

**DEE MARGO**  
MAYOR

**TOMMY GONZALEZ**  
CITY MANAGER



**CITY COUNCIL**  
PETER SVARZBEIN, DISTRICT 1  
ALEXSANDRA ANNELLO, DISTRICT 2  
CASSANDRA HERNANDEZ-BROWN, DISTRICT 3  
SAM MORGAN, DISTRICT 4  
MICHEL R. NOE, DISTRICT 5  
CLAUDIA ORDAZ PEREZ, DISTRICT 6  
HENRY RIVERA, DISTRICT 7  
CISSY LIZARRAGA, DISTRICT 8

**CITY COUNCIL WORK SESSION MINUTES  
MAIN CONFERENCE ROOM, 2<sup>ND</sup> FLOOR  
MARCH 5, 2018  
9:05 AM**

The City Council met at the above place and date. Meeting called to order at 10:13 a.m. Mayor Dee Margo present and presiding and the following Council Members answered roll call: Peter Svarzbein, Cassandra Hernandez-Brown, Sam Morgan, Michiel Noe, Claudia Ordaz Perez, Henry Rivera, and Cissy Lizarraga. Late arrival: Alessandra Annello at 10:27 a.m.

**AGENDA**

**1. Discussion and action on the Curbside Residential Recycle Program (Collection and Processing of material).**

Ms. Ellen Smyth, Environmental Services Director, presented a PowerPoint presentation, (copy on file in City Clerk's Office).

Representative Lizarraga inquired about the percentage of recycling contamination of other cities comparable to El Paso's size.

Ms. Smyth replied about 15% and added that the City of San Antonio has a robust enforcement of fines for its residents.

Representative Noe asked if ending the recycling program has been considered; Ms. Smyth reply was no.

Mayor Margo recommends to follow the status quo and asked if in the interim plