

**MIDLAND CITY COUNCIL  
MINUTES  
July 18, 2019**

The City Council, pursuant to Texas Government Code §551.041, met in Special Session at the Hispanic Cultural Center, 1311 East Wadley, Midland, Texas, at 8:00 a.m. on July 18, 2019.

Council Members present: Mayor Jerry F. Morales, Mayor Pro Tem John B. Love III (District 2), Council Member Spencer Robnett (At-Large), Council Member Michael Trost (At-Large), Council Member Scott Dufford (District 1), Council Member Sharla Hotchkiss (District 3), and Council Member J.Ross Lacy (District 4).

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, Presiding Judge Sharon Hatten, Police Chief Seth Herman, Fire Chief Chuck Blumenauer, Utilities Director Carl Craig, Administrative Services Director Mark Widmann, Finance Director Pam Simecka, Development Services Director Charles Harrington, Community Services Director Tina Jauz, Engineering Services Director Jose Ortiz, General Services Director Regina Stephenson, Chief Information Officer Jennifer Frescaz, Solid Waste Director Jeffrey Ahrlett, Internal Auditor Shelby Zuniga, Budget Manager Jamie Minor, Animal Services Manager Leah Lewis, Multimedia Communications Specialist Tony Castaneda, Multimedia Communications Specialist Terrence Stokes, and Lead EUS Technician Kaitlyn Fuller.

Mayor Morales called the meeting to order at 8:36 a.m.

**SPECIAL SESSION**

1. The City Council will meet together with its Council appointees, administrative staff, department managers and others in a workshop to discuss and consider public policy, personnel issues, annexation issues, water-related issues, land acquisition and disposition issues, leasing city owned property for oil and gas development, park development and funding issues, street and road issues, infrastructure needs, privatization of City services and recreational activities, development issues, economic development issues, public health issues, public safety issues, and operational procedures of the City; and to develop priorities for the upcoming year and for long-term planning. The City Council shall also discuss and consider the goals and development of the City.

WELCOME: Mayor Morales opened with prayer, welcomed all, and made introductions. He emphasized Midland is one of the fastest growing cities in the nation and thanked each Council Member for their special contributions to the City. He provided a brief overview of today's activities and shared a short video on Midland.

DEPARTMENT PRESENTATIONS: City Manager Courtney Sharp reported that he asked each of his Department Managers to review activities for the last three years, review current activities, and review future activities. He thanked staff for their work.

Administrative Services – Administrative Services Director Mark Widmann reported in 2019 there were 1,103 full time equivalent (FTE) positions in the budget with 186 vacancies. 2020 has 1,127 FTEs. The Fire Department has 29 vacant positions and Police has 35 vacancies. He reviewed job fairs they have been to in the past and ones they plan to attend in the future. They recently hired a Human Resource Manager who will focus on recruiting. Employee compensation strategies were reviewed including sign-on incentives for hard to fill positions, pay progressions, cost of living increases and CDL retention incentives. He reviewed changes made to group health. Assistant City Manager Morris Williams added that the City continues to offer a full health service clinic for all employees.

Finance Department – Finance Director Pam Simecka reported their projects include the North Star Customer Service and Utility Billing Software and the Automated Meter Interface System. Staff is in the process of converting the software and they anticipate going live October 1, 2019. The North Star will allow customers to see data within hours instead of waiting for their bill at the end of the month. She reported that in the future, rather than using liens they will instead use a collection agency. The new meters will be able to be read through the cloud. The system will send notifications when the customer usage is high. The goal is to build in redundancy and have at least two readers that are able to read every meter in the City.

CISD – Chief Information Office Jennifer Frescaz reported they have three division: Communications, Information Systems and the Radio Shop. Completed projects include Office 365 Migration, Parks & Recreation reservation and facility management software, health records management system, microwave upgrade and completing WIFI at both aquatic centers. Projects they are working on include public safety hardware and software replacement, document and agenda management project, utility billing project, fiber connectivity to five City sites and emergency medical dispatch. Future projects include WIFI at parks and stadium and updated integrated access control which will allow employees access to buildings and computers. Goals and challenges include citywide connectivity with fiber buildout and cyber security training as a result of recent legislative changes.

Fire Department – Fire Chief Chuck Blumenauer shared how proposed salary increases will affect his employees noting it will make them more competitive and a great recruiting tool. There are six new ambulances in the budget as well as a fire truck. They will be building a wellness center at Central. He shared pictures of updates made to wellness facilities at Central and Station 9 and the kitchens at Central and Stations 3 and 8. He showed a drawing of changes to be made to lockers and baths at Central to be in compliance with gender standards. They switched all of their SCBA air packs so they now use one brand. Projects completed include new Station 6, Station 9 wellness facility, Central Station kitchens, Central Station lockers and bathroom, garage doors at Central and Station 3, Central roof, and kitchens at Stations 3 and 8. Their challenges are recruitment and retention and meeting the needs of our growing community. They are looking at different response models and plan to expand the squad program. When asked about response times Mr. Blumenauer reported they are meeting their goals the majority of the time, the biggest issues is construction that takes traffic down to one lane. He also confirmed that the pay incentives should help with the recruitment and retention issues as well as our work schedule of 48/96 versus other cities that offer 24/48.

