



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

August 13, 2020

A regular meeting of the Odessa Development Corporation (ODC) was held on August 13, 2020 at 2:00 p.m. Odessa, Texas. Due to the COVID-19, the meeting was teleconferenced, as allowed by Governor Abbott's executive order. The board was present through teleconference.

Members present: Tim Edgmon, Gene Collins, Melanie Hollmann, Chris Cole, and David Boutin.

Member absent: Mayor David R. Turner, ex-officio.

Others present:

City Staff: Norma Aguilar-Grimaldo, City Secretary; Natasha Brook, City Attorney; Robert Carroll, Assistant City Attorney; and Cindy Muncy, Assistant City Manager; and

ODC Contractors: Craig Van Amburgh, CVA; Wesley Burnett, Economic Development; Tyler Patton, UTPB-SBDC; Ryan Peckham, UTPB Business Challenge; Renee Earls, Chamber of Commerce; James Beauchamp, MOTRAN; and Dustin Fawcett, MOTRAN; and

Others: Council members Michael Shelton and Mari Willis; Sandra Woodley, UTPB; Chris Walker, Black Chamber of Commerce; Ben Quiroz, Hispanic Chamber of Commerce; Arnulfo Martinez, Hispanic Chamber of Commerce; 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.

July 9, 2020 minutes. Motion was made by Mr. Collins and seconded by Mr. Boutin to approve the minutes with corrections. The motion was approved by unanimous vote.

Resolution ODC 2020R-10 - Apergy Economic Development Agreement. Mr. Burnett stated that the Compliance Committee recommended a \$1 million grant to Apergy, a local business. The business would consolidate its Midland company to Odessa. The property would be expanded and the capital investment was \$1.8 million. The company would retain 107 jobs and create 21 new jobs. The annual payroll would be \$8.6 million. The grant was for a three-year payout. He stated that there were no physical assets purchased in Odessa but would be in the facility. Mr. Boutin recommended that the grant be for five years and spread the grant over the five years. He suggested the yearly payout be \$300,000, \$200,000, \$200,000, \$200,000, and \$100,000.

Motion was made by Mr. Boutin and seconded by Ms. Hollmann to approve the resolution with a five-year grant and payouts as recommended. The motion was approved by unanimous vote.

Resolution ODC 2020R-11 - Amend UTPB Economic Development Agreement executed on April 19, 2017. Mr. Burnet stated that the Compliance Committee reviewed and worked with UTPB on clarifications of the workforce training request. The request was for \$2.1 million to be paid out over three-years. Dr. Woodley stated that UTPB was investing in economic development. UTPB would leverage the funds with UTPB funds and a grant. UTPB would train the workforce as it was needed in our community. Mr. Burnett stated that the request could be an amendment to the current agreement or a new agreement. Mr. Cole and Ms. Hollmann preferred a separate agreement.

Motion was made by Mr. Cole and seconded by Mr. Collins to approve the resolution as a new agreement for three-years. The motion was approved by unanimous vote.

Contractors report: Economic Development: Odessa Chamber, CVA Advertising and Marketing, UTPB-America's SBDC, UTPB-Business Challenge, MOTRAN, and City Administrative support. Mr. Burnett stated there were no updates due to the pandemic and economic downturn. He reported that there would be an expansion and a housing project. The business retention visits were going well as it was good public relations. The Small Business Assistance Program was positive. The sales tax was down by 33%. The airport planes and deplanes were slowly going up. Council member Shelton reported that five approvals were made for the Small Business Assistance grant program. Forty applications were received. Mr. Burnett stated marketing for the program included ODC billboards, city website, and the Chamber's social media. Mr. Boutin asked if the applicants could identify how each found out about the program. Mr. Collins asked about the funds on capping the well on the former Summit site. Mr. Boutin reported that there was no cost to ODC. Mr. Cole asked for the individual profile information from the CARES Act. He wanted all to know about the opportunity of the funds. Marketing should continue to capture all levels of businesses.

Mr. Van Amburgh reported that the Permian Fuels America campaign was kicked off. There were outdoor billboards, radio and TV spots. Interviewees would be selected for the podcast highlighting The Permian Fuels America. The landing page for The Permian Fuels America was active and linked to the ODC website. A petition was on the website to show support of the industry. The social media campaign was underway with the campaign. Mr. Collins commended Mr. Van Amburgh for the diverse, colorful and descriptive campaign. He stated it was an exceptional job.

Mr. Patton reported on SBDC's July activity. There were 341 counseling sessions and 258 counseling hours. There was two new business in Odessa. June's capitalization was \$7,169,437 and Odessa had \$2,732,900. The capitalization was from disaster loans. There were two full time jobs for Odessa. There were 479 Odessa's PPE loan/grants of \$150,000 or more. A portion were SBDC clients. A newsletter was launched. There were seven workshops held virtually. The ethnicity of business owners was tracked with the seminars. There were sessions that included PPE training for clients.

Mr. Peckham reported that Fox 4 News would highlight the Business Challenge winners and would be aired twice. He was working with City staff to streamline the payments. He suggested a time frame to spend the funds for future challenges. Mr. Collins was

concerned with the criteria. One of the winners made the product out of state. Mr. Peckham stated that the business headquarter must have an Odessa zip code. Mr. Boutin stated that the Business Challenge was to help stimulate the economy and a time limitation needed to be discussed.

