

**MINUTES
REGULAR MEETING
TUESDAY, JULY 14, 2020**

The City Council of the City of Monahans, Texas convened on the above date at 3:00 p.m. in the Council Chambers of City Hall with the following members, officers and visitors present:

<i>David B. Cutbirth</i>	<i>Mayor</i>
<i>Rudy Hernandez</i>	<i>Council Member District No. 1</i>
<i>Jeppie S. Wilson</i>	<i>Council Member District No. 2/Mayor Pro Tem</i>
<i>Calvin Carrell</i>	<i>Council Member District No. 3</i>
<i>Ivy Valenzuela</i>	<i>Council Member District No. 4</i>
<i>Richard Hawkins</i>	<i>Council Member District No. 5</i>
<i>Rex M. Thee</i>	<i>City Manager</i>
<i>Tonya Todd</i>	<i>City Secretary</i>
<i>Alan Nicholas</i>	<i>Attorney for the City</i>
<i>Teresa Burnett</i>	<i>Executive Director Chamber of Commerce</i>
<i>Billy Riley</i>	<i>Chief of Police-MPD</i>
<i>Christy Sullivan</i>	<i>Monahans News</i>
<i>Ashley Adauto</i>	<i>Director Monahans Economic Development Corporation</i>

ITEM #1 & ITEM #2 Mayor Cutbirth called the meeting to order and Councilman Wilson gave the invocation.

ITEM #3 City Manager Rex M. Thee briefed the Council on approving the minutes of the June 23, 2020 Regular Council Meeting and July 1, 2020 Budget Workshop.

Motion by Councilman Carrell, seconded by Councilman Valenzuela to approve the minutes of the June 23, 2020, Regular Council Meeting and July 1, 2020 Budget Workshop, as presented.

Votes were as follows:

“Aye”	Rudy Hernandez
“Aye”	Jeppie Wilson
“Aye”	Calvin Carrell
“Aye”	Ivy Valenzuela
“Aye”	Richard Hawkins

Motion carried.

ITEM #4 Consider and Act Upon approving the following consent items:

- a. Accounts Payable in the amount of \$843,188.31
- b. Resolution No. 2020-025 Regarding Tax Roll Adjustments
- c. Monthly Reports/Minutes: (a) Airport Manager’s Monthly Report, (b) MEDC Minutes and Monthly Financial Report, (c) Building Permit Monthly Report, (d) Animal Control Monthly Report, (e) Municipal Court Monthly Report, (f) Code Enforcement Officer’s Monthly Report, (g) City Monthly Fund Balance Report,

(h) City Monthly Revenue and Expenditure Comparison Summary Report (i)
Monahans Chamber of Commerce Hotel Occupancy Tax Quarterly Report
(Code Enforcement Officer's Report not included.)

Motion by Councilman Hawkins, seconded by Councilman Valenzuela, to approve the consent items:

Votes were as follows:	“Aye”	Rudy Hernandez
	“Aye”	Jeppie Wilson
	“Aye”	Calvin Carrell
	“Aye”	Ivy Valenzuela
	“Aye”	Richard Hawkins

Motion carried.

ITEM #5 Presentation by citizens to be heard. Teresa Burnett, Executive Director of the Chamber of Commerce stated that the Women’s Division of the Chamber of Commerce will hold the 13th annual Pie Auction on July 23, 2020 at the Ward County Event Center. Ms. Burnett mentioned that the proceeds from this event will go to the “Nourishing Our Community Food 2 kids” program and she is very much appreciative of all the help and support she has always received in years past. Ashley Adatao, Director of the Monahans Economic Development Corporation mentioned that they are selling the 7 lots to complete the cul-de-sac in the East Parkway Subdivision. Ms. Adatao stated that the opening of PJ’s Coffee Shop has been a tremendous success. City Manager Rex M. Thee stated that the City of Monahans issued petition pages for the “The legal sale of mixed beverages” and the petition pages were returned without completing the required 625 signatures needed to call for an Election, in November. The petition pages will be formerly reviewed by the City Council at the August 11, 2020 meeting.

