

**MIDLAND CITY COUNCIL  
MINUTES  
July 8, 2019**

**REGULAR SESSION**

The City Council convened in regular session in the Council Basement Conference Room, City Hall, Midland, Texas, at 9:00 a.m., July 8, 2019.

Council Members present: Mayor Jerry F. Morales, Mayor Pro Tem John B. Love III (District 2), Council Member Michael Trost (At-Large), Council Member Sharla Hotchkiss (District 3), and Council Member J.Ross Lacy (District 4).

Council Members absent: Council Member Spencer Robnett (At-Large) and Council Member Scott Dufford (District 1).

Staff members present: City Manager Courtney Sharp, City Attorney John Ohnemiller, Assistant City Manager Robert Patrick, Assistant City Manager Morris Williams, Assistant to the City Manager Marcia Bentley-German, City Secretary Amy Turner, Finance Director Pam Simecka, Director of Airports Justine Ruff, Chief Information Officer Jennifer Frescaz, Development Services Director Chuck Harrington, General Services Director Fred Reyes, Purchasing Manager Regina Stephenson, Administrative Services Director Mark Widmann, Community Services Director Tina Jauz, Police Chief Seth Herman, Solid Waste Director Jeffery Ahrlett, Budget Manager Jamie Minor, Comptroller Christy Weakland, and Public Information Officer Erin Bailey.

Mayor Morales called the meeting to order at 9:04 a.m.

**REGULAR SESSION**

1. Conduct a budget work session for the purpose of reviewing and discussing the proposed 2019-2020 City of Midland budget.

Budget Manager Jamie Minor provided copies of updated sheets to the budget books that were distributed last week. She reviewed Midland's population since 2000 noting the forecasted population for 2019 is 146,519. She shared a chart of residential permitting noting that 2018 was a record year with 1,018 permits issued. Annexations have also steadily climbed. More land has been annexed to date in 2019 than all the previous year. Annual Oil and Gas permits spiked in 2017 and 2018 with 71 and 69 permits issued respectively.

Council priorities were reviewed. She explained that an emphasis was placed on these priorities as the budget was developed. The priorities included personnel, street improvements, investment in City property, equipment and vehicles, increase funding for traffic control operations, water and sewer capital projects and evaluate major revenue streams.

Budget highlights were reviewed including added personnel as well as increase and incentives for personnel, streets and traffic improvements, facilities investments,

equipment investments, traffic control investments, water and sewer capital projects and increases made to major revenue streams.

Midland's property tax rate was compared to several other similar cities throughout Texas with Midland having the lowest tax rate. Midland's combined tax rate from 2009-2010 was shared showing that the overall tax rate has decreased. Property tax valuation from 2009 through 2019 was shown with all individual valuation categories showing increases except for business property. Based on the most recent valuation the effective tax rate is 0.344071 per \$100 valuation. The proposed tax rate of effective plus 6% is 0.364715 per \$100 valuation. Each additional 1% increase would bring in \$531,927. The average home value for 2020 is \$270,761 and will be taxed \$987.51. In 2019 the average home value was \$234,880 and taxes were \$921.31.

Revenues and expenditures were reviewed and discussed for the general fund, water and sewer fund, sanitation fund, airport fund, sports complex, and golf course fund.

The Budget calendar was reviewed, and all remaining budget meetings will begin at 10:00 a.m.

Budget Manager Jamie Minor offered to sit down with any Council Member to answer individual questions.

Council addressed the increasing costs of roadwork noting that more money needs to be dedicated to roads. Council Member Love emphasized that with the lowering of the rollback rate it will be more difficult to make up for funding needed for roads. It was suggested that staff look at adding another one cent to the sales tax to be dedicated to roads. Discussion ensued about pursuing the .25 cent available sales tax to dedicate to roads.

It was also noted that the City needs to ensure we remain competitive to recruit police and fire and that Midland is affordable for all City employees. City Manager Sharp reported he met with a development company that is requesting a tax exemption which would then make their apartments affordable noting it looked promising.

Council Member Love noted that in 2021 TxDOT will begin expanding 43 miles of I-20. He also suggested looking into expanding and extending Wadley as MISD has plans to place a new high school near Cynthia.

All the business at hand having been completed, the meeting adjourned at 10:14 a.m.

PASSED AND APPROVED the 23rd day of July 2019.

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Jerry F. Morales, Mayor

ATTEST:

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Amy M. Turner, City Secretary