



Board Binder Open Session

June 5, 2023

Agenda



**MIDLAND DEVELOPMENT CORPORATION AS AUTHORIZED BY CHAPTER 504 OF THE TEXAS
LOCAL GOVERNMENT CODE**

NOTICE OF PUBLIC MEETING

In accordance with Chapter 551, Texas Government Code, as amended, notice is hereby given to the public that the Board of Directors of the Midland Development Corporation will meet in regular session, open to the public, in the Midland Chamber of Commerce board room, 303 West Wall Street, Suite 200, Midland, Texas, at 10:00 a.m. on June 5, 2023. A quorum of the Board of Directors of the Midland Development Corporation intends to be physically present at the aforementioned location.

Videoconference Information

Join Zoom Webinar

<https://us02web.zoom.us/j/89080452618?pwd=NG41aCsrNctjM1JVeUF2YWwzRWVWdz09>

Passcode: 108687

Or join by phone:

Dial(for higher quality, dial a number based on your current location):

US: +1 346 248 7799 or +1 669 444 9171 or +1 669 900 9128 or +1 719 359 4580 or +1 253 205 0468 or +1 253 215 8782 or +1 646 558 8656 or +1 646 931 3860 or +1 689 278 1000 or +1 301 715 8592 or +1 305 224 1968 or +1 309 205 3325 or +1 312 626 6799 or +1 360 209 5623 or +1 386 347 5053 or +1 507 473 4847 or +1 564 217 2000

Webinar ID: 890 8045 2618

Passcode: 108687

International numbers available: <https://us02web.zoom.us/j/89080452618?pwd=NG41aCsrNctjM1JVeUF2YWwzRWVWdz09>

At such meeting, the Board of Directors may discuss, consider, and take action on any of the following items:

1. Call meeting to order.
2. Motion approving the minutes of the May 1, 2023, meeting of the Midland Development Corporation.
3. Motion appointing a subcommittee to review and advise the Midland Development Corporation Board of Directors regarding requests for promotional support.
4. Resolution appropriating funds from the Midland Development Corporation's 2021-2022 fiscal year budget to be used for promotional purposes, as authorized by Chapter 504 of the Texas Local Government Code.
5. Resolution ratifying a Memorandum of Agreement between the Midland Development Corporation and the Permian Basin Workforce Development Board; said Memorandum of Agreement being a condition precedent to the Midland Development Corporation's receipt of a high-demand jobs training grant from the Texas Workforce Commission.

6. Presentation on the May 2023 monthly expenses and economic development activity report from the Midland Development Corporation Executive Director and staff.
7. Pursuant to Texas Government Code §551.101, the Board of Directors 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. Section 551.087 Deliberation Regarding Economic Development Negotiations
 - i. Discuss business prospects that the Midland Development Corporation seeks to have, locate, stay, or expand in or near the City of Midland, Texas, and discuss possible incentives, and discuss contract compliance on the part of businesses.

Posted this 2nd day of June 2023.

Marcia Bentley German
City Governance Officer/City Secretary

May 1st Minutes

MIDLAND DEVELOPMENT CORPORATION

MINUTES

May 01, 2023

The Board of Directors of the Midland Development Corporation convened in regular session at the Midland Chamber of Commerce board room, 303 West Wall Street, Suite 200, Midland, Texas, at 10:00 a.m. on May 01, 2023.

Board Members present: Chairman Chase Gardaphe, Director Berry Simpson, Director Lourcey Sams, Director Jill Pennington, Director Lucy Sisniega, and Director Zachary Deck

Board Members absent: Director Brad Bullock

Staff Members present: Assistant City Manager Tina Jauz, City Attorney Nicholas Toulet-Crump, Director of Engineering Jose Ortiz, Director of Finance Christy Weakland, Director of Airports Justine Ruff, and Deputy City Secretary Vanessa White

Council Member(s) present: Mayor Lori Blong, Council Member Amy Stretcher Burkes, Council Member Dan Corrales, and Council Member John Norman

MDC Staff Members present: Executive Director Sara Harris, Business Retention & Expansion Coordinator Sammi Steele, and Marketing & Administrative Coordinator Gabrielle Franks

1. Call meeting to order.

Chairman Gardaphe called the meeting to order at 10:02 am

2. Motion approving the minutes of the March 27, 2023, meeting of the Midland Development Corporation.

Director Pennington moved to approve minutes of the March 27, 2023, meeting of the Midland Development Corporation, seconded by Director Simpson. The motion carried by the following vote: AYE: Gardaphe, Sams, Sisniega, and Deck. NAY: None. ABSTAIN: None. ABSENT: Bullock.

3. Motion approving the minutes of the April 4, 2023, meeting of the Midland Development Corporation.

Director Simpson moved to approve minutes of the April 4, 2023, meeting of the Midland Development Corporation, seconded by Director Sams. The motion carried by the following vote: AYE: Gardaphe, Pennington, Sisniega, and Deck. NAY: None. ABSTAIN: None. ABSENT: Bullock.

4. Receive and discuss the Independent Auditors' Report and the Basic Financial Statements for the Fiscal Year 2021-2022 presented by Christy Weakland, Director of Finance for the City of Midland.

Christy Weakland, Director of Finance for the City of Midland discussed the Independent Auditors' Report and the Basic Financial Statements for the Fiscal Year 2021-2022.

5. Resolution authorizing the execution of a promotional agreement with Bush Tennis Center, Inc., to advertise and publicize the City of Midland for the purpose of developing new and expanded business enterprises.

Director Simpson moved to approve Resolution ED-439 authorizing the execution of a promotional agreement with Bush Tennis Center, Inc., to advertise and publicize the City of Midland for the purpose of developing new and expanded business enterprises, seconded by Director Pennington. The motion carried by the following vote: AYE: Gardaphe, Sams, Sisniega, and Deck. NAY: None. ABSTAIN: None. ABSENT: Bullock.

6. Resolution approving the execution of an economic development agreement with the City of Midland providing for median additions to be located at the intersection of State Highway 191 and State Highway 158; and authorizing payment therefor.

Director Sams moved to approve Resolution ED-440 approving the execution of an economic development agreement with the City of Midland providing for median additions to be located at the intersection of State Highway 191 and State Highway 158; and authorizing payment therefor, seconded by Director Sisniega. The motion carried by the following vote: AYE: Gardaphe, Simpson, Pennington, and Deck. NAY: None. ABSTAIN: None. ABSENT: Bullock.

7. Resolution authorizing the execution of a professional services agreement with Kimley-Horn and Associates, Inc., in the amount of \$1,443,050.00 for professional services related the widening and improving of State Highway 158 from Sinclair Avenue to Wadley Avenue, and from Wadley Avenue to Briarwood Avenue; and authorizing payment for said agreement.

Director Sams moved to approve Resolution ED- 441 authorizing the execution of a professional services agreement with Kimley-Horn and Associates, Inc., in the amount of \$1,443,050.00 for professional services related the widening and improving of State Highway 158 from Sinclair Avenue to Wadley Avenue, and from Wadley Avenue to Briarwood Avenue; and authorizing payment for said agreement, seconded by Director Simpson. The motion carried by the following vote: AYE: Gardaphe, Pennington, Sisniega and Deck. NAY: None. ABSTAIN: None. ABSENT: Bullock.

8. Resolution authorizing the execution of an amendment to that certain demolition contract with Midwest Wrecking Co. of Texas, Inc.; and authorizing payment for said amendment.

Director Pennington moved to approve Resolution ED- 442 authorizing the execution of an amendment to that certain demolition contract with Midwest Wrecking Co. of Texas, Inc.; and authorizing payment for said amendment, seconded by Director Deck.

The motion carried by the following vote: AYE: Gardaphe, Simpson, Sisniega and Sams. NAY: None. ABSTAIN: None. ABSENT: Bullock.

9. Resolution authorizing the execution of a letter agreement with the City of Midland for the demolition and removal of the existing facility and improvements located at 405 North Loraine Street, Midland, Texas.

Director Sams moved to approve Resolution ED-443 authorizing the execution of a letter agreement with the City of Midland for the demolition and removal of the existing facility and improvements located at 405 North Loraine Street, Midland, Texas, seconded by Director Simpson. The motion carried by the following vote: AYE: Gardaphe, Pennington, Sisniega and Deck. NAY: None. ABSTAIN: None. ABSENT: Bullock.

10. Presentation on the April 2023 monthly expenses and economic development activity report from the Midland Development Corporation Executive Director and staff.

Sara Harris gave an overview of the month's expenses, and economic development activity. Gabrielle Franks updated the board with the social media stats. Sammi Steele gave an overview of the business retention and expansion program in April.

Board recessed into executive session at 11:15 a.m.

- a. Section 551.072 Deliberation Regarding Real Property
 - i. Discuss the sale, exchange, lease or value of real property described as Lots 5 and 6, Block 35, Original Town of Midland, an addition to the City of Midland, Midland County, Texas.
 - ii. Discuss the sale, exchange, lease or value of real property described as Lots 1A and 9-12, Block 35, Original Town of Midland, an addition to the City of Midland, Midland County, Texas.
- b. Section 551.087 Deliberation Regarding Economic Development Negotiations
 - i. Discuss business prospects that the Midland Development Corporation seeks to have, locate, stay, or expand in or near the City of Midland, Texas, and discuss possible incentives, and discuss contract compliance on the part of businesses.

