 1 p.m. Feb. 6 at the Odessa Marriott Hotel and Conference Center.
odessatex.com/boutin-urges-c...

♥ 1

View Tweet activity

[View all Tweet activity](#)

Top mention

earned 27 engagements



Renee H. Earls

@rearl1s1 · Feb 28

A great addition to our community!
[@OdessaChamber](#) [@DiscoverOdessa](#)
[@odessadevelop](#)
[twitter.com/OdessaCollege/...](https://twitter.com/OdessaCollege/)

↻ 1 ♥ 14

[View Tweet](#)

Top media Tweet

earned 122 impressions

The brand new [@OdessaCollege](#) Sewell Auto Tech facility will host its grand opening February 27th!

The Odessa Development Corporation provided an \$8 million grant for the construction of and equipment for the facility.

More info here:

odessa.edu/Programs/Schoo...
pic.twitter.com/Lm5x2VGpHF



View Tweet activity

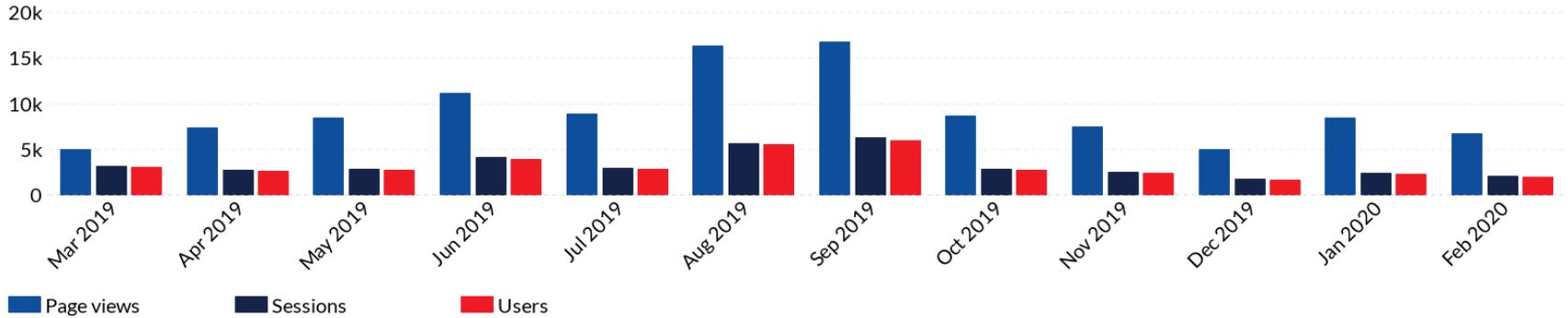
[View all Tweet activity](#)

