

**MINUTES
REGULAR MEETING
TUESDAY, AUGUST 11, 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>Absent-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 Aduato</i>	<i>Director Monahans Economic Development Corporation</i>
<i>Lorena Valle</i>	<i>Finance Director</i>
<i>Richard Covington</i>	<i>Public Works Director</i>
<i>Marie Chavez</i>	<i>Ward County Sports & Recreation Director</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 July 28, 2020 Regular Council Meeting.

Motion by Councilman Hernandez, seconded by Councilman Carrell to approve the minutes of the July 28, 2020, Regular Council Meeting, as presented.

Votes were as follows:	“Aye”	Rudy Hernandez
	“Aye”	Jeppie Wilson
	“Aye”	Calvin Carrell
	Absent	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 \$859,274.24
- b. Resolution No. 2020-029 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) Planning and Zoning Board of Adjustment Minutes

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

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

Motion carried.

ITEM #5 Presentation by citizens to be heard. Teresa Burnett, Executive Director of the Chamber of Commerce mentioned that they are helping to distribute a survey regarding interest in a food co-op in our community. Ms. Burnett stated that the food co-op offers grass-fed beef, cage-free eggs, and home-grown healthy foods. Ms. Burnett asked that anyone who receives the survey to please pass it on to others, fill out and return to the Chamber. Mayor Cutbirth asked Ashley Aduato where things stand with the grant for fiber optic internet? Ms. Aduato stated that the request for a \$4 million-dollar grant for 5G fiber lines was turned in at the end of July 2020 and that she hopes to hear back in a couple of months. Mr. Thee introduced the Ward County Sports & Recreation Director Marie Chavez and Mayor Cutbirth welcomed Ms. Chavez to our community. Ms. Chavez thanked everyone for the welcome.

ITEM #6 City Manager Rex M. Thee briefed the Council with regards to the Public Hearing for comments regarding the 2020-2021 Fiscal Year Proposed Budget. Mayor Cutbirth opened the Public Hearing on the 2020-2021 Fiscal Year Budget. Mayor Cutbirth stated that while continuing to develop our community, this year's budget has been cut approximately \$1 million dollars and we would be looking at a .66 cent tax rate if it wasn't for the sales tax reduction used to calculate the property taxes. City Manager Rex M. Thee stated that he would like to go over a few highlights of the budget and the Public Notice for the Budget Hearing was published in the paper and on the City's, website as required by law. Mr. Thee indicated that this budget proposes operational expenditures of \$9,828,669 and total projected revenues of \$10,428,797. Mr. Thee gave a summary of the budget regarding major capital expenditures and stated that water utility fees will not be increased this year. Mr. Thee stated that the Bulk water rate will increase 35% from \$10.00 to \$13.50 per 1,000 gallons. Mr. Thee mentioned that this year's budget reflects a property tax rate in the amount of .35000 cents per \$100 valuation. Mr. Thee stated that the purchase of good equipment over the past several years has left the city in great shape. Mr. Thee mentioned that this budget allows for the purchase of 50 new dumpsters, the possible purchase of property, and seal coating projects. Mr. Thee mentioned with the anticipated completion of East 8th, East 12th and Victor Avenue, around the new elementary school, next year, for accounting and auditing purposes, he budgeted \$660,496 in expenditures. Mr. Thee stated that this budget does not reflect across the board raises, however, merit raises will be

considered. No comments received from the public and Mayor Cutbirth closed the Public Hearing.

ITEM #7 City Manager Rex M. Thee briefed the Council regarding First Reading of Ordinance No. 1280 Adopting the Fiscal Year Budget October 1, 2020 to September 30, 2021. Mr. Thee indicated that current law requires only one hearing on the budget and allows first reading at the same meeting.

Motion by Councilman Carrell, seconded by Councilman Wilson, to approve Ordinance No. 1280:

ORDINANCE NO. 1280

AN ORDINANCE OF THE CITY OF MONAHANS, TEXAS ADOPTING THE BUDGET FOR THE CITY OF MONAHANS, FOR THE FISCAL YEAR BEGINNING ON OCTOBER 1, 2020, AND ENDING ON SEPTEMBER 30, 2021, AND REVISING THE BUDGET FOR THE PRECEDING FISCAL YEAR ENDING SEPTEMBER 30, 2020.

Section 1. The budget, allocation of funds, expenditure classification, position classification/pay plan and incentive benefit plan, for the City of Monahans, for the fiscal year beginning October 1, 2020, and ending on September 30, 2021, as shown therein words and figures be, and is hereby finally approved and adopted.

Section 2. The sum of \$13,130,693 is hereby appropriated for budget allocations in the amounts shown as follows:

General Fund	\$ 7,584,022
System Fund	\$ 5,546,671
Utility Deposit Fund	\$ 175,136
Hotel Occupancy Tax Fund	\$ 3,511,042
Police Asset Fund	\$ 890
Municipal Court Security Fund	\$ 28,531
Municipal Court Technology Fund	\$ 19,295

Section 3. That the budget of the City of Monahans, Texas, for the fiscal year beginning on October 1, 2019 and ending on September 30, 2020, as shown therein words and figures be, and is hereby “Revised 2019-2020” in the budget for the fiscal year beginning on October 1, 2020, and ending on September 30, 2021.

Section 4. That all monies anticipated for collection and disbursements under this Ordinance shall be indicated as revenue and expenditures by the City Manager in the preparation of the annual budget; and the Director of Finance shall keep accurate and complete records of all monies collected under this Ordinance and of the purposes for which same are expended.

Section 5. That all monies collected which are not specifically appropriated shall be deposited in the General Fund.

Votes were as follows:

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

Motion carried.

ITEM #8 City Manager Rex M. Thee briefed the Council regarding Second and Final Reading of Ordinance No. 1279 amending Section 26-10 (e) Wholesale/ Bulk Water Rates. Mr. Thee indicated that the rate will increase from \$10.00 per 1,000 gallons to \$13.50 per 1,000, gallons which is a 35% increase. Mr. Thee mentioned that the new rate would go into effect October 1, 2020 and depending on the oil industry, this will generate anywhere from \$20,000 to \$50,000 in additional revenue. Mr. Thee stated that this is the final reading of this Ordinance.

Motion by Councilman Hawkins, seconded by Councilman Wilson to approve Ordinance No. 1279:

ORDINANCE NO. 1279

AN ORDINANCE AMENDING SECTION 26-10 (e); OF THE CODE OF ORDINANCES OF THE CITY OF MONAHANS, TEXAS; WHOLESAL/BULK WATER RATES; RESCINDING ALL ORDINANCES IN CONFLICT, AND DECLARING AN EFFECTIVE DATE.

Section 1: That Section 26-10 (e) Wholesale/Bulk Water Rates of the Code of Ordinances, City of Monahans, Texas, is hereby amended.

Water rates to be charged and collected by the city from all customers obtaining service from such system are fixed as set forth below.

(e) Wholesale/Bulk Water Rates:

Water to be used or resold for non-potable purposes (*Not for human consumption*).

Point of Delivery – Inside City Limits

Per 1,000 gallons\$13.50 per 1,000

Point of Delivery-Outside City Limits

Per 1,000 gallons.....\$13.50 per 1,000

Rates for customers with separate delivery systems will be charged as per individual contract terms.

Section 2: All Ordinances in conflict with this ordinance are hereby rescinded.

Section 3: Wholesale/Bulk Water Rate Schedule to become effective October 1, 2020.

Votes were as follows:

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

Motion carried.

ITEM #9 City Manager Rex M. Thee briefed the Council with regards to approving the 2020 Certified Appraisal Roll from Ward County Appraisal District and Winkler County Appraisal District.

Motion by Councilman Wilson, seconded by Council Hernandez to approve the 2020 Certified Appraisal Roll from Ward County Appraisal District and Winkler County Appraisal District.

Votes were as follows:

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

Motion carried.

ITEM #10 City Manager Rex M. Thee briefed the Council with regards to proposing the 2020 Ad Valorem Tax Rate. Mr. Thee indicated that the current rate is \$.33000 per \$100 valuation. Mr. Thee stated that the No-New Revenue tax rate is \$.36261, the Voter-Approval tax rate is \$.39782, and the De Minimis tax rate is \$.49513. Mr. Thee mentioned that the proposed tax rate is not greater than the no-new revenue rate, which means the City is not proposing to increase property taxes for the 2020 tax year and the proposed rate is not greater than the voter-approval rate and therefore the City is not required and cannot be petitioned to hold an election for voter approval of the rate. Mr. Thee stated that the budget reflects a .35000 per \$100 valuation property tax rate.

Motion by Councilman Hawkins, seconded by Councilman Hernandez to propose the 2020 Ad Valorem Tax Rate at .35000 per \$100 valuation.

Votes were as follows:

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

Motion carried.

ITEM #11 City Manager Rex M. Thee briefed the Council with regards to scheduling Public Meeting to vote on the 2020 Proposed Ad Valorem Tax Rate and Announce Date, Time and Place of the Meeting. Mr. Thee stated that since the rate is not a tax increase, no Public Hearing is required and we just need to set a public meeting to vote.

Motion by Councilman Carrell, seconded by Councilman Hawkins to schedule the Public Meeting to vote on the proposed tax rate for August 25, 2020, at 3:00 p.m. at the Council Chambers of City Hall, 112 West 2nd Street, Monahans, Texas.

Votes were as follows:

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

Motion carried.

ITEM #12 City Manager Rex M. Thee briefed the Council with regards to approving Publicity and Tourism Agreements for 2020-2021. Mr. Thee mentioned the agreement for Monahans Chamber of Commerce includes funds in the amount of \$163,595 and the agreement for Ward County includes funds in the amount of \$450,000.

Motion by Councilman Wilson, seconded by Councilman Hawkins to approve the Publicity and Tourism Agreements with the Chamber of Commerce in the amount of \$163,595 and Ward County in the amount of \$450,000 for FY 2020-2021.

Votes were as follows:

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

Motion carried.

ITEM #13 City Manager Rex M. Thee briefed the Council with regards to Petition Pages issued July 10, 2020 to Legalize/“The legal sale of mixed beverages.” Mr. Thee indicated that petition pages were presented to the City Secretary, by ANG Texas Hospitality, LLC. for an election in November to make legal, in Monahans, the sale of mixed beverages. Mr. Thee stated that 625 signatures were needed and the petition had 400 un-confirmed signatures.

Motion by Councilman Hawkins, seconded by Councilman Hernandez to acknowledge receipt of Petition Pages presented July 10, 2020 for the legal sale of mixed beverages, the names of the 400 un-confirmed signers are acknowledged and the petition has failed to meet the required number of valid signatures and no Election will be called.

Votes were as follows:

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

Motion carried.

ITEM #14 City Manager Rex M. Thee briefed the Council with regards to Resolution No. 2020-031 a Replat of Lot 2, Block 33, Desert Ridge Addition, City of Monahans, Ward County, Texas.

Motion by Councilman Carrell, seconded by Councilman Hernandez to approve Resolution No. 2020-031: To approve the Replat of Lot 2, Block 33, Desert Ridge Addition, City of Monahans, Ward County, Texas.

Votes were as follows:

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

Motion carried.

ITEM #15 Motion by Councilman Hawkins, seconded by Councilman Hernandez to adjourn meeting at 3:37 p.m.

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

Motion carried.

Passed and approved by the Monahans City Council on August 25, 2020.

ATTEST:

APPROVED:

Tonya Todd, City Secretary

David B. Cutbirth, Mayor