Police Department – Police Chief Seth Herman, reported they completed the body worn camera project. They plan to expand the program to include all non-sworn personnel and detectives and to transition from the current in-car Panasonics to the Axon system. They completed the exterior stairwell, elevator refurbishment and evidence room storage enhancement at the Loraine Center. They plan to replace the current HVAC system, improve landscaping and expand usable space in the next few years. They completed the five-year strategic patrol staff plan that showed a need for an additional 33 patrol officers over the next five years. Their challenges include an average 20% deficit in sworn personnel and hiring/recruiting issues due to cost of living, housing issues, and civilian workforce opportunities. Their goal of implementing pay progressions, establishing special pay, implementing lateral transfers, and housing for recruits should help meet some of those challenges. Other challenges include traffic congestion, an increase of homeless/transient population, an influx of human trafficking, an increase in property crimes from groups outside of the Permian Basin, an increase in violent gangs/organized crime, and continuing status as a narcotic trafficking hub. He shared a graph of dispatch calls versus self-initiated calls and expressed concern that the department is now being more reactive than proactive. He reviewed the Uniform Crime Report Statistics noting there is a 24.35% increase in crimes and a decrease in part-one crimes. Their projects in progress include ticket writers, moving radar in every patrol unit, NOPTICS, implementing an on-line reporting system, and creating an information bridge with the Odessa PD. They plan to implement a joint operations center for anti-gang initiatives, create a regional public safety training facility, create a mental health/homeless outreach team, and a DWI enforcement team.

General Services – General Services Director Regina Stephenson, provided a general overview of their department functions including purchasing, facilities, vehicle services and the warehouse. Their upcoming projects include Fire Stations 5 and 11. She shared general sketches of what they will look like and shared the proposed project schedule noting they should be complete by June of 2021. Their last notable project was the demolition of Building of the Southwest at a total cost of \$2.2 million. Their department goal is to provide services quickly and efficiently to all City Departments demonstrating excellent customer service skills.

Engineering Services – Engineering Services Director Jose Ortiz reviewed the overall map of road bond projects showing a concentration in downtown. He shared a list of 26 projects that were completed or under construction. The road bond has freed up general fund dollars that will be used for mill and inlay on residential roads and shared the map of where they will be concentrating. Notable projects coming up include the construction of A and Wadley which is receiving a grant from the State and is scheduled to start this month; Tradewinds and Deauville will open more opportunities for expansion; and Business 349/Big Spring. Future projects will include extending Wadley and the Fairgrounds extension. He shared a map of future projects that will receive matching funds from MDC noting MDC has been working on securing right-of-way. He shared a map of all oil wells in the City emphasizing it is difficult for find areas for future roadways to deal with future growth. A future project is to extend Avalon out to Business I-20. He discussed impact fees noting they are trying to find a way to be fair and equitable for the use of long term development. He reviewed stats of potholes from 2013 to 2019 emphasizing that potholes mean road failure and shared a map of potholes in the City illustrating the worst areas are downtown. He reviewed the Pavement Condition Index (PCI) noting we are increasing dollars spent on maintenance. He reviewed the amount spent on capital projects showing it has increased nearly every year with an estimated cost of \$30 million in 2020. Their goal is to have \$25 million per year for maintenance. With the road bond they

are able to hit that mark but when the bond goes away the challenge is how to continue to have that amount of funds available

Community Services – Community Services Director Tina Jauz reviewed the makeup of her department including Parks & Recreation, Health Services, Animal Services, Sports Complex, Golf Course and Scharbauer-Lineberry House. They also did site work at Midland Center noting they are on-time and expect to be within budget. The Barbara and George H.W. Bush Convention Center will open in September for their first events. She reviewed a list of Parks & Recreation recent projects including Washington Aquatic Center, clubhouse flooring at Security Bank Ball Park, changes to the Bill Williams Softball Complex, Turf at Security Bank Ballpark, Auxiliary fields at Scharbauer Sports Complex, new recreational software, LED light upgrade at Scharbauer Sports Complex, Grande turf replacement, solar lighting at several parks, Dennis the Menace infrastructure and playground renovations, MLK gym equipment replacement, bathroom renovations at Security Bank Ballpark and retrofitting sports lighting at certain parks. Their challenges include meeting the demands of an increasing citizen population without increasing staff, practice and game fields for youth and adult sports, and recreational youth sports versus select sports for field use noting they cater to recreational sports because they are open to all people. Health and Senior Services completed a software conversion and made improvements to the Senior Center facility. They need funding for a new Health Department Building, additional personnel and a new senior center. Their challenges include HIPAA requirements and knowing the right amount of private vaccinations to acquire. The Golf Course is working on improving the turf quality and making improvements to restrooms on Roadrunner & Quail courses. They need a tournament pavilion and need to replace the pro shop and snack bar building. Animal Services projects include kennel renovation, exhaust fans, screen doors, interior office improvements and crematorium repairs. They need funding for a new shelter. Their challenges include lack of outdoor kennels and proper HVAC at the shelter all of which could be addressed with a new shelter.

Development Services Development Services Director Chuck Harrington reviewed activities for the last five years showing a drastic increase in permits. He shared stats of Code Maintenance including debris removed, lots mowed and lots cleared. He showed the number of oil and gas well permits issues from 2014-2018 showing a dramatic increase in the last two years. Planning Division projects completed included the Tall City Comprehensive Plan, revisions to off-premise sign regulations, traffic box art program, TxDOT grant for downtown pedestrian and bicycle improvements and the new zoning ordinance. Projects completed in the Community Development Division included workforce housing incentives, sidewalk and roadway improvements, reconstruction housing and other services such as Casa De Amigos. The Code Administration Division completed projects including integrated new building permit software, implemented iPad field operations for all inspectors, and adopted the 2018 International Codes. Upcoming projects include updating the Tall City Tomorrow plan, the landscape ordinance, and the sign code. They will also work on downtown alley revitalization, the median landscaping project, and will continue retail recruitment efforts. Their departmental challenges include legal issues relating to new legislation for building permit fees, restricting annexations, regulations of building materials and timing of project approvals.

**MDC PRESENTATION:** John Trischitti, the new executive director of MDC, introduced himself. Sarah Harris gave an overview of what the MDC has been doing including streamlining internal processes, their budget, and utilization of their economic development and promotion incentives and provided a few project updates. Gary Law explained their efforts in creating capabilities to unleash housing infrastructure that is constraining development and explained what engineering projects they are working on that will help the City get grants for road construction and

improvements. Tim Danielson explained his work in bringing companies to Midland that may have interest in the Spaceport Park. Mr. Trischitti wrapped up by noting that MDC is heavily invested in Priority Midland.

**PRIORITY MIDLAND UPDATE:** Mayor Morales provided a timeline for Priority Midland outlining when funds were authorized and when all important meetings have been held. The steering committee is composed of representatives from all economic facets of the City. The working group was launched in March. In April core working groups developed initiatives and projects to housing, infrastructure, education, quality of place and health and wellness. In May they began meeting twice a month and noted that all people on the committee are committed to making a difference. They have had internal meetings with each of the taxing entities. In August there will be a joint meeting with all taxing entities to review the results of the economic study. They are trying to build an affordable housing village to help with teachers, healthcare workers and the like. They are working with Permian Strategic Partnership on joint projects. For the first time ever all the taxing entities are looking at sharing resources and review challenges.

Bobby Burns reported this is a strong steering committee. Priority Midland is about pulling together to see what priorities and options there are and to move as quickly as possible from planning to action. He complimented Council for having the courage to unlock the money to begin this endeavor. The next steps are to transition away from the consultants and to look for private or foundation money to fund projects as they move along.

Grant Billingsly also thanked Council for the seed money. There are always two questions: "Where does the money come from?" and "Who will do the work?". This consulting team is leading a focused discussion, and everyone is seeing priorities rise to the top. There are 5 working groups that are each coming up with priorities for the community. The consultant has developed a road map that is eye opening and daunting. They are creating a nonprofit. Each taxing entity will address different levels of community requirements including roads, water, sewer, power, infrastructure, land use, and where we should grow residentially. Priority Midland would serve the function of community planning and the City and County will be asked to underwrite the comprehensive master plan. They are working along with MDC to run a program that would be funded by both the City and County. They are asking each entity to dedicate \$2.5 million dollars for each of the next two years. They will know at the end of year one if they need funding for year two. The staffing of the nonprofit will be underwritten by private entities. If the City and County can't come together on this issue, then there is no need to create the nonprofit. Priority Midland can create the backbone of support to help on the political side.

Mayor Morales called for brief break for lunch at 12:12 p.m. The meeting was reconvened at 12:35 p.m.