Website Performance

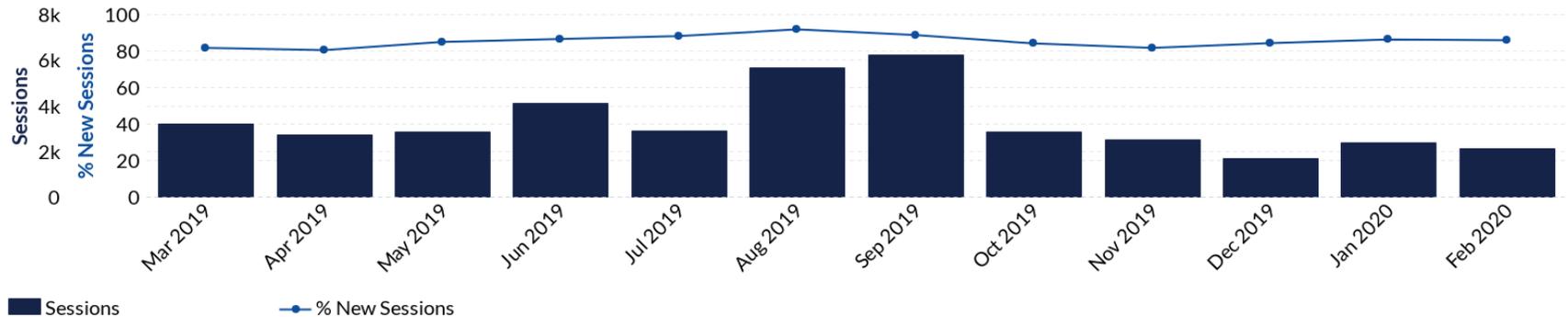
Performance KPIs



Website Performance Trend



Sessions vs New Sessions



UTPB SMALL BUSINESS DEVELOPMENT CENTER

2019-2020 New Business Start-Ups & Expansions

February-20							
ODESSA		OTHER LOCATIONS		ACTIVITIES			
New Businesses	1	New Businesses	3	Counseling Sessions	214	Seminars	3
Full-Time Jobs	0	Full-Time Jobs	22	Am Ind/N/Alaskan	4	Am Ind/N/Alaskan	1
Part Time Jobs	0	Part Time Jobs	0	Asian/pac. Islander	7	Asian/pac. Islander	0
				Black	24	Black	5
Total Jobs	0	Total Jobs	22	Hispanic	86	Hispanic	16
				Non-Hispanic	92	Non-Hispanic	13
				Total Clients	214	Total Attendees	48
				Counseling Hours	202	Training Hours	96

	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	2019/20	Cumulative	End of Year
Counseling Sessions	212	148	149	200	214									923	3403
Counseling Hours	229	142	150	216	202									938	2927
Seminars Presented	3	2	1	1	3									10	42
Attendees	90	14	11	20	48									183	736
Training Hours	180.0	91	22	40	96									429	1446
New Businesses	1	11	2	3	4									21	43
Odessa New Business	0	4	1	0	1									6	13
Capitalization	\$1,025,000	\$3,709,600	\$1,000,000	\$273,000	\$721,600									\$6,729,200	\$19,824,583
Odessa Capitalization	\$250,000	\$3,265,000	\$0	\$50,000	\$521,600									\$4,086,600	\$3,895,616
Full-Time Jobs	8	39	4	23	22									96	192
Odessa FullTime Jobs	4	19	2	4	0									29	70
Part Time Jobs	0	28	0	5	0									33	72
Odessa Part Time Jobs	0	25	0	0	0									25	24
Total Jobs	8	53	4	26	22									113	236

3/3/2020 KAM



03/02/2020

Odessa Development Corporation Board of Directors,

February was a busy month for the 2020 Odessa Business Challenge, but first, I'd like to give a brief recap leading up to this month. At the end of January, we held three orientations, which brought in 89 attendees. Of those 89 attendees, 37 businesses paid to be part of this year's challenge, up from the previous high of 24 from 2019.

Our marketing campaign, created by SDB Creative Group, generated 536,981 impressions on Social Media and 66,708 impressions on Digital Streaming TV Ads. Of the 89 Orientation attendees, 39% heard about the OBC20 on Facebook, followed by 18% Word of Mouth, 11% Small Business Development Center, 8% OBC Website, 7% UTPB, 5% Radio, 5% Past Contestants, and 7% other. The four highest age groups of Orientation attendees were 23% 30-34, 18% 25-29, and 16% 35-39 and 16% 50+. The Orientation attendees were 55% male and 45% female, 65% Caucasian, 10% African-American, 7% Native American, 3% Asian, and 15% preferred not to say. Lastly, 52% of all attendees identify as Hispanic or Latino.

In January, we administered one seminar, (1) Brainstorming/Business Model Canvas, as all assigned workshops are mandatory. Many participants began scheduling the necessary time with myself, the Director of Business Competitions/Business Challenge Consultant, to discuss their business development.

In February, we administered four seminars, (1) How to Write a Business Plan, (2) How to Write an Investor Fact Sheet, (3) Marketing Your Small Business 101, and (4) Marketing Your Small Business 102. Things started to kick in high gear in the month of February. Participants lined up outside my office to go over their business plan and investor fact sheets, which were due on March 6th. Participants would also email rough drafts of the fact sheet to me for review and critique. Once all the Investor Fact Sheets are submitted, they were handed over to our judges for scoring. The judges will have three weeks to score the fact sheets and return them to me to determine which 15 businesses will go on to the next round. The top 15 average scores from the five judges will go on unless there is a tie for 15th place. In the case of a tie, all that are tied for 15th will go on.

Looking ahead to March, we will present five seminars, (1) Legal Structure and Intellectual Property, (2) How to Build Your Outside Team, (3) Employee Benefits, (4) New Taxpayer, and (5) Bank Lender Panel. The participants won't find out who goes on to the next round until April 6th, so in the meantime, the participants will all work hard on their business plans with my assistance.

As of today, the program approved a single payment for the required \$37,750 expenditure to satisfy the marketing obligation described in the proposal. All remaining monies are allocated for the awards night, confirming the end of the Challenge.



Respectfully,

Bryan Bierwirth
Director of Business Competitions
University of Texas Permian Basin
432-552-2463
Bierwirth_b@utpb.edu





P. O. Box 60816 • Midland, Texas 79711

(432) 563-6240

La Entrada al Pacífico

February 13, 2020

RECEIVED
FEB 24 2020

BY CITY SECRETARY

The Honorable Tim Edgmon, Chair
Odessa Development Corporation
P.O. Box 4398
Odessa, Texas 79760

Dear Chairman Edgmon:

Please find the attached monthly financials and activity report for the Midland-Odessa Transportation Alliance, Inc., for the month January, 2020.

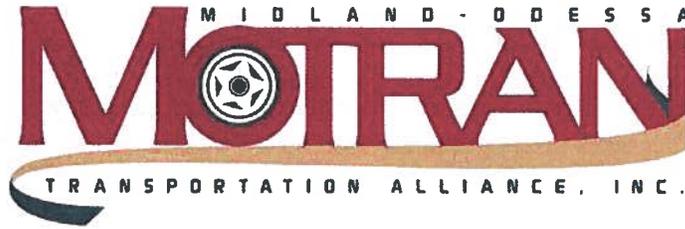
We appreciate your continued support and assistance.

Sincerely,

A handwritten signature in black ink that reads "James Beauchamp". The signature is fluid and cursive, with a long horizontal stroke at the end.

James Beauchamp
President, Midland-Odessa
Transportation Alliance

cc. The Honorable David Turner, City of Odessa



February 2020

Permian Basin Coalition Meeting

On February 20, we will be hosting a “Permian Basin Infrastructure & Innovation: Our Impact on Economics, National Security, and Global Affairs” meeting.

We will have three speakers discussing these topics about our ongoing mission of telling the story of the Permian Basin.

Major General James A. “Spider” Marks (retired) is the Founder and President of The Marks Collaborative, an advisory for corporate leader development, education and training. He served over 30 years in the Army holding every command position from infantry platoon leader to commanding general and was the senior intelligence officer in the LA Riots, the Balkans, Korea, and Operation Iraqi Freedom. He culminated his career as the Commanding General of the US Army Intelligence Center and School at Fort Huachuca, Arizona, and now serves as a Military Analyst for CNN.

Bill Godsey is owner and president of Geo Logic Environmental Services and a former geologist for the Texas Railroad Commission. He has experience in industrial, mining, oil/gas and manufacturing regulatory compliance strategies. Godsey has been a speaker domestically and internationally for water management related to hydraulic fracturing of shales and use of brackish and saline water as frac fluids.

Craig Stevens served in the Bush Administration for seven years, beginning in the Department of Health and Human Services under Secretary Tommy G. Thompson. After HHS, Craig moved to the Department of Energy where he served as the department’s chief spokesman under Secretary Sam Bodman. Craig has also worked on the presidential campaigns of Governor George W. Bush (2000) and former Governor Mitt Romney (2008).

MOTRAN Membership Drive

We have kicked off our Annual Membership Drive. With the positive impacts we had in 2019 legislatively with the 86th Texas Legislative Session and success at the Federal level, as well as our work in adding additional funding for the Permian Basin in the TXDOT Unified Transportation Plan (UTP), we hope that past MOTRAN members continue to renew their membership and we have already seen new members joining in 2020 already.

MOTRAN ALLIANCE, INC.
Profit & Loss YTD Comparison
January 2020

	Jan 20	Oct '19 - Jan 20
Ordinary Income/Expense		
Income		
4000 · Founding Member Dues	10,417.00	11,668.00
4010 · Member Dues	8,750.00	10,583.33
4200 · Interest Earned	56.17	239.31
4300 · Miscellaneous Income	0.00	5,000.00
4410 · MDC	0.00	71,250.00
4420 · ODC	35,625.00	71,250.00
4600 · PBC Revenue	0.00	4,500.00
Total Income	54,848.17	174,490.64
Expense		
ODC Wifi Study	4,000.00	4,000.00
5000 · Marketing		
5001 · MOTRAN Marketing	818.75	4,065.20
5000 · Marketing - Other	123.69	6,287.05
Total 5000 · Marketing	942.44	10,352.25
5025 · Travel Expenses	101.79	3,016.43
5050 · Events & Expos	641.63	7,370.12
5075 · Professional Services	3,000.00	11,000.00
6000 · Administration		
6035 · Dues & Subscriptions	14.98	455.06
6045 · Food & Entertainment	143.74	1,546.69
6055 · Gifts	329.00	1,327.95
6075 · Miscellaneous Expense	62.07	258.88
6085 · Office Lease	2,655.00	5,310.00
6090 · Office Supplies	184.29	1,555.89
6105 · Postage	93.99	229.97
6115 · Program Supplies	0.00	194.52
6140 · Telephone	426.09	1,352.11
Total 6000 · Administration	3,909.16	12,231.07
6011 · Credit Card Charges	0.00	47.27
6073 · Lodging		
6074 · Delegation	0.00	110.85
Total 6073 · Lodging	0.00	110.85
6500 · Personnel		
6501 · Salaries & Wages	19,400.00	81,350.00
6502 · Payroll Taxes	1,624.75	5,393.63
6503 · Employee Health Reimbursement	1,576.00	3,719.00
6504 · Payroll Service Fee	199.23	552.33
6505 · Retirement Contributions	582.00	2,440.50
Total 6500 · Personnel	23,381.98	93,455.46
7410 · Previous year remittance-MDC	0.00	66.57
7420 · Previous year remittance-ODC	0.00	66.57
Total Expense	35,977.00	141,716.59
Net Ordinary Income	18,871.17	32,774.05
Net Income	18,871.17	32,774.05

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Cash Basis

MOTRAN ALLIANCE, INC.

Balance Sheet

As of January 31, 2020

	<u>Jan 31, 20</u>
ASSETS	
Current Assets	
Checking/Savings	
1000 · Frost MOTRAN Checking	8,896.64
1010 · Frost MOTRAN Money Market	170,150.00
1015 · Frost-ODC Money Market	31,236.24
1020 · Frost- MDC Money Market	31,240.64
Total Checking/Savings	<u>241,523.52</u>
Total Current Assets	241,523.52
Fixed Assets	
1500 · Furniture & Fixtures	926.94
1510 · Accum. Dep - Furn & Fix	(926.94)
1520 · Machinery & Equipment	3,356.07
1530 · Accum Dep - Mach & Equip	(3,356.07)
Total Fixed Assets	<u>0.00</u>
TOTAL ASSETS	<u><u>241,523.52</u></u>
LIABILITIES & EQUITY	
Equity	
3900 · Net Assets	208,749.47
Net Income	32,774.05
Total Equity	<u>241,523.52</u>
TOTAL LIABILITIES & EQUITY	<u><u>241,523.52</u></u>

MOTRAN ALLIANCE, INC.
Statement of Cash Flows
January 2020

	<u>Jan 20</u>
OPERATING ACTIVITIES	
Net Income	18,871.17
Net cash provided by Operating Activities	<u>18,871.17</u>
Net cash increase for period	18,871.17
Cash at beginning of period	<u>222,652.35</u>
Cash at end of period	<u><u>241,523.52</u></u>

**MOTRAN, INC. MONTHLY EXPENSE SUMMARY
FOR THE MONTH OF Jan-20**

EXPENDITURE CATEGORIES	MONTHLY EXPENSE	MDC	ODC
Credit Card Processing Fee			
Dues and Subscriptions	\$14.98		
Events and Expo's	\$641.63		
Food and Entertainment	\$143.74		
Gifts	\$329.00		
Health Insurance Reimbursement	\$1,576.00	\$788.00	\$788.00
I-14 Initiative			
Insurance			
MOTRAN Marketing	\$818.75	\$409.37	\$409.37
Other Marketing	\$123.69		
Misc. Expense	\$62.07		
Office Lease	\$2,655.00		
Office Supplies	\$184.29		
Payroll Salaries	\$19,400.00	\$9,700.00	\$9,700.00
Payroll Taxes	\$1,624.75	\$812.37	\$812.37
Payroll Service Fee	\$199.23		
Retirement	\$582.00		
Postage	\$93.99		
Professional Services	\$3,000.00	\$1,000.00	\$1,000.00
Program Supplies			
Travel	\$101.79	\$50.89	\$50.89
Other Travel			
Utilities: Telephone & Internet	\$426.09		
ODC Wifi	\$4,000.00		
Previous Year Reimittance MDC			
Previous Year Reimittance ODC			
TOTAL EXPENSES	\$35,977.00	\$12,760.63	\$12,760.63

MOTRAN ALLIANCE, INC.
January 2020/City EDC Funding Breakdown

	<u>Budget</u> <u>FY2018-19</u>	<u>Current</u> <u>Month</u>	<u>YTD Amount</u>	<u>Remaining</u> <u>Balance</u>	<u>Percent</u> <u>Remaining</u>
Revenue					
Founding Members Dues	\$20,000.00	\$10,417.00	\$11,668.00	\$8,332.00	42%
Member Dues	\$65,000.00	\$8,750.00	\$10,583.33	54,416.67	84%
Midland Development Corp	\$142,500.00		\$71,250.00	\$71,250.00	50%
Odessa Development Corp	\$142,500.00	\$35,625.00	\$71,250.00	\$71,250.00	50%
PBC Revenue	\$50,000.00		\$4,500.00	\$45,500.00	91%
Grants	\$5,000.00			\$5,000.00	100%
Interest Income	\$1,500.00	\$56.17	\$239.31	\$1,260.69	84%
Misc. Income	\$2,500.00		\$5,000.00	(\$2,500.00)	0%
Total Revenues	\$429,000.00	\$54,848.17	\$174,490.64	\$254,509.36	59%
Expenditures					
Dues & Subscriptions					
Events					
Food & Entertainment					
Gifts					
Health Ins. Reimbursement	\$2,500.00	\$788.00	\$1,859.50	\$640.50	26%
Insurance					
I-14 Initiative	\$2,500.00			\$2,500.00	
Miscellaneous Expenses					
Office Lease					
Office Supplies					
Payroll-Salaries	\$115,000.00	\$9,700.00	\$40,675.00	\$74,325.00	65%
Payroll-Service Fee					
Payroll Taxes	\$7,500.00	\$812.37	\$2,696.80	\$4,803.20	64%
Retirement					
Postage					
Marketing	\$5,000.00	\$409.37	\$2,032.59	\$2,967.41	59%
Other Marketing					
Program Supplies					
Telephone					
Travel Expenses	\$5,000.00	\$50.89	\$1,508.21	\$3,491.79	70%
Travel Other					
Professional Services	\$5,000.00	\$1,000.00	\$5,000.00	\$0.00	0%
TOTAL EXPENSES	\$142,500.00	\$12,760.63	\$53,772.10	\$88,727.90	62%

**ODESSA DEVELOPMENT CORPORATION
BALANCE SHEET
JANUARY 2020**

ASSETS

Investments - Local Government Pools	\$ 24,905,001
Investments - CDs and CDARs	3,208,491
Investments - Municipal Securities	7,355,439
Investments - Money Market	18,296,804
Interest Receivable - Municipal Securities	<u>75,801</u>
TOTAL ASSETS	<u>\$ 53,841,536</u>

LIABILITIES

Accounts Payable	<u>187,684</u>
TOTAL LIABILITIES	<u>\$ 187,684</u>

FUND BALANCE

Reserved - Short Term Commitments Due Within One Year	
FMC Technologies	\$ 76,398
Select Energy	18,374
Glazer's Beer & Beverage	226,998
West Texas Food Bank	147,000
Odessa College - 2nd Project Training Facility	1,349,171
UTPB - 2nd Project Training Facility	<u>1,500,000</u>
Total Short Term Commitments	3,317,941
Reserved - Long Term Commitments Due in More Than One Year	
FMC Technologies	152,798
Glazer's Beer & Beverage	680,995
Select Energy	55,123
West Texas Food Bank	146,866
Odessa College - 2nd Project Training Facility	-
UTPB - 2nd Project Training Facility	3,000,000
Downing Wellhead Equipment, LLC	<u>1,640,000</u>
Total Long Term Commitments	<u>5,675,782</u>
Total Reserved	8,993,723
Assigned (TXDOT Projects)	11,072,220
Assigned (Workforce Housing Infrastructure Incentives)	5,000,000
Unreserved	<u>28,587,907</u>
TOTAL FUND BALANCE	<u>\$ 53,653,850</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 53,841,536</u>

ODESSA DEVELOPMENT CORPORATION
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
TOTAL BUDGET COMPARISON
JANUARY 2020

	<u>TOTAL BUDGET</u>	<u>ACTUAL - YTD</u>	<u>REMAINING BALANCE</u>
REVENUES			
4-A Sales Tax Receipts	\$ 12,000,000	\$ 4,587,122	\$ (7,412,878)
Miscellaneous Income/Refunds	-	-	-
Interest Income	500,000	380,983	(119,017)
Gain and or (Loss) on Investments	(200,000)	(12,798)	187,202
	<hr/>		
TOTAL REVENUES	\$ 12,300,000	\$ 4,955,307	\$ (7,344,693)
<hr/>			
EXPENDITURES			
Supplies and Materials	\$ 1,500	\$ 442	\$ 1,058
Audit Services	35,000	24,500	10,500
Special Services	75,000	74,600	400
Insurance	15,000	13,454	1,546
Bank Services	6,000	1,915	4,085
Administration Fee - City of Odessa	205,349	68,449	136,900
Contingencies	100,000	-	100,000
Contracted Economic Development Services			
Chamber of Commerce	852,280	426,140	426,140
MOTRAN	142,500	71,250	71,250
UTPB - Small Business Center	98,794	49,397	49,397
Promotional			
Marketing	645,865	138,301	507,564
UTPB - SBDC Entrep. Contest	422,632	-	422,632
Façade Grants	350,000	-	350,000
Business Incentives	52,000,000	364,110	51,635,890
	<hr/>		
TOTAL EXPENDITURES	\$ 54,949,920	\$ 1,232,558	\$ 53,717,362
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EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES	\$ (42,649,920)	\$ 3,722,749	\$ 46,372,669
FUND BALANCE - AT BEGINNING OF YEAR	\$ 49,931,101	\$ 49,931,101	\$ -
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FUND BALANCE - AT END OF YEAR	\$ 7,281,181	\$ 53,653,850	\$ 46,372,669
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**ODESSA DEVELOPMENT CORPORATION
CHANGES IN RESERVED FUND BALANCE
JANUARY 2020**