Mr. Beauchamp reported that the Unified Transportation Program allocated \$235 million for the Permian Basin area and \$2 million will be used in Midland and Odessa projects. The funds dedicated to Midland and Odessa increased. In the past, the Odessa District received 1% to 2% of funds but since 2014-2019 the transportation funds increased by 3% for our area. He thanked the ODC board for the funds that has provided local leveraging for the projects. MOTRAN would keep moving forward with designing Loop 338 to a standard loop and make State Hwy. 302 a four-lane divided road. The improvements would provide mobility to major corridors.

Mrs. Muncy reported on June's financial activities. She reviewed the revenues and expenditures. She reviewed the payments to be made. Sales tax received for August was \$896,000 which was 94% of the \$12 million budget.

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

Development Finance Program Administrative Policy. Mr. Carroll reviewed the proposed changes to the policy.

Motion was made by Mr. Collins and seconded by Ms. Hollmann to approve the Development Finance Program Administrative Policy with the changes. The motion was approved by unanimous vote.

Resolution ODC 2020R-12 - FY 2020-2021 General Development Plan. Mr. Carroll reviewed the changes and updates made to the plan.

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

Resolution ODC 2020R-13 - ODC FY 2020-2021 Budget. Mrs. Muncy reviewed the budget line items. Mr. Cole stated that after reviewing and meeting with the Black Chamber of Commerce, the budget fit under the ODC marketing line item. Mr. Collins stated that the proposal had information missing and it was their first proposal submission. Mr. Cole stated that their request was specific to ODC's accomplishments and it would help building bridges and service. Mr. Boutin stated that ODC's program was to target industrial manufacturing type of businesses. He suggested to provide a road map as they would collaborate with SBDC and make referrals to the Chamber. Mr. Burnett stated that there was a narrow scope on business types in assisting within the ODC guidelines. Mr. Cole wanted the Black Chamber to be successful. The proposal was in line from a marketing standpoint. Mr. Boutin suggested providing clear expectations for the contractors to be successful. Mr. Collins stated that there was more flexibility in the marketing line item. The Black Chamber of Commerce would engage in businesses and work with the Chamber in applications. Mr. Cole stated that with time and collaboration, the Black Chamber of Commerce would move into the ODC general budget. Mr. Edgmon stated to work with the Black Chamber of Commerce and the Hispanic Chamber of Commerce to guide them with the first year for both to be successful. Mrs. Muncy continued with the line items. Discussion was held on the

entrepreneurial program. Mr. Collins stated it was difficult to get information and no control over checks and balances. He suggested to adjust the funded amount. Mr. Edgmon stated that there were problems with the contracts as the payout was not in a timely manner. Ms. Hollmann stated that the program was valuable, but the program needed an overhaul. MOTRAN was aggressive and provided outstanding results. Mr. Collins suggested to provide MOTRAN with a budget of \$142,500. SBDC would partner with the Hispanic Chamber of Commerce to provide seminars in Spanish. CVA's budget increase was due to the Permian Fuels America campaign. Mr. Van Amburgh stated that the campaign's expenses were paid out of some of the current year's budget. He stated that the budget could be reduced by \$150,000. Mrs. Muncy provided some of the Business Challenge's history funding awards. Mr. Boutin suggested to have the Business Challenge line item to zero and work out the issues in the program. The Business Challenge did not affect the SBDC as it was a different program. Ms. Hollmann did not want to eliminate the program. Mr. Cole suggested that the Black Chamber of Commerce and Hispanic Chamber of Commerce have a budget of \$50,000 each. Dr. Quiroz stated that the Hispanic Chamber would help to achieve ODC's goal. Mr. Martinez stated that the Hispanic Chamber would collaborate with SBDC. Mr. Walker stated that the Black Chamber of Commerce would work with the Chamber and Mr. Collins. The Black Chamber of Commerce wanted to assist the small businesses that were overlooked. It would be a conduit for the Chamber and work with the two chambers. The facade line item was reduced to \$100,000. Mrs. Muncy explained the contingency line item and the marketing promotional limit.

Motion was made by Mr. Cole and seconded by Mr. Collins to approve the resolution with changes to the budget. The motion was approved by unanimous vote. Mr. Edgmon would contact UTPB about the Business Challenge.

Resolution ODC 2020R-14 – Economic Development Contractor Agreements for FY 2020-20201. Mr. Carroll stated that the ODC board approved the agreements to form. Each contractor agreement would reflect the approved budget amount in the contract.

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

ODC Committee and Officer Reports. Mr. Burnett reported on the Perryman Study Task Force. The Permian Strategic Partnership would meet with the task force to discuss broadband. There was coordination with the school and the task force on the broadband issue. The Permian Fuels America message was moving forward.

Discuss emergency assistance options related to the COVID-19 pandemic. The City was providing the Small Business Assistance program as it was tied to COVID-19. Mr. Burnett stated that the marketing was effective. Mr. Cole emphasized that people should not miss the opportunity of the program.

The meeting adjourned at 4:43 p.m.

ATTEST:

APPROVED:

Norma Aguilar-Grimaldo, TRMC, CMC
City Secretary

Tim Edgmon
President