#### **DEPARTMENT PRESENTATIONS ENTERPRISE FUNDS:**

Solid Waste – Solid Waste Director Jeffrey Ahrllett reported their challenges are growth and equipment. There has been a huge increase in customer volume which is taxing the current equipment. Recycling was recently scaled back to two sites and they have seen contamination improved substantially. Upcoming projects including construction of a new landfill cell at an estimated \$7 million. They have an estimated 60 years of life left with the current land they own.

Water, Wastewater and Utilities Department – Utilities Director Carl Craigo reported the wastewater plant saw an increase of one million gallons per day which correlates to about

15,000 additional people. The water distribution project is looking at areas that are underserved. Other projects include the northeast water distribution and northeast water collection. The next project coming to Council will be the Wadley Tower piping and booster station that will increase pressure on the north side and improve water quality on the south side. There is a private company building a 12 inch water main from Quail Ridge out to Elkins which will be the second water feed to the area. On the west side the sewer will be extended from Briarwood two miles out past State Highway 158. Lift Station improvements will replace two lift stations at IH 20/CR 1273 and at the airport. He shared pictures of the Pioneer Project at the water pollution control plant noting they are about 40% complete. Departmental challenges include large projects with few contractors available, recruiting employees, broken pipes from both directional drilling and franchise utilities, and aging infrastructure.

Stormwater - Jose Ortiz reported this is a new enterprise fund that was approved last year. The funds will allow the City to deal with storm water. He shared a map of the 5-year drainage CIP plan noting what projects they will be addressing. The next project they will be addressing is Grafa Park.

Airport – Council Member Lacy reported Justine Ruff is on vacation. He reviewed the projects completed since 2017 including rehab of runways and taxiways, checkpoint modification, replacement of ARFF trucks, Runway Incursion Mitigation (RIM) Project, and Automated Weather Observation System improvements. Current ongoing projects includes airfield drainage, security access control system, removal of unnecessary emergency stairwells, parking lot project, passenger boarding bridge project, outbound baggage system, and renewing the Spaceport license. At airpark they are working on hangar development, a new pilot lounge, land release, NW executive hangars, and the WWII fuel spill. He reviewed the projects planned for the next five years. Challenges include employee burnout noting all airport operations staff have been working 12 hour shifts six days per week since November 2018.

**FUNDING OPTIONS:** Budget Manager Jamie Minor reviewed available funding options and shared the 2019 fund balance report and the proposed expenditures for 2019 Certificate of Obligations.

**POLICY DISCUSSION - ANIMAL SHELTER:** Tina Jauz introduced David Duman who reviewed conceptual drawings of the new animal shelter. He reported it would be built directly behind the existing animal shelter which will allow them to remain in operation during construction. The old facility would be demolished after the new facility is completed and then a parking lot would be constructed. He reviewed features of the new facility including separate entrances for dropping off animal and adopting animals. They will have isolation and quarantine areas that cannot be accessed by the public. The main cat adoption area will be in the front lobby with get-to-know rooms adjacent. There will be meeting/education rooms and a small clinic area with pre-op and post-op. The facility will include a lot of natural light in every room. Construction costs are estimates at \$11.8 million if constructed in 2020 or \$10.7 million if it is started in 2019. Mayor Morales reported they have a letter that can be sent to any entity requesting funds if someone knows anyone who might be interested in making a donation.

Mayor opened to other Council Members to present priorities.

- Council Member Lacy – new senior center and health department
- Council Member Trost – using extra area of Hogan Park Golf Course for future development. Council Member Hotchkiss noted that by the time the hike and bike trail is put in it will use up all the periphery area.
- Council Member Dufford – using oil and gas revenue to develop more ball fields

- Council Member Love – new senior citizen center and update SE Senior Center
- Council Member Trost – has an idea for landfill that he will bring at a future meeting

Mayor Morales noted that if there are any other ideas that Council thinks should be priority, they can be shared with Priority Midland and PSP.

Wrap up – Mayor Morales thanked everyone for their time.

Mayor recessed the meeting to go to Executive Session at 1:53 p.m.

### **EXECUTIVE SESSION**

2. Pursuant to Texas Government Code §551.101, the Council will hold an Executive Session which is closed to the public to discuss the following matters as permitted under the following Texas Government Code sections:
  - a. Personnel Matters, Section 551.074
    - a.1. Deliberate the employment, evaluation, and duties of the City Manager, City Attorney, City Secretary, Municipal Court Presiding Judge, and Municipal Court Associate Judge.
  - b. Deliberate Regarding Economic Development Negotiations, Section 551.087
    - b.1. Discuss business prospects that the City seeks to have, locate, stay, or expand in or near the City of Midland, Texas, and discuss possible incentives.

All of the business at hand having been completed, the meeting adjourned at 4:15 p.m.

PASSED AND APPROVED the 13th day of August 2019.

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Jerry Morales, Mayor

ATTEST:

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Amy M. Turner, City Secretary