Reserved - Short Term Commitments				Dates in Fiscal Years	
	Current Month	Prior Month	Month End Change	Pmt Began	Expires
FMC Technologies	\$ 76,398	\$ 76,398	\$ -	2017-18	2021-22
Select Energy	18,374	18,374	-	2017-18	2021-22
Glazer's Beer & Beverage	226,998	226,998	-	2014-15	2018-19
West Texas Food Bank	147,000	147,000	-	2016-17	2020-21
Odessa College - 2nd Project Training Facility	1,349,171	1,349,171	-	2017-18	2019-20
UTPB - 2nd Project Training Facility	1,500,000	1,500,000	-	2017-18	2021-22
Total Short Term Commitments	\$ 3,317,941	\$ 3,317,941	\$ -		

Reserved - Long Term Commitments				Dates in Fiscal Years	
	Current Month	Prior Month	Month End Change	Pmt Began	Expires
FMC Technologies	\$ 152,798	\$ 152,798	\$ -	2017-18	2021-22
Glazer's Beer & Beverage	680,995	680,995	-	Not started (5 year payout)	
Select Energy	55,123	55,123	-	2017-18	2021-22
West Texas Food Bank	146,866	146,866	-	2016-17	2020-21
Odessa College - 2nd Project Training Facility	-	-	-	2017-18	2019-20
UTPB - 2nd Project Training Facility	3,000,000	3,000,000	-	2017-18	2021-22
Downing Wellhead Equipment, LLC	1,640,000	1,640,000			
Total Long Term Commitments	\$ 5,675,782	\$ 5,675,782	\$ -		
Total Reserved Fund Balance	\$ 8,993,723	\$ 8,993,723	\$ -		

**ODESSA DEVELOPMENT CORPORATION
INVESTMENT SUMMARY
JANUARY 2020**

This investment summary report is in full compliance with the investment strategy as established per the City's Investment Policy and the the Public Funds Investment Act.

The fair value for the beginning and end of the reporting period are as follows:

<u>INVESTMENT</u>	<u>BEGINNING BALANCE</u>	<u>PURCHASE AMOUNT</u>	<u>CHANGES IN FAIR VALUE AND INTEREST</u>	<u>SALES AMOUNT</u>	<u>ENDING BALANCE</u>
GOVERNMENT POOLS	\$ 29,841,828	\$ 1,015,137	\$ 46,536	\$ 5,998,499	\$ 24,905,001
CD'S AND CDARS	3,203,292	-	5,199	-	3,208,491
SAVINGS AND MONEY MARKETS	17,244,853	1,000,000	51,951	-	18,296,804
MUNICIPAL BONDS	8,355,790	-	(351)	1,000,000	7,355,439
AGENCY NOTES	-	-	-	-	-
TOTAL	<u>\$ 58,645,763</u>	<u>\$ 2,015,137</u>	<u>\$ 103,335</u>	<u>\$ 6,998,499</u>	<u>\$ 53,765,736</u>

Note: This investment report is prepared in accordance with Generally Accepted Accounting Principles (GAAP), and is in compliance with the City of Odessa's investments strategies in the investment policy, and with relevant provisions of the Public Funds Investment Act.

