

The Ector County ISD Board of Trustees held its September Board Meeting on the 20<sup>th</sup>. A recap of the agenda is below.

1. Roll Call.
2. Verification of compliance with open meetings requirements.
3. Isabella Pugh and Isabella Salas from Nimitz Middle School led the pledges of allegiance.



4. Deacon Jose Gallegos from St. Elizabeth Ann Seaton Catholic Church gave the invocation.
5. Special presentations included the [recognition of volunteer Debbie McReynolds](#) as the regional recipient of the State Board of Education Heroes for Children Award, and the introduction of 14 students who have earned national recognition through College Board programs.



6. In his opening comments, Superintendent Dr. Scott Muri talked briefly about the largest part of the agenda, which was focused on Chapter 313 requests from businesses considering Ector County for manufacturing plants.
7. There was no public comment.
8. Public Hearing
  - A. Trustees held a public hearing for an Appraised Value Limitation on Qualified Property, Pursuant to Chapter 313 of the Texas Tax Code, for six separate building projects by 1PointFive P1, LLC for Project Legion.
  - B. Trustees heard a presentation of findings for the same six building projects mentioned in Item A, plus an additional one from Quail Run Carbon, LLC.

Items C. – P. Trustees voted 7-0 to approve resolutions adopting the finding of facts and application for each of the 7 projects; and voted 7-0 to approve agreements limiting appraised value of the properties for school district Maintenance & Operations Taxes, pursuant to Chapter 313 of the Texas Tax Code, for each of the 7 projects.

Background: Chapter 313 agreements were created by the 2001 Texas Legislature to allow communities to attract specifically defined companies/projects through limiting the school district's Maintenance & Operations (daily operations) taxable valuation for ten years. The agreement remains fully taxable for I&S (Debt Service) tax purposes at all times. The agreement stipulates the school district cannot be financially worse off by entering into the agreement.

Industries eligible for Chapter 313 school property tax limitation include manufacturing, research and development, clean coal and other clean energy projects, renewable electricity generation, nuclear energy, computer data centers, "Texas priority projects" — those with a qualified investment commitment of more than \$1 billion.

The land designated for use in these projects is undeveloped and currently brings in very little local tax revenue for the school district. The agreements, of limited taxable valuations, are offered as an incentive for the companies to select Ector County as its location to build and provide jobs. Without the taxable value limitations, the huge increase in value would likely make ECISD a “property rich” district and require the district to send money to the state in recapture funds. School districts are limited on state/local revenue per student, and hence no additional total funds would be gained by not approving the agreements. An important benefit is, in addition to I&S tax revenue, these Chapter 313 agreements include M&O tax protection and supplemental payments from the companies which are not subject to recapture, nor state funding reductions. In the example of 1PointFive, LLC, the company’s six proposed builds will pay ECISD millions of dollars in tax protection and supplemental payments over the next 25 years. Of course, there would be no tax revenue nor supplemental payments had the company chosen elsewhere to build.

Generally speaking, the State of Texas wants school districts to seek voter approval for bond building projects, so the additional revenue does not have any bearing on bond proposals presented to the citizens of Ector County. And, again, the tax limitation is not granted for debt service funds that pay off bonds.

## 9. Board Policy

- A. Trustees voted 7-0 to approve revisions to local board policies for the District of Innovation (DOI) Renewal Plan. The Board of Trustees recently approved the ECISD DOI Plan and the related exemptions from state statutes. Texas Association of School Boards Policy Service assisted the District in proposing revisions and additions to ECISD board policy.

