

**MIDLAND CITY COUNCIL
BRIEFING SESSION
MINUTES
May 25, 2021**



The City Council convened in briefing session in the Council Chamber, City Hall, Midland, Texas, at 9:45 a.m. May 25, 2021.

Council Members present: Patrick Payton, Spencer Robnett, Michael Trost, Scott Dufford, John Norman, Jack Ladd, Lori Blong

Council Members absent: None

Staff members present: City Manager Robert Patrick, City Attorney John Ohnemiller

The meeting was called to order at 9:46 a.m.

The following matter(s), and any matter listed on the agenda for this meeting, may be discussed by the City Council:

1. Receive an update from the Finance Department regarding treasury guidance for the American Rescue Plan Act (ARPA).

City Manager Robert Patrick gave a brief overview noting that Finance Director Mark Mason would review possible uses of the ARPA money.

Finance Director Mark Mason reported they received interim guidelines for the use of ARPA funds. The rules may change, but it is likely there will not be material changes. Midland was awarded \$24,988,224.00 and the funds will be given in two separate tranches. The first tranche was received last week and the second is expected in one year. The purpose is to address the economic fallout due to COVID-19 and is designed to bring jobs back and to lay a foundation for a strong recovery. He reviewed the potential uses of the funds and how the revenue loss was calculated.

The timeline requires all funds to be obligated by December 31, 2024 and spent by December 31, 2026. Money not spent/obligated must be returned. There is a report that has to go out by August 31, 2021 and quarterly reporting through 2026.

City staff reviewed the guidelines and has a recommendation for the use of the funds. Staff believes the cleanest use is to use the funds for water and sewer utilities. There are four bond projects left to do and those could be paid for with the ARPA funds and then the bond funds could be used for other one time projects such as the Cloverdale project which is in a low income area and would be a perfect use of the funds. Discussion ensued about various

projects. The projects listed by staff could all be completed by the deadline.

Council Member Trost asked if the funds could be used to make up for the shortfall in the hotel occupancy tax. Mr. Mason reported it could not refund the hotel tax.

All the business at hand having been completed, the meeting adjourned at 10:06 a.m.

PASSED AND APPROVED June 8, 2021.

Patrick Payton, Mayor

ATTEST:

Amy M. Turner, City Secretary