Cindy Muncy
Interim Assistant City Manager

**ODESSA DEVELOPMENT CORPORATION
INVESTMENT PORTFOLIO
JANUARY 31, 2020**

Beginning of Month

<u>INVESTMENT TYPE</u>	<u>YTM</u>	<u>MATURITY</u>	<u>PAR</u>	<u>FAIR**</u>
Local Government Investment Pools				
TexPool	1.62%	Open	\$ 22,820,447	\$ 22,820,447
Logic	1.82%	Open	7,021,381	7,021,381
Total Local Government Investment Pools			\$ 29,841,828	\$ 29,841,828
Weighted Average Rate Per Pools Tot.	1.67%			
Money Market Investment				
Frost Money Market	1.51%	Open	\$ 17,244,853	\$ 17,244,853
Total Money Markets			\$ 17,244,853	\$ 17,244,853
Weighted Average Rate Per MM Total	1.51%			
CD AND CDARs Investments				
AimBank - 12 Month CD	2.38%	1/31/20	\$ 2,099,290	\$ 2,166,711
BBVA CD	1.75%	12/15/19	1,032,140	1,036,581
Total CD and CDARs Investments			\$ 3,131,430	\$ 3,203,292
Weighted Average Rate Per CD's Total	2.17%			
Municipal Securities				
Atlanta GA E Tax	2.69%	1/1/20	\$ 1,000,000	\$ 1,000,000
Arizona ST B Tax	2.18%	7/1/20	340,000	340,571
Florida St Bd A Tax	2.64%	7/1/21	1,000,000	1,012,060
Union City NJ B Tax	2.80%	3/1/20	300,000	301,785
Kansas St Dev H Tax	1.40%	4/15/20	820,000	821,804
Center TX ISD Tax	5.40%	2/15/21	1,000,000	1,038,850
Dallas TX	2.21%	10/1/20	3,325,000	3,337,735
Texas Tech University	1.95%	2/15/21	500,000	502,985
Total Municipal Securities			\$ 8,285,000	\$ 8,355,790
Weighted Average Rate Per Muni Total	2.63%			
TOTAL INVESTMENTS	1.78%		\$ 58,503,110	\$ 58,645,763

** Amount does not reflect prior period market adjustments and represents fair market value adjustment as of current period end only.

**ODESSA DEVELOPMENT CORPORATION
INVESTMENT PORTFOLIO
JANUARY 31, 2020**

End of Month

<u>INVESTMENT TYPE</u>	<u>YTM</u>	<u>MATURITY</u>	<u>PAR</u>	<u>FAIR**</u>
Local Government Investment Pools				
TexPool	1.62%	Open	\$ 17,872,900	\$ 17,872,900
Logic	1.82%	Open	7,032,101	7,032,101
Total Local Government Investment Pools			\$ 24,905,001	\$ 24,905,001
Weighted Average Rate Per Pools Total	1.68%			
Money Market Investment				
Frost Money Market	1.51%	Open	\$ 18,296,804	\$ 18,296,804
Total Money Market			\$ 18,296,804	\$ 18,296,804
Weighted Average Rate Per MM Total	1.51%			
CD AND CDARs Investments				
AimBank - 17 Month CD	2.38%	1/31/20	\$ 2,099,290	\$ 2,170,413
BBVA CD	1.75%	12/15/19	1,032,140	1,038,078
Total CD and CDARs Investments			\$ 3,131,430	\$ 3,208,491
Weighted Average Rate Per CD's Total	2.17%			
Municipal Securities				
Arizona ST B Tax	2.18%	7/1/20	\$ 340,000	\$ 340,823
Florida St Bd A Tax	2.64%	7/1/21	\$ 1,000,000	1,013,770
Union City NJ B Tax	2.80%	3/1/20	300,000	300,831
Kansas St Dev H Tax	1.40%	4/15/20	820,000	821,263
Dallas TX	2.21%	10/1/20	3,325,000	3,338,067
Center Tex ISD Tax	5.40%	2/15/21	1,000,000	1,037,260
Texas Tech University	1.95%	2/15/21	500,000	503,425
Total Municipal Securities			\$ 7,285,000	\$ 7,355,439
Weighted Average Rate Per Munis Total	2.62%			
TOTAL INVESTMENTS	1.78%		\$ 53,618,235	\$ 53,765,736

** Amount does not reflect prior period market adjustments and represents fair market value adjustment as of current period end only.