Board reconvened into open session at 11:42 a.m.

11. Motion authorizing the Chairman to negotiate and execute an agreement in an amount not to exceed \$200,000.00 to provide ground cover for certain real property located on Block 35, Original Town of Midland, an addition to the City of Midland, Midland County, Texas.

Director Simpson moved to defer the motion to negotiate and execute an agreement in an amount not to exceed \$200,000.00 to provide ground cover for certain real

property located on Block 35, Original Town of Midland, an addition to the City of Midland, Midland County, Texas, seconded by Director Sams The motion carried by the following vote: AYE: Gardaphe, Pennington, Sisniega, and Deck. NAY: None. ABSTAIN: None. ABSENT: Bullock.

All the business at hand having been completed, Chairman Gardaphe adjourned the meeting at 11:44 a.m.

Respectfully submitted,

Vanessa White, Deputy City Secretary

PASSED AND APPROVED the 5th Day of June 2023.

Jill Pennington, Secretary

Promotional Funds Appropriation

RESOLUTION NO. _____

**RESOLUTION APPROPRIATING FUNDS FROM THE
MIDLAND DEVELOPMENT CORPORATION'S
2021-2022 FISCAL YEAR BUDGET TO BE USED FOR
PROMOTIONAL PURPOSES, AS AUTHORIZED BY
CHAPTER 504 OF THE TEXAS LOCAL GOVERNMENT
CODE**

WHEREAS, pursuant to Chapter 504 of the Texas Local Government Code, the Midland Development Corporation may spend no more than ten percent (10%) of the corporate revenues for promotional purposes; and

WHEREAS, the Board of Directors finds it to be in the public interest to appropriate the sum of \$1,526,320.00 from the Midland Development Corporation's fiscal year 2021-2022 budget to Project No. 800705 for promotional purposes; and

WHEREAS, the Board of Directors finds that said project will advertise or publicize the City of Midland for the purposes allowed under Chapter 504 of the Texas Local Government Code;

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS
OF THE MIDLAND DEVELOPMENT CORPORATION:**

SECTION ONE. That the sum of \$1,526,320.00 is hereby appropriated from the Midland Development Corporation (235) Unappropriated Fund Balance (35650) to the Midland Development Corporation Promotions Project (800705). This sum will be reviewed after all income and expenses for the 2021-2022 fiscal year have been received, and this sum may be reduced by future Board action in a budget reconciliation resolution; in no event shall the sum appropriated for promotional purposes exceed ten percent (10%) of the corporate revenues.

SECTION TWO. That the sum appropriated shall not be expended without the approval of the Midland Development Corporation Board of Directors and the Midland City Council.

On motion of Director _____, seconded by Director _____, the above and foregoing resolution was adopted by the Board of Directors of the Midland

Development Corporation at a regular meeting on the _____ day of _____, AD,
2023, by the following vote:

Directors voting “AYE”:

Directors voting “NAY”:

CHASE GARDAPHE,
Chairman of the Midland
Development Corporation

ATTEST:

JILL PENNINGTON,
Secretary of the Midland
Development Corporation

APPROVED AS TO FORM ONLY:

JOHN OHNEMILLER,
Attorney for the Midland
Development Corporation

Permian Basin
Workforce
Development
Board High
Demand Jobs
Training Grant

RESOLUTION NO. _____

RESOLUTION RATIFYING A MEMORANDUM OF AGREEMENT BETWEEN THE MIDLAND DEVELOPMENT CORPORATION AND THE PERMIAN BASIN WORKFORCE DEVELOPMENT BOARD; SAID MEMORANDUM OF AGREEMENT BEING A CONDITION PRECEDENT TO THE MIDLAND DEVELOPMENT CORPORATION'S RECEIPT OF A HIGH-DEMAND JOBS TRAINING GRANT FROM THE TEXAS WORKFORCE COMMISSION

WHEREAS, the Chairman of the Board of Directors executed a certain Memorandum of Agreement between the Midland Development Corporation and the Permian Basin Workforce Development Board, which is a condition precedent to the Midland Development Corporation's receipt of a high-demand jobs training grant from the Texas Workforce Commission; and

WHEREAS, the Board of Directors finds it to be in the public interest to ratify the Memorandum of Agreement between the Midland Development Corporation and the Permian Basin Workforce Development Board;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE MIDLAND DEVELOPMENT CORPORATION:

THAT the Memorandum of Agreement between the Midland Development Corporation and the Permian Basin Workforce Development Board, which is a condition precedent to the Midland Development Corporation's receipt of a high-demand jobs training grant from the Texas Workforce Commission, is hereby ratified and approved. Said Memorandum of Agreement being attached hereto as Exhibit A and incorporated herein for all purposes.

On motion of Director _____, seconded by Director _____, the above and foregoing resolution was adopted by the Board of Directors of the Midland Development Corporation at a regular meeting on the _____ day of _____, A.D., 2023, by the following vote:

Directors voting "AYE":

Directors voting “NAY”:

CHASE GARDAPHE,
Chairman of the Midland
Development Corporation

ATTEST:

JILL PENNINGTON,
Secretary of the Midland
Development Corporation

APPROVED AS TO FORM ONLY:

JOHN OHNEMILLER,
Attorney for the Midland
Development Corporation

**MEMORANDUM OF AGREEMENT
BETWEEN
PERMIAN BASIN WORKFORCE DEVELOPMENT BOARD
AND
MIDLAND DEVELOPMENT CORPORATION**

This Memorandum of Agreement (MOA) sets forth the terms of agreement between the Permian Basin Workforce Development Board, herein after referred to as PBWDB, and Midland Development Corporation, herein after referred to as MDC.

I. PURPOSE OF MOA

The continued growth of the energy (oil and gas) industry has increased the demand and has highlighted the need for additional training and testing of certified drivers. PBWDB identified Heavy and Tractor-Trailer Truck Drivers as one of the high demand occupations in the Permian Basin Workforce Development Area (WDA) and the occupation is on its Targeted Occupation List. MDC will authorize the use of its sales tax funds to purchase equipment to address this need through an agreement with Midland College. PBWDB and MDC are entering into this Agreement to seek a High Demand Training Grant from the Texas Workforce Commission in order to provide funding to address the need of industry in the Permian Basin WDA to supply additional training and by extension additional licensed and certified drivers to meet industry's need.

II. GENERAL PROVISIONS

The grant funds will not be used to encourage or induce relocation or for customized or skill training or related activities after relocation. (WIOA § 181(d)(1) and (d)(2), 29 U.S.C. § 2931(d)(1) and (d)(2)).

The Parties will comply with Texas Government Code, Chapter 2264, Restrictions on Use of Certain Public Subsidies.

It is understood by the Parties that each should be able to fulfill its responsibilities under this MOA in accordance with the provisions of law and regulation which govern their activities. Nothing in this MOA is intended to negate or otherwise render ineffective any such provisions or operating procedures.

If at any time either Party is unable to perform its functions under this MOA consistent with such Party's statutory and regulatory mandates, the affected Party shall immediately provide written notice to the others to establish a date for mutual resolution of the conflict.

III. RESPONSIBILITIES OF THE PARTIES UNDER MOA

In consideration of the mutual aims and desires of the Parties to this MOA and in recognition of the benefit to be derived from effective implementation of the program involved, the Parties agree that their responsibilities under this MOA shall be as follows.

Exhibit A

A. Coordination of Services of Both Parties

Both Parties agree to identify opportunities for collaboration, coordination, and elimination of barriers to cooperation and to ensure the maintenance of an effective collaborative working relationship between each Party. To fulfill this agreement the Parties will:

1. Designate a liaison whose functions will include serving as a resource to their organization for implementation of the MOA; providing guidance for the implementation of services under the MOA; coordinating communication and meetings between the Parties to review procedures and other issues related to the MOA; and
2. Provide informational materials, including posters, flyers, or brochures to be displayed by both Parties as requested.

B. PBWDB shall:

1. Ensure funds provided to the PBWDB will be used to match MDC's sales tax funding for heavy duty truck driving job training on a dollar-for-dollar basis up to \$150,000 per year and will fund the following:

PROJECTED COST	ACTIVITIY
\$85,000	Award 39 students – 50% scholarship for transportation training
\$65,000	Partial purchase of one new 2024 Peterbilt Standard Transmission truck trailer

The additional cost of \$139,000 for the full purchase price of the truck will be paid by the MDC, as detailed below.

2. Provide periodic progress reports to the Texas Workforce Commission (TWC) according to dates listed in its contract with TWC, in a format required by TWC;
3. Comply with the TWC *Financial Manual for Grants and Contracts*; and
4. Provide staff liaison for MDC, serve as the contractor with TWC for the High Demand Grant, process payment of the grant funding to MDC, and prepare and submit the periodic reports to TWC on behalf of PBWDC and MDC.

C. MDC shall:

1. Enter into an agreement with Midland College to provide funding for the following:

PROJECTED COST	ACTIVITIY
\$139,000	Cover the balance for the cost of the 2024 Peterbilt truck referenced above
\$12,000	Purchase modified seat installments for 2024 Peterbilt truck

2. Provide periodic narratives, according to the timeframe listed in PBWDB's contract with TWC. The narrative shall include, but is not limited to, the number of participants trained and/or assessed and the costs expended for each activity conducted during the reporting period.

IV. DISPUTE RESOLUTION

In the instance of a dispute between the Parties to this MOA, the process for resolution is agreed to in the order as listed below.

1. Informal discussion between the Parties of the issues of disagreement.
2. Failing agreement during the informal discussion, the Parties will enter a formal discussion of the disagreement.
3. Failing to find a resolution in the proceeding discussions, outside mediation should be considered.

V. WAIVER OF ATTORNEY FEES

By executing this MOA, the Parties agree to waive and do hereby knowingly, conclusively, voluntarily and intentionally waive any claim they have or may have in the future against each other regarding the award of attorney's fees, which are in any way related to the MOA, or the construction, interpretation or breach of this MOA. The Parties specifically agree that if either Party brings or commences any legal action or proceeding related to this moa, the construction, interpretation, validity or breach of this MOA, including but not limited to any action pursuant to the provisions of the Texas Uniform Declaratory Judgments Act (Texas Civil Practice and Remedies Code section 37.001, et seq., as amended), or Chapter 271 of the Texas Local Government Code, that Party agrees to abandon, waive and relinquish any and all rights to the recovery of attorney's fees to which that Party might otherwise be entitled.

The Parties agree that this is the voluntary and intentional relinquishment and abandonment of a presently existing known right. The Parties acknowledge that they understand all terms and conditions of this MOA. The parties further acknowledge and agree that there was and is no disparity of bargaining power between PBWDB and MDC. This section shall not be construed or interpreted as a waiver of governmental immunity.

The Parties are relying on their own judgment. Each Party had the opportunity to discuss this contract with competent legal counsel prior to its execution.

VI. GOVERNING LAW AND VENUE

This MOA shall be governed by the laws of the State of Texas. The obligations and undertakings of each of the Parties shall be deemed to have occurred in Midland County, Texas. All performance and payment made pursuant to this MOA shall be deemed to have occurred in Midland County, Texas. Exclusive venue for any claims, suits or any other action arising from or connected in any way to this MOA or the performance of this MOA shall be in Midland County, Texas.

VII. AMENDMENT OR CANCELLATION OF MOA

This MOA may be amended at any time in writing and by mutual consent of the Parties, within the constricts of the High Demand Training Grant between PBWDB and TWC. Written notice must be provided by the Party wishing to amend the MOA with information regarding the reason for the amendment and the proposed change(s). All changes to the MOA must be documented in the form of an amended MOA, signed by both Parties.

In addition, this MOA will be renewed if any substantial adjustments occur, such as changes in authorized signatory of either Party or variations in the cost/funding requirements of this MOA.

This MOA may be cancelled by a Party upon 30-day written notice to the other Party, except where the cancellation is for cause (i.e., a material and significant breach of any of the provisions of this MOA). If cancellation is for cause, it may be canceled upon delivery of written notice to the other Party.

Any additions or deletions to the term of this MOA in the state law, federal law, or by regulations are automatically incorporated in this MOA without written amendment and shall become effective on the date designated by such law or regulation.

VIII. DURATION of MOA

The effective dates of the MOA are May 31, 2023 through April 30, 2024.

IX. SIGNATURES


All undersigned Parties bind themselves to the faithful performance of this MOA. It is mutually understood that this MOA shall not become effective until approved by all Parties involved.

**PERMIAN BASIN WORKFORCE
DEVELOPMENT BOARD**


Willie Taylor
Chief Executive Officer

Date 5/31/2023

MIDLAND DEVELOPMENT CORPORATION


Chase Gardaphe
Chairman

Date 9/31/2023

Income Statement

MIDLAND DEVELOPMENT CORPORATION
INCOME STATEMENT FOR THE 8 MONTHS ENDED
May 31, 2023

	May-23	YTD	Budgeted Amount
Revenue	\$1,758,640.88	\$10,091,265.51	\$11,976,644.00
40100 - State Sales Tax	\$1,597,917.80	\$8,598,567.06	\$11,000,000.00
40600 - Public ROW Use Fees	\$4,823.00	\$4,823.00	\$0.00
43000 - Interest	\$31,750.00	\$169,401.76	\$0.00
43010 - Interest - Nonpooled Invest	\$42,763.08	\$256,907.69	\$0.00
46190 - Miscellaneous Rentals	\$81,387.00	\$651,196.00	\$976,644.00
49020 - Sale of Buildings	\$0.00	\$410,370.00	\$0.00
4235150 - Midland Dvlpmnt Corp Revenue	\$1,758,640.88	\$10,091,265.51	\$11,976,644.00

Expense	\$914,499.60	\$6,610,561.15	\$22,392,778.00
51010 - Base Salary	\$24,574.18	\$198,902.83	\$350,096.00
51090 - Fica MDC Portion	\$1,879.94	\$13,019.74	\$28,234.00
51110 - Health Insurance	\$3,790.94	\$14,136.16	\$28,080.00
51135 - ACCE Profit Sharing	\$1,633.52	\$14,036.75	\$24,507.00
52010 - Office Supplies	\$700.48	\$4,475.42	\$6,000.00
52110 - Motor Vehicle Supplies	\$0.00	\$419.80	\$1,500.00
52115 - Minor Furniture & Fixtures	\$0.00	\$344.71	\$1,000.00
52155 - Minor Computer Hrdwre & Periph	\$0.00	\$3,492.53	\$5,000.00
52160 - Computer Software & Supplies	\$0.00	\$31,121.40	\$30,000.00
52620 - Postage	\$0.00	\$968.80	\$300.00
53010 - Communication	\$2,987.82	\$12,844.80	\$17,000.00
53030 - Light & Power	\$0.00	\$63.26	\$150.00
53110 - Insurance-External	\$0.00	\$3,412.00	\$150,000.00
53212 - Equipment Rental-External	\$334.98	\$2,445.44	\$5,000.00
53220 - Advertising	\$12,567.24	\$178,395.77	\$200,000.00
53370 - Grounds Maintenance	\$1,133.23	\$18,324.54	\$22,000.00
53405 - Software Maintenance	\$1,525.54	\$13,914.43	\$12,000.00
53440 - External Audit Fees	\$0.00	\$33,971.70	\$35,000.00
53450 - Consulting Fees	\$39,875.00	\$204,906.14	\$500,000.00
53510 - Travel & Entertainment	\$1,871.82	\$9,032.81	\$8,000.00
53520 - Dues & Subscriptions	\$1,685.88	\$7,934.55	\$15,000.00
53530 - Training,Registration Fees,Etc	\$0.00	\$7,103.34	\$10,000.00
53905 - Economic Development Incentive	\$0.00	\$0.00	\$5,129,123.00
53907 - Business Recruitment & Retentn	\$3,313.09	\$40,447.12	\$50,000.00
53909 - Prior Year Committed Incentives	\$2,112.00	\$2,003,568.64	\$9,999,673.00
53920 - Rent	\$5,678.50	\$45,428.00	\$68,142.00
54010 - Building Maintenance	\$3,482.50	\$74,531.57	\$80,000.00
55120 - Maint. - Instruments & Appara.	\$0.00	\$814.26	\$1,000.00
56188 - MOTRAN	\$71,250.00	\$142,500.00	\$142,500.00
56202 - General Fund Services	\$31,651.08	\$253,208.64	\$379,813.00
56410 - Payment of Principal	\$0.00	\$0.00	\$70,605.00
56420 - Interest Expense	\$0.00	\$0.00	\$6,595.00
56910 - Depreciation Expense	\$0.00	\$212,495.04	\$416,460.00
56995 - Project Non Capital - Promotions	\$60,051.86	\$220,662.94	\$1,100,000.00
57001 - Capital Buildings & Structures	\$642,400.00	\$2,743,638.02	\$3,500,000.00
57002 - Capital Improv Other Than Bldg	\$0.00	\$100,000.00	\$0.00
57070 - Construction in Process	\$0.00	\$0.00	\$0.00
235235 - Midland Development Corp	\$914,499.60	\$6,610,561.15	\$22,392,778.00

May 2023 Net Income: **\$844,141.28**

Year-to-Date Net Income: **\$3,480,704.36**

Balance Sheet

MIDLAND DEVELOPMENT CORPORATION
BALANCE SHEET FOR THE PERIOD ENDED
May 31, 2023
(Used for Internal Purposes Only)

ASSETS

Current Assets

Cash and cash equivalents	20,943,536	
Investments	7,704,935	
Sales tax receivable	-	
Prepaid expenses	-	
Accounts receivable	-	
		28,648,471

Non-Current Assets

Capital Assets, net	29,628,083	
Forgivable Loans		
Made to Primary Government	-	
Made to Other	6,579	
Total Forgivable Loans	6,579	
		29,634,662

Total Assets \$ 58,283,133

LIABILITIES AND NET POSITION

Liabilities

Accounts payable	85,335	
Retainage Payable	111,510	
Capital Leases payable	565,054	
Commitments payable		
Due within one year	10,210,842	
Due in more than one year	12,087,488	
Total Commitments Payable	22,298,329	
		23,060,228

Net Position

Net investment in capital assets	29,628,083	
Restricted for Forgivable Loans	6,579	
Restricted for Capital Leases	565,054	
Promotions	911,758	
Unrestricted	4,111,430	
		35,222,905

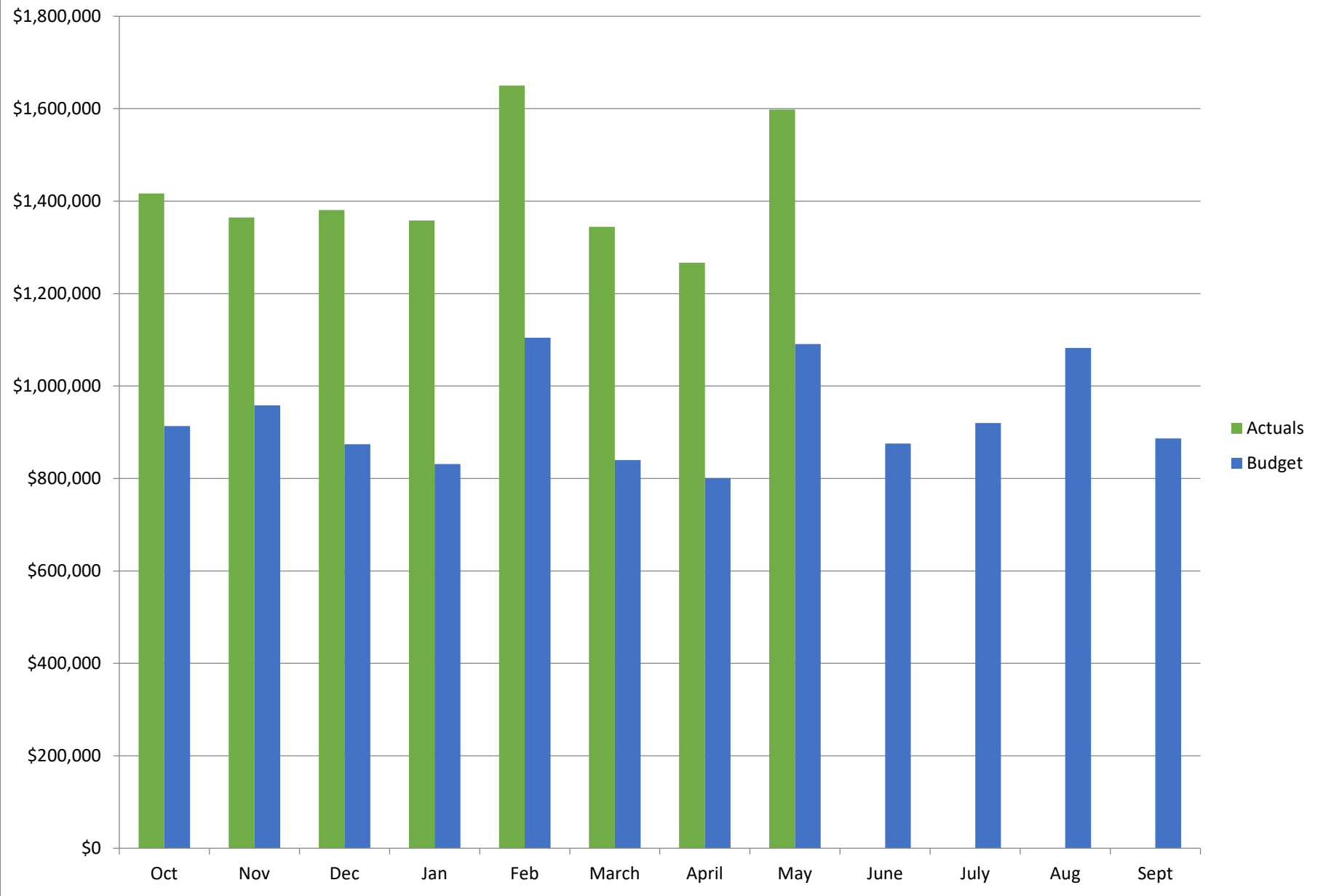
Total Liabilities and Net Position \$ 58,283,133

Sales Tax

Sales Tax Variance

	2020-2021	2021-2022	% Change	2021-2022	2022-2023	% Change	YTD Change
October	\$1,203,058.10	\$971,343.63	-19.26%	\$971,343.63	\$1,416,510.48	45.83%	45.83%
November	\$983,259.60	\$1,156,353.89	17.60%	\$1,156,353.89	\$1,364,595.51	18.01%	30.71%
December	\$843,087.27	\$1,013,549.80	20.22%	\$1,013,549.80	\$1,380,834.52	36.24%	32.49%
January	\$752,584.05	\$1,117,874.02	48.54%	\$1,117,874.02	\$1,358,336.22	21.51%	29.61%
February	\$1,224,314.99	\$1,434,528.04	17.17%	\$1,434,528.04	\$1,649,985.00	15.02%	25.93%
March	\$783,914.25	\$983,421.74	25.45%	\$983,421.74	\$1,344,612.50	36.73%	27.52%
April	\$687,198.37	\$1,015,116.31	47.72%	\$1,015,116.31	\$1,266,881.01	24.80%	27.16%
May	\$1,198,336.79	\$1,487,467.44	24.13%	\$1,487,467.44	\$1,597,917.80	7.43%	23.97%
June	\$927,060.71	\$1,218,236.38	31.41%	\$1,218,236.38			
July	\$909,387.44	\$1,326,275.50	45.84%	\$1,326,275.50			
August	\$1,176,070.55	\$1,582,536.23	34.56%	\$1,582,536.23			
September	\$978,956.15	\$1,303,011.95	33.10%	\$1,303,011.95			
Annual Total	\$11,667,228.27	\$14,609,714.93	25.22%	\$14,609,714.93	\$11,379,673.04		

Sales Tax Actuals vs Budget Estimates



Activity Report

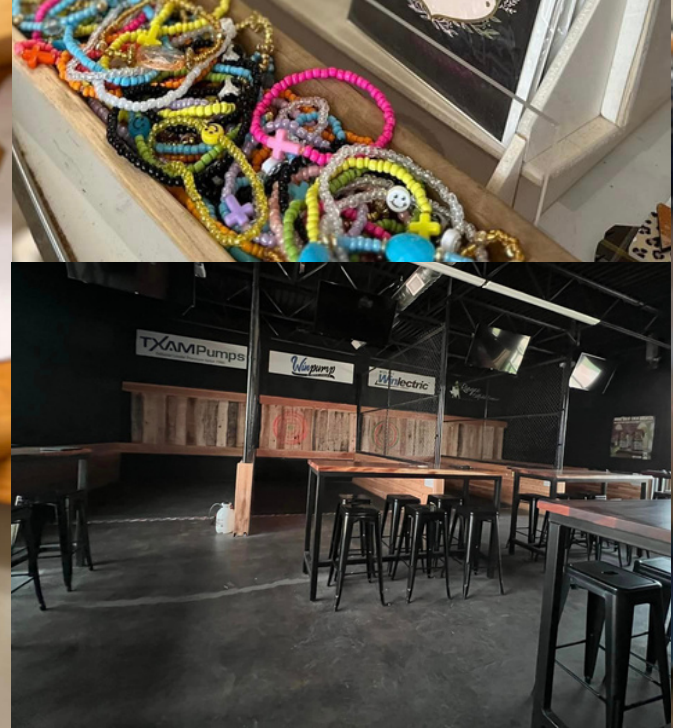


BUSINESS RETENTION & EXPANSION

MAY 2023



BRE COORDINATOR: SAMMI STEELE



WHAT KIND OF BUSINESSES DID WE VISIT?



Childcare/entertainment
28.6%

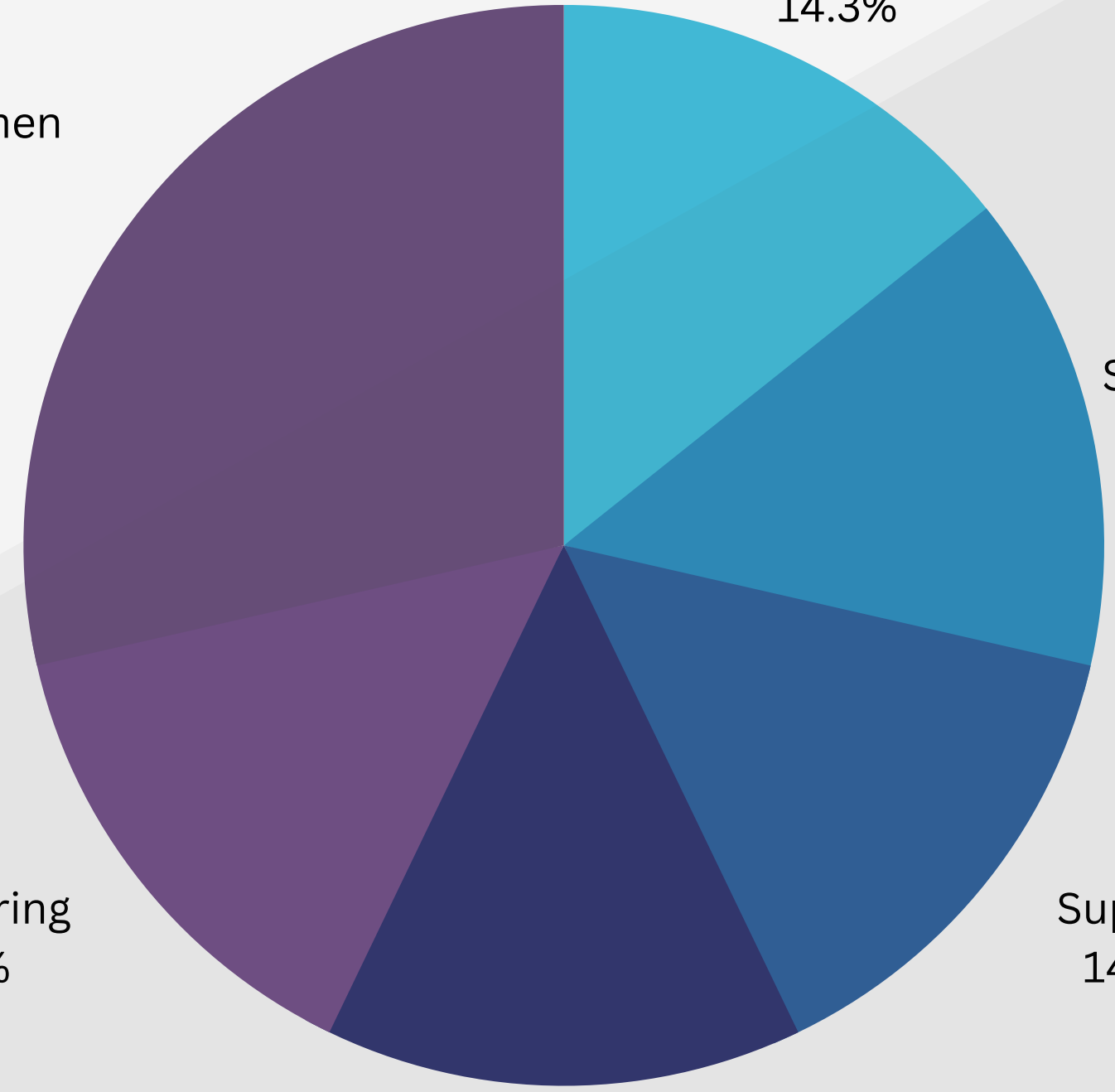
Engineering
14.3%

Construction
14.3%

Retail
14.3%

Service
14.3%

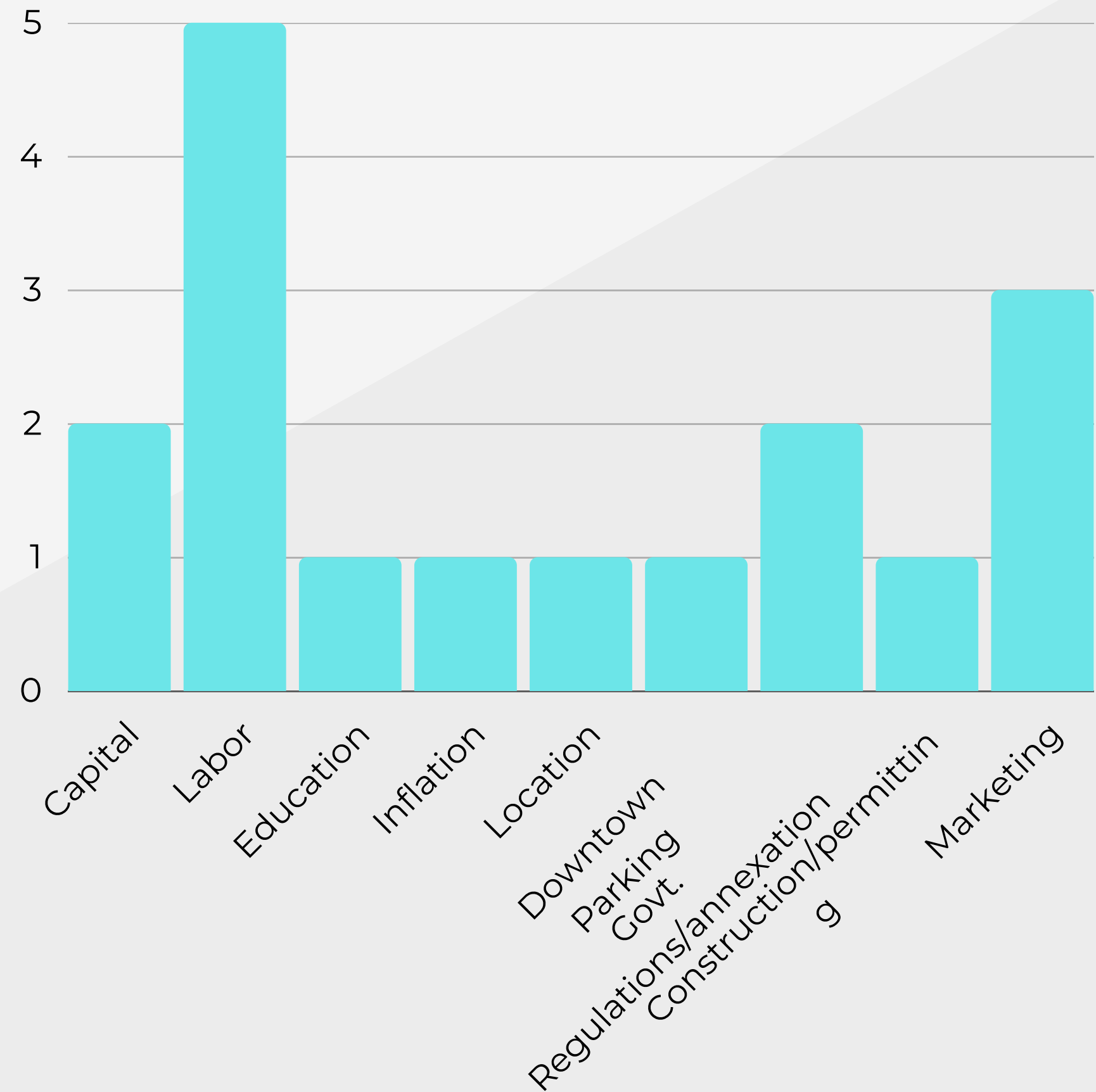
Supplier
14.3%



7 BUSINESS VISITS



WHAT FACTORS ARE IMPACTING BUSINESSES?





BIG TAKEAWAYS IN MAY?



WORKFORCE TRENDS

Not to sound like a broken record but labor was once again the largest issue for local businesses. Some of the prevalent complaints I heard referred to high wage rates. If employees are qualified, they expect to be paid more because they don't want to live in west Texas. I was also told how pivotal it is to get the spouse invested and interested in living here because if they don't that's a sure fire way to know they will not stay at the job long. There is a need for more construction workers, something that is fairly labor intensive. There is also a need for more structural welders, field technicians and warehouse delivery staff. Another workforce topic that was brought up: working moms. While I have had some businesses complain about losing talented female employees who leave to become stay-at-home moms, one business this month said they are capitalizing on it. How? They adjust and compromise with the moms (remote, part-time, etc.) in a way that allows them to continue working and have more freedom as a parent (school pickup, etc). This is all in an effort to not lose those females in the workforce.

QUALITY OF LIFE

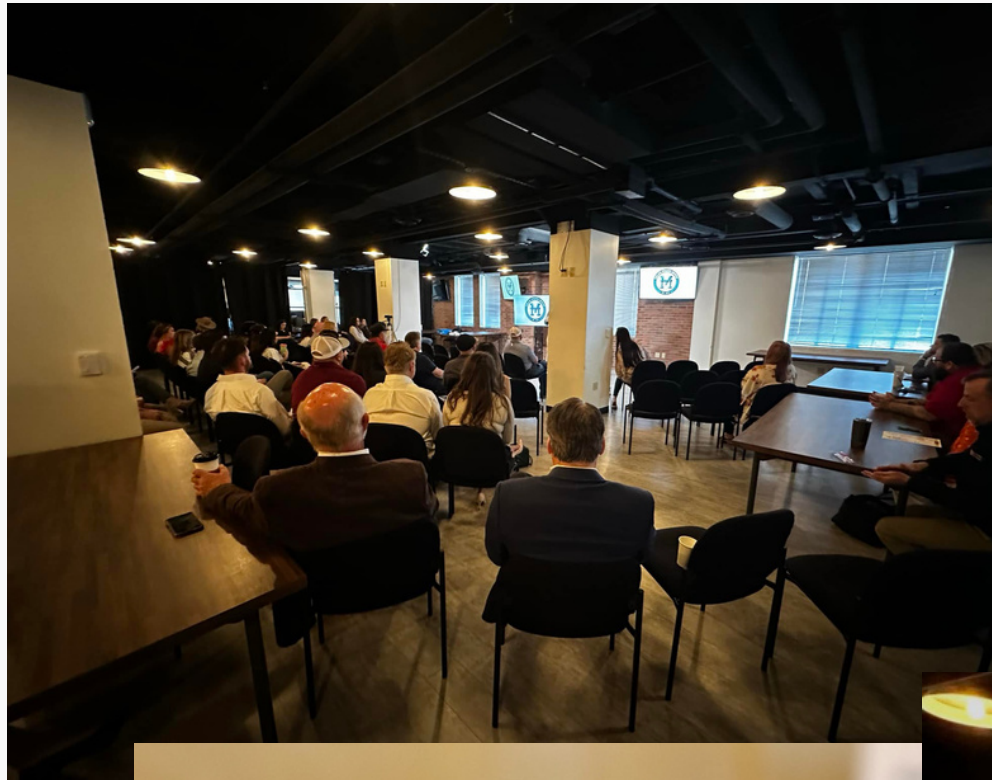
Business owners mentioned wanting more things outdoors to do and having walkable spaces to take their families and pets. Another concern was the roads and wanting more signage on the 2-way service roads near the interstate, along with the need for more parking signage downtown. When I asked owners or lead staff at these businesses what prevalent complaints they hear from their employees, the cost of living was brought up as a concern. One business pointed out how many metal shell buildings there are in Midland and how it symbolizes the temporary mentality of living in Midland and lack of investment in the city.

THINKING AHEAD

While Midland is centralized in the state and amongst spaceports, businesses would like to see more distribution centers nearby. This would help make supplies more affordable. One business discussed the need for structural lumber and wire supplies. I was also asked if the city and county are working together to establish a long term plan for the area as it continues to experience growth and develop.



MAY FOUNDERS BLEND RECAP



- ABOUT 70 ATTENDEES
- DONATIONS FROM FAR WEST COFFEE, TALL CITY BAGEL, RIG-ID, FORTY WOLVES MARKETING
- BUSINESS PRESENTERS: WEST TEXAS WOOD SHOP & PAYTON GROUP
- RECEIVED LOTS OF GOOD FEEDBACK
- NEXT MEETING: JUNE 14TH FROM 8-9 AM, SPEAKERS: TALL CITY SNEAKERS & INSIGNIA HOSPITALITY





SAVE THE DATE

WEDNESDAY, JUNE 14
8 - 9 A.M.

Free hot coffee starts getting
poured when doors open at 7:30 a.m.

**SECOND STORY
COWORKING**

223 W WALL ST STE 200
MIDLAND, TX 79701

Public parking in the garage to the
east of the double tree hotel

FOUNDERSBLEND.COM

Scan QR code to visit
Founders Blend
website:



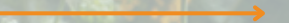
QUESTIONS





marketing REPORT

MDC BOARD MEETING- 6/5



THE High Ground of Texas SITE SELECTOR MEETING



Made in Midland
SOCIAL MEDIA SERIES



Facebook

2,250

FOLLOWERS

12.29K

IMPRESSIONS

171.64

ENGAGEMENT

TOP POSTS:

- MDC VISIT TO FIREHAWK
- DOWNTOWN HOTEL
- THINGS TO DO IN MAY IN MIDLAND
- SHOP FUFU BRE VISIT



Instagram

2,201

FOLLOWERS

11.87K

IMPRESSIONS

71.01

ENGAGEMENT

TOP POSTS:

- DOWNTOWN HOTEL
- BRE VISIT- DESIGN FACTORY
- BRE VISIT- PERCH
- THINGS TO DO IN MAY IN MIDLAND



Linked In

1,643

FOLLOWERS

6,169

IMPRESSIONS

203.44

ENGAGEMENT

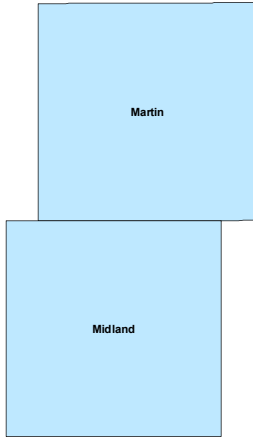
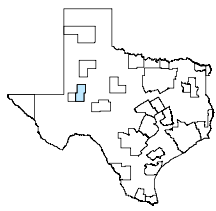
TOP POSTS:

- DOWNTOWN HOTEL
- FIREHAWK AEROSPACE
- BRE VISIT- PERCH
- MDC & ECONOMIC DEVELOPMENT WEEK



Midland MSA

April 2023



MSA Labor Force Statistics

	Apr-23	Mar-23	Apr-22	Yearly Change
Civilian Labor Force	114,015	114,578	107,209	6,806
Employed	111,376	111,558	104,226	7,150
Unemployed	2,639	3,020	2,983	-344
Unemployment Rate	2.3%	2.6%	2.8%	-0.5%

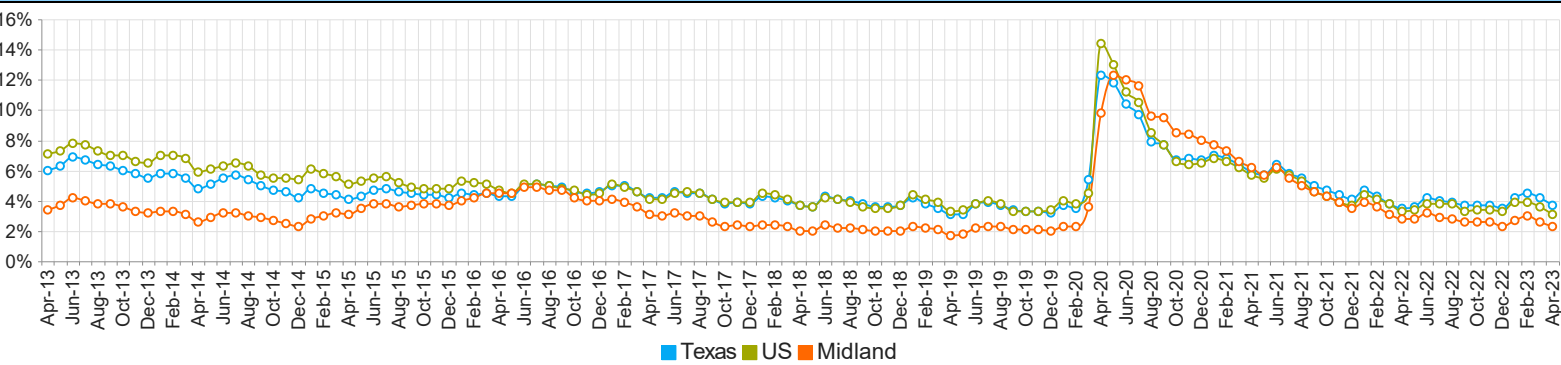
Texas Labor Force Statistics

	Apr-23	Mar-23	Apr-22	Yearly Change
Civilian Labor Force	15,019,711	15,118,242	14,592,934	426,777
Employed	14,468,512	14,486,045	14,076,764	391,748
Unemployed	551,199	632,197	516,170	35,029
Unemployment Rate	3.7%	4.2%	3.5%	0.2%

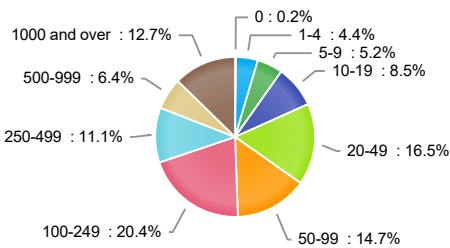
US Labor Force Statistics

	Apr-23	Mar-23	Apr-22	Yearly Change
Civilian Labor Force	166,221,000	166,783,000	163,449,000	2,772,000
Employed	161,075,000	160,741,000	157,991,000	3,084,000
Unemployed	5,146,000	6,043,000	5,458,000	-312,000
Unemployment Rate	3.1%	3.6%	3.3%	-0.2%

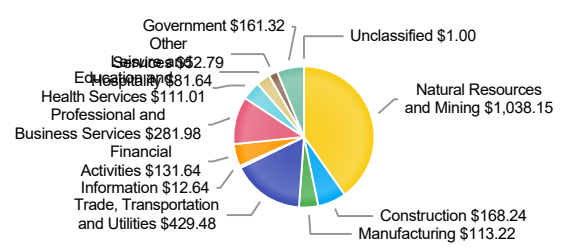
Historical Unemployment Rates



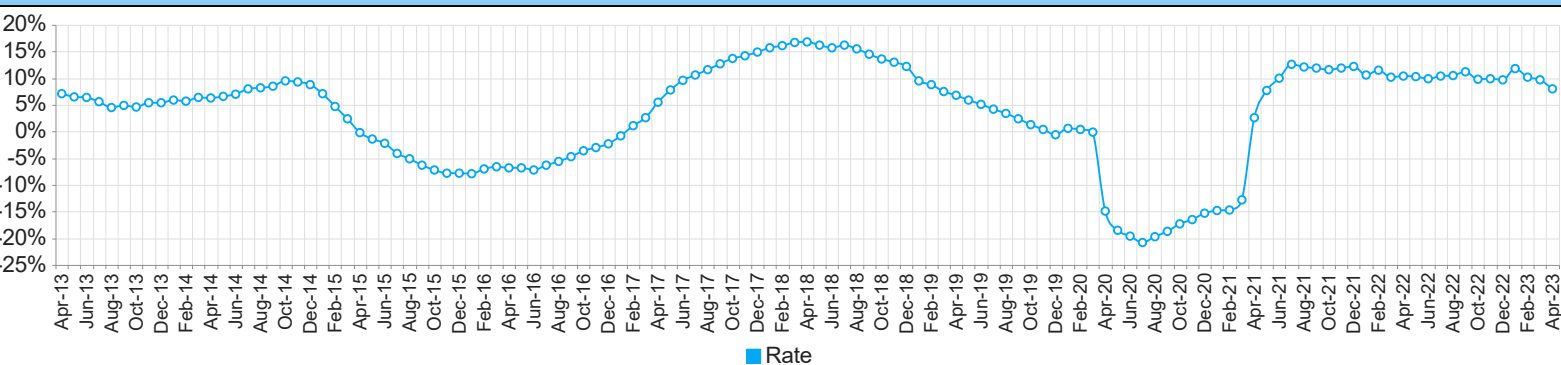
Employment by Size Class (4th Quarter 2022)



Wages by Industry (in millions) (4th Quarter 2022)



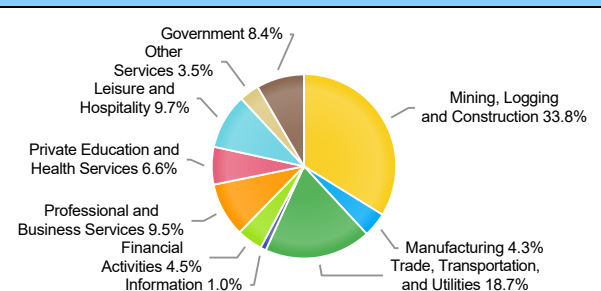
Annual Growth Rate Total Non-agricultural employment



Employment by Industry (April 2023)

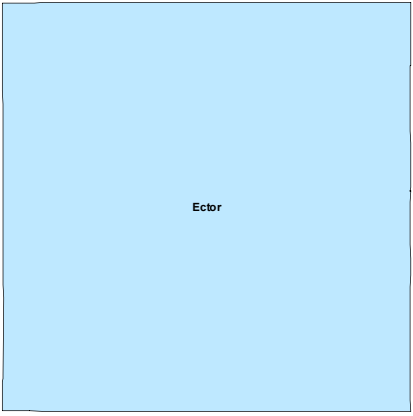
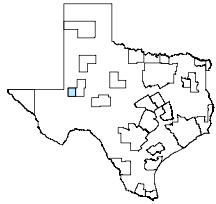
Industry	Current Month Employment	% Monthly Change	% Yearly Change
Total Nonfarm	119,000	0.2%	8.0%
Mining, Logging and Construction	40,200	-0.2%	14.5%
Manufacturing	5,100	0.0%	10.9%
Trade, Transportation, and Utilities	22,200	0.9%	4.7%
Information	1,200	0.0%	20.0%
Financial Activities	5,300	0.0%	3.9%
Professional and Business Services	11,300	0.0%	5.6%
Private Education and Health Services	7,900	1.3%	3.9%
Leisure and Hospitality	11,600	0.0%	2.7%
Other Services	4,200	0.0%	7.7%
Government	10,000	0.0%	3.1%

Employment by Industry (April 2023)



Odessa MSA

April 2023



MSA Labor Force Statistics

	Apr-23	Mar-23	Apr-22	Yearly Change
Civilian Labor Force	86,389	86,815	82,662	3,727
Employed	83,721	83,745	79,575	4,146
Unemployed	2,668	3,070	3,087	-419
Unemployment Rate	3.1%	3.5%	3.7%	-0.6%

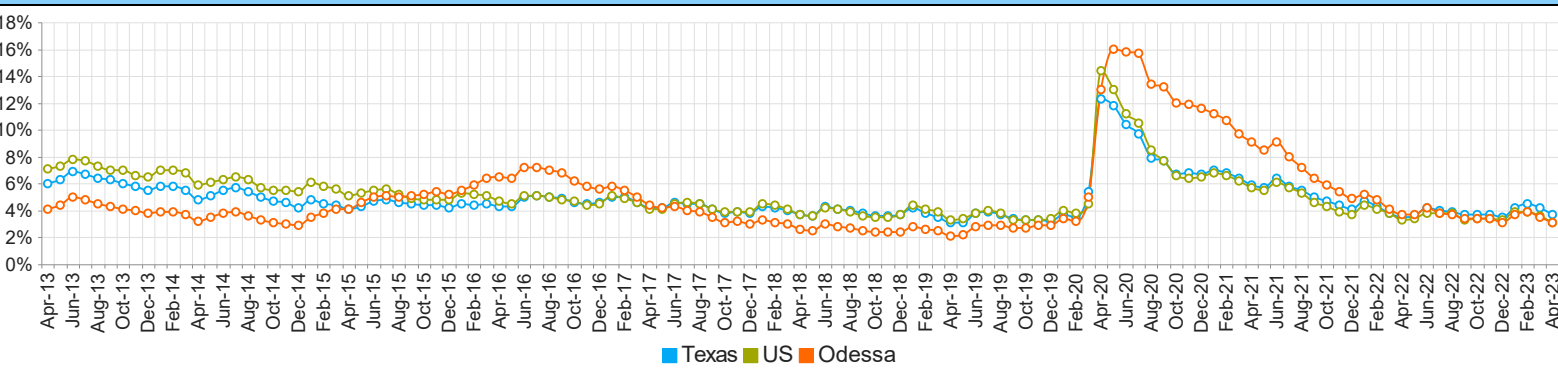
Texas Labor Force Statistics

	Apr-23	Mar-23	Apr-22	Yearly Change
Civilian Labor Force	15,019,711	15,118,242	14,592,934	426,777
Employed	14,468,512	14,486,045	14,076,764	391,748
Unemployed	551,199	632,197	516,170	35,029
Unemployment Rate	3.7%	4.2%	3.5%	0.2%

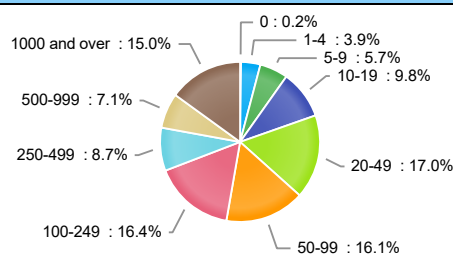
US Labor Force Statistics

	Apr-23	Mar-23	Apr-22	Yearly Change
Civilian Labor Force	166,221,000	166,783,000	163,449,000	2,772,000
Employed	161,075,000	160,741,000	157,991,000	3,084,000
Unemployed	5,146,000	6,043,000	5,458,000	-312,000
Unemployment Rate	3.1%	3.6%	3.3%	-0.2%

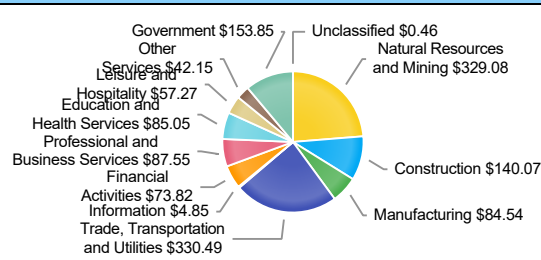
Historical Unemployment Rates



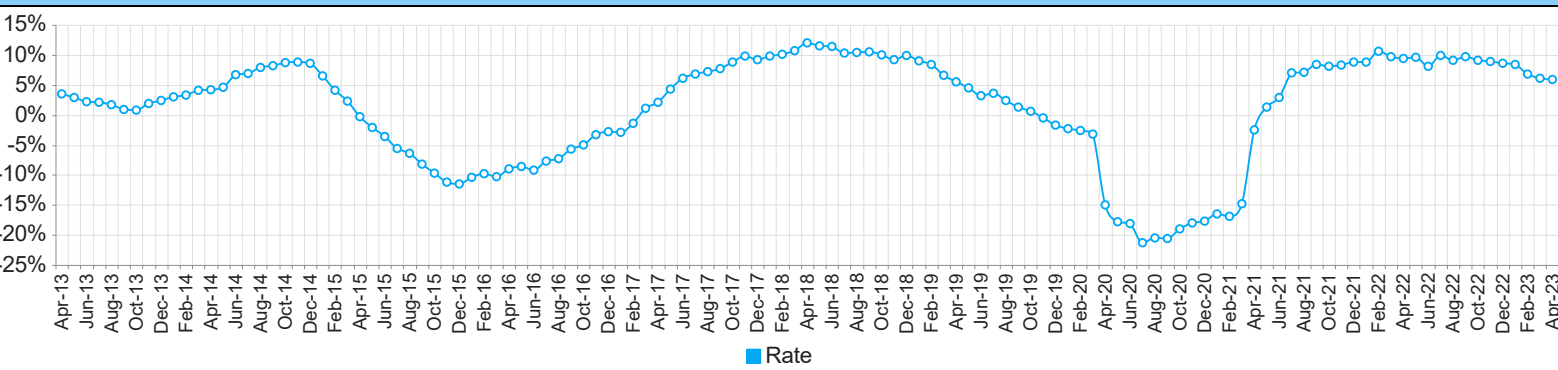
Employment by Size Class (4th Quarter 2022)



Wages by Industry (in millions) (4th Quarter 2022)



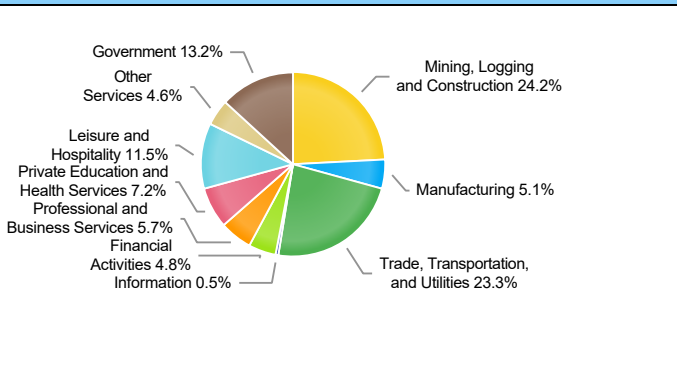
Annual Growth Rate Total Non-agricultural employment



Employment by Industry (April 2023)

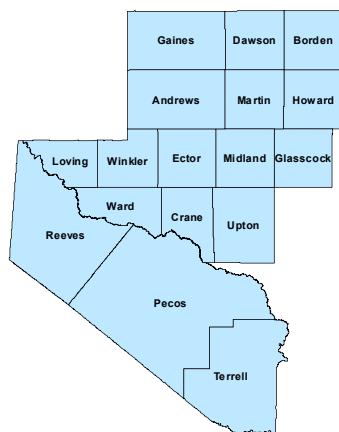
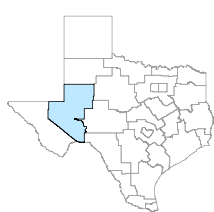
Industry	Current Month Employment	% Monthly Change	% Yearly Change
Total Nonfarm	81,000	0.6%	5.9%
Mining, Logging and Construction	19,600	1.0%	15.3%
Manufacturing	4,100	0.0%	5.1%
Trade, Transportation, and Utilities	18,900	0.5%	4.4%
Information	400	0.0%	0.0%
Financial Activities	3,900	0.0%	8.3%
Professional and Business Services	4,600	0.0%	-4.2%
Private Education and Health Services	5,800	0.0%	5.5%
Leisure and Hospitality	9,300	1.1%	2.2%
Other Services	3,700	2.8%	8.8%
Government	10,700	0.0%	0.0%

Employment by Industry (April 2023)



Permian Basin Workforce Development Area

April 2023



WDA Labor Force Statistics

	Apr-23	Mar-23	Apr-22	Yearly Change
Civilian Labor Force	271,360	273,006	259,175	12,185
Employed	263,815	264,309	250,685	13,130
Unemployed	7,545	8,697	8,490	-945
Unemployment Rate	2.8%	3.2%	3.3%	-0.5%

Texas Labor Force Statistics

	Apr-23	Mar-23	Apr-22	Yearly Change
Civilian Labor Force	15,019,711	15,118,242	14,592,934	426,777
Employed	14,468,512	14,486,045	14,076,764	391,748
Unemployed	551,199	632,197	516,170	35,029
Unemployment Rate	3.7%	4.2%	3.5%	0.2%

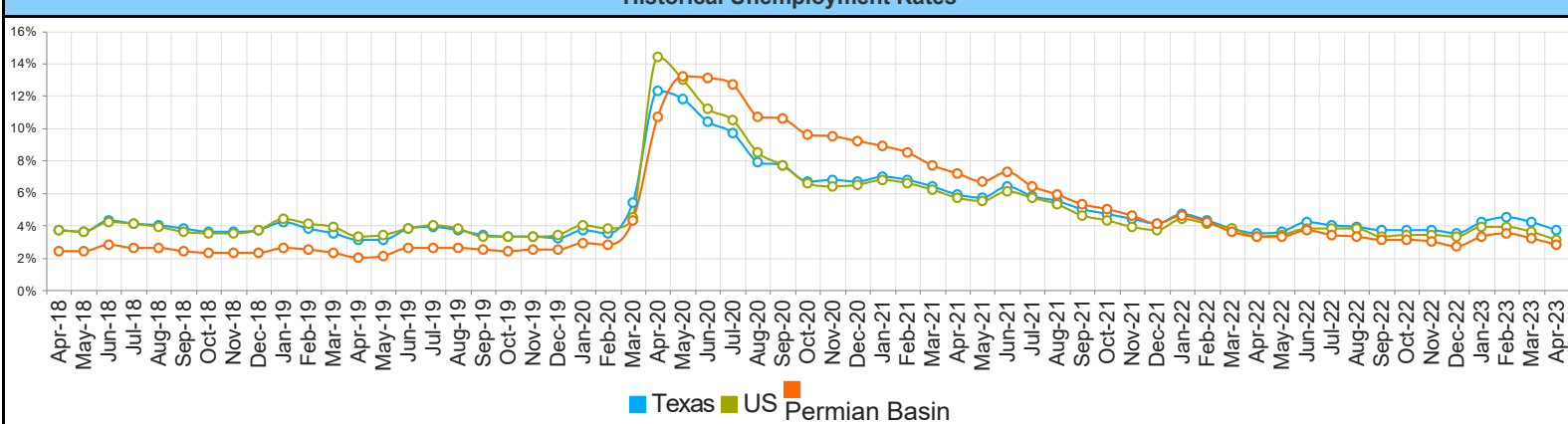
US Labor Force Statistics

	Apr-23	Mar-23	Apr-22	Yearly Change
Civilian Labor Force	166,221,000	166,783,000	163,449,000	2,772,000
Employed	161,075,000	160,741,000	157,991,000	3,084,000
Unemployed	5,146,000	6,043,000	5,458,000	-312,000
Unemployment Rate	3.1%	3.6%	3.3%	-0.2%

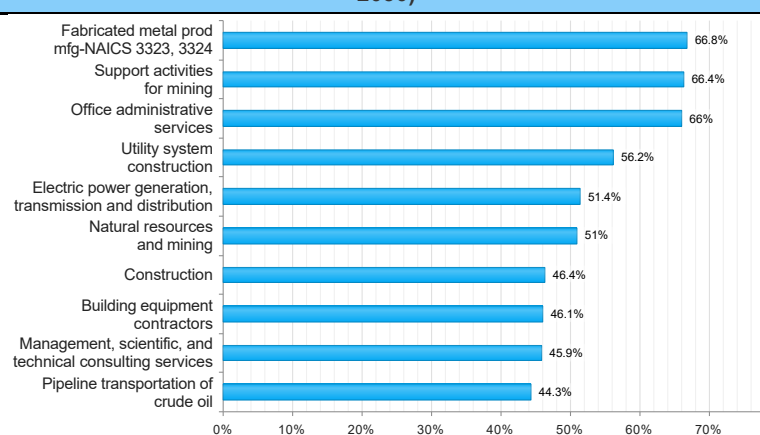
Continued Claims for the Week of the 12th

	Apr-23	Mar-23	Apr-22	Yearly Change
WDA	938	968	956	-18
Texas	100,999	102,867	73,040	27,959

Historical Unemployment Rates



Projected Top Ten Fastest Growing Industries in WDA (% Growth 2020-2030)



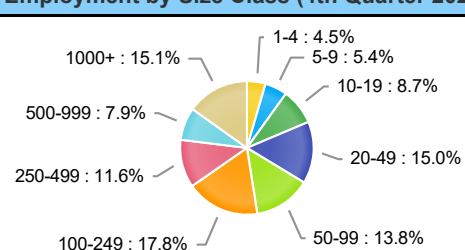
Average Weekly Wage (4th Quarter 2022)

	Q4 2022	Q3 2022	Q4 2021	Quarterly Change	Yearly Change
WDA	\$1,536	\$1,488	\$1,452	\$48	\$84
Texas	\$1,372	\$1,332	\$1,375	\$40	-\$3
US	\$1,385	\$1,334	\$1,418	\$51	-\$33

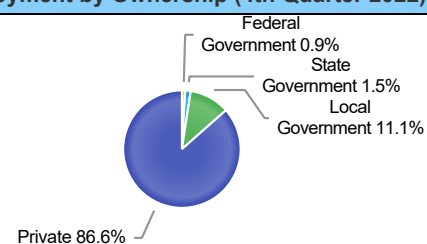
Employment by Industry (4th Quarter 2022, Percent Change)

Industry	Employment	% of Total	% Quarterly Change	% Yearly Change
Natural Resources and Mining	53,889	21.6%	3.0%	18.6%
Construction	21,239	8.5%	3.3%	24.2%
Manufacturing	10,299	4.1%	-0.8%	6.4%
Trade, Transportation and Utilities	53,150	21.3%	2.4%	3.2%
Information	1,900	0.8%	-10.8%	7.2%
Financial Activities	10,918	4.4%	0.4%	7.3%
Professional and Business Services	18,583	7.4%	2.7%	7.7%
Education and Health Services	40,110	16.0%	5.4%	1.4%
Leisure and Hospitality	25,579	10.2%	-1.6%	3.5%
Other Services	7,442	3.0%	1.7%	9.8%
Public Administration	6,953	2.8%	-0.8%	-4.0%

Employment by Size Class (4th Quarter 2022)



Employment by Ownership (4th Quarter 2022)



Employment by Industry (4th Quarter 2022)