ITEM #6 City Manager Rex M. Thee briefed the Council with regards to a Pasture Grazing Lease with William E. Riley. Mr. Thee indicated that Mr. Riley grazes cattle and horses on the landfill and surrounding City property. Mr. Thee mentioned that the contract is essentially the same as last year’s one-year lease agreement and the benefits to this agreement include decreased grass fire hazard and having Chief Riley “patrolling” City property while checking his livestock, as well as the revenue from the agreement fee.

Motion by Councilman Wilson, seconded by Councilman Hawkins, to approve the Pasture Grazing Lease with William E. Riley, as presented.

Votes were as follows:	“Aye”	Rudy Hernandez
	“Aye”	Jeppie Wilson
	“Aye”	Calvin Carrell
	“Aye”	Ivy Valenzuela
	“Aye”	Richard Hawkins

Motion carried.

ITEM #7 City Manager Rex M. Thee briefed the Council with regards to the First Right of Refusal to purchase Airport Hangar Property from Kenneth Dutcher. Mr. Thee stated that Kenneth Dutcher has presented a letter asking to convey ownership of Hangar #13-4 to Vance Moore and the City can invoke Part 14 of the Airport Hangar Lease “First Right of Refusal” and

purchase the hangar. Mr. Thee indicated that Mr. Dutcher has an offer of \$15,000 for the hangar. Mr. Thee mentioned that at this time, there is no real benefit to the citizens to purchase the hangar and incur maintenance and upkeep costs during this downturn. Mr. Thee stated that Hangar Building #13 is currently leased by Henry Cutbirth whose lease would be affected if the City takes over ownership of #13-4.

Motion by Councilman Hernandez, seconded by Councilman Carrell to refuse the offer to purchase Airport Hangar #13-4 from Kenneth Dutcher.

Votes were as follows:

“Aye”	Rudy Hernandez
“Aye”	Jeppie Wilson
“Aye”	Calvin Carrell
“Aye”	Ivy Valenzuela
“Aye”	Richard Hawkins

Motion carried.

ITEM #8 City Manager Rex M. Thee briefed the Council with regards to the Public Funds Investment Report, Quarter Ending June 30, 2020. Mr. Thee stated that we work closely with Tejas Bank to ensure the city’s funds are protected, in accordance with the laws.

Motion by Councilman Wilson, seconded by Councilman Carrell to approve the Public Funds Investment Report, Quarter Ending June 30, 2020.

Votes were as follows:

“Aye”	Rudy Hernandez
“Aye”	Jeppie Wilson
“Aye”	Calvin Carrell
“Aye”	Ivy Valenzuela
“Aye”	Richard Hawkins

Motion carried.

ITEM #9 City Manager Rex M. Thee briefed the Council with regard to the Independent Audit Agreement with Smith and Rives, PC for fiscal Year End September 30, 2020. Mr. Thee indicated that the estimated fee is \$39,900 to \$51,900. Mr. Thee stated that the agreement is basically, the same agreement as the previous year with added wording informing clients about compliance with periodic auditor best practices peer review standards. Mayor Cutbirth mentioned that he anticipates getting a better deal with the decline of the economy the City’s revenues and expenditures will be down and there will be less information to audit from years past.

Motion by Councilman Hernandez, seconded by Councilman Valenzuela to approve the Independent Audit Agreement with Smith and Rives, PC for fiscal Year End September 30, 2020.

Votes were as follows:

“Aye”	Rudy Hernandez
“Aye”	Jeppie Wilson
“Aye”	Calvin Carrell
“Aye”	Ivy Valenzuela
“Aye”	Richard Hawkins

Motion carried.

ITEM #10 City Manager Rex M. Thee briefed the Council with regards to Resolution No. 2020-026 Allocation of Hotel Occupancy Tax (HOT) Funds FY 2020-2021. Mr. Thee indicated that the City has received requests from the Chamber of Commerce, Ward County and the Golf Association. Mr. Thee mentioned that a conservative expectation of '20-'21 HOT revenue is \$810,080.

Motion by Councilman Wilson, seconded by Councilman Hawkins to approve Resolution No. 2020-026: To authorize the City Manager to distribute Hotel Occupancy Tax Funds for FY 2020-2021 in the following manner based upon availability of funds and under certain conditions:

- a. Any entity or organization receiving funds must be in full compliance with requirements regarding the receipt of and proper expenditures of Hotel Occupancy Tax Funds as required in the Tax Code, Section 351 V.T.C.S (Act).
- b. Any entity or organization receiving Hotel Occupancy Tax Funds must verify and fulfill contractual obligations as required by Hotel Occupancy Tax Code stipulations and as required by the City of Monahans.
- c. Any entity or organization failing to fully comply with said requirements will have funding terminated.
- d. If Hotel Occupancy Tax Funding is not generated in a sufficient amount to equal approved funding requests, each entity/organization-funding amount will be pro-rated accordingly. Any surplus moneys collected shall be retained by the City to be expended pursuant to the Act by the City Council.
- e. The allocation of funding for the FY 2020-2021 year will be as follows:
 1. Chamber of Commerce Tourism up to \$163,595
 2. Museum Complex-Ward County up to \$ 50,000
 3. Airport Fly-In up to \$ 1,500
 4. Sundry Administration up to \$ 10,000
 5. Special Projects/Meetings/Events \$ 30,000
 6. City of Monahans (Utilities for Million Barrel Museum) \$ 10,000
 7. City of Monahans Existing Sports Facilities/Fields (SB 551) \$ 75,000
 8. Ward County Event Center Infrastructure/Activities \$400,000

Votes were as follows:

“Aye”	Rudy Hernandez
“Aye”	Jeppie Wilson
“Aye”	Calvin Carrell
“Aye”	Ivy Valenzuela
“Aye”	Richard Hawkins

Motion carried.

ITEM #11 City Manager Rex M. Thee briefed the Council with regards to Calling for a Public Hearing on the Proposed Budget for the City of Monahans 10/01/2020-09/30/2021 Budget Year.

Motion by Councilman Valenzuela, seconded by Councilman Hawkins to set the Public Hearing for the Proposed Budget for the 10/01/2020-09/30/2021 Budget Year on August 11, 2020 at the Regular Council Meeting at 3:00 p.m.

Votes were as follows:

“Aye”	Rudy Hernandez
“Aye”	Jeppie Wilson

“Aye” Calvin Carrell
“Aye” Ivy Valenzuela
“Aye” Richard Hawkins

Motion carried.

ITEM #12 EXECUTIVE SESSION: Mayor Cutbirth read the following statement in open session. “The City Council will begin its Executive Session on this 14th day of July 2020 at 3:23 p.m. Pursuant to the provisions of the Open Meetings Law – Texas Government Code, in accordance with the authority contained in:

- a. Section 551.074 Personnel Matters: Appointments to Planning and Zoning Board of Adjustment (Three Members).”

ITEM #13 OPEN SESSION: To take any action deemed necessary after executive session regarding:

- a. Section 551.074 Personnel Matters:
Consider and Act Upon Approving Resolution No. 2020-027 Appointments to Planning and Zoning Board of Adjustment (Three Members)

Mayor Cutbirth read the following statement in open session. “The City Council has completed its Executive Session on the 14th day of July 2020 at 3:28 p.m.”

Motion by Councilman Carrell, seconded by Councilman Hawkins to approve Resolution No. 2020-027: To appoint Arcadio Rivera, Mickey Mitchell and Johnny King to a two-year term as Planning and Zoning Board of Adjustment members, August 1, 2020 through July 31, 2022, subject to their acceptance.

Votes were as follows: “Aye” Rudy Hernandez
“Aye” Jeppie Wilson
“Aye” Calvin Carrell
“Aye” Ivy Valenzuela
“Aye” Richard Hawkins

Motion carried.

ITEM #14 Motion by Councilman Hawkins, seconded by Councilman Hernandez to adjourn meeting at 3:30 p.m.

Votes were as follows: “Aye” Rudy Hernandez
“Aye” Jeppie Wilson
“Aye” Calvin Carrell
“Aye” Ivy Valenzuela
“Aye” Richard Hawkins

Motion carried.

Passed and approved by the Monahans City Council on July 28, 2020.

ATTEST:

APPROVED:

Tonya Todd, City Secretary

David B. Cutbirth, Mayor