## 10. Public Hearing

- A. **Trustees held a public hearing for the adoption of the 2022-23 tax rate. The total tax rate adopted is \$1.17792, which is the same for the fourth year in a row. A school district’s tax rate is broken down into two parts: Maintenance & Operations (M&O) which provides funding for day-to-day operations; and Interest & Sinking (I&S), also known as debt service, which provides the funding for debt (bond) payments. The total tax rate approved by the board breaks down as follows:**

**\$ .9810 for M&O – this rate is compressed down from \$1.0517**

**\$ .19692 for I&S – this rate is increased from \$0.12622**

**\$1.17792 total tax rate**

**NOTES: The I&S rate is not higher than the allowable to cover bond costs. The total tax rate is not higher than the effective tax rate. The total tax rate is not higher than the voter approval rate. The M&O tax rate is not higher than the effective tax rate. The total tax rate is effectively a 7.10% increase over the no-new-revenue tax rate due to the I&S tax rate increase.**

## 11. Action Items

- A. **Trustees voted 7-0 to redeem (pay off early) about \$20.7 million of the Series 2013 Bonds in order to save more than \$7.7 million in future interest payments. These bonds cannot be paid off immediately; this resolution sets aside the money to do so once the bonds are callable later this year.**

- B. Trustees voted 7-0 to establish the Tax Rate for the 2022-23 school year. See Item 10-A above.**
- C. Trustees voted 6-0-1 to approve purchases over \$50,000. Items included on this list this month are virtual tutoring, drop out recovery, virtual speech therapy, counseling, food items, one classroom portable for Buice Elementary, and demographic study services. Dr. Steve Brown abstained.
- D. Trustees voted 7-0 to approve Campus Improvement Plans for 2022-23.
- E. Trustees voted 6-0-1 to approve the professional learning plan for 2022-23. Delma Abalos abstained.
- F. Trustees voted 7-0 to approve an agreement with Sul Ross State University to create a pipeline program to develop Diagnosticians. This is designed to support selected ECISD employees seeking their master's degree in Special Education and certification as a Diagnostician.
- G. Trustees voted 7-0 to delegate authority to the superintendent to sign apprenticeship agreements with colleges or universities. Apprenticeships do not require funds to be exchanged between the institution and the school district, and this authorization will allow such agreements to be established more efficiently.
- H. This item was pulled from the agenda for consideration later.
- I. Trustees voted 7-0 to approve a data sharing agreement with Imagination Station, Inc. Istation is conducting a study on the relationship between the scores of its Istation Indicators of Progress for Reading and the NWEA Measure of Academic Progress and the state's STAAR scores.
- J. This item was pulled from the agenda for consideration later.
12. Trustees voted 7-0 to approve the Consent Agenda. This month's Consent Agenda included minutes of previous meetings; bills for payments; acceptance of donations over \$10,000\*; staff development minutes waiver; an agreement with the Texas Virtual School Network; three annual contracts with Greater Opportunities of the Permian Basin Head Start; a resolution for extra-curricular status for 4-H organization and adjunct staff members; additional T-TESS appraisers for 2022-23; a Memorandum of Understanding with the University of the Southwest; a Memorandum of Understanding with the University of Texas Permian Basin; out-of-state travel for the Permian High School Theater to go to New York, and the Permian High School Band to go to Orlando; and interlocal agreements with Purchasing Cooperative (COOP).
- 13. Trustees moved to closed session to discuss the superintendent's evaluation and contract. Following the closed session, Trustees voted 7-0 to extend Dr. Muri's contract by one year – *through June 30, 2027* – and increase his salary by 3%, the same percentage raise given to all classroom teachers this year, making his salary \$319,224.81.**
14. Information items. You can find these items, as well as the descriptions of previous items, here – <https://meetings.boardbook.org/Public/Agenda/1406?meeting=544779>.
15. In his closing remarks, Dr. Muri thanked the school board for extending his contract, and said it is an honor and privilege to serve with them on this Team of 8.

16. The meeting adjourned at 8:37 p.m.

\*\$91,092 from Permian Strategic Partnership for staff housing supplement

\$17,520 from the Education Foundation of Odessa for PHS grant project (150 calculators)

\$12,500 from the Education Foundation of Odessa for a portion of ECISD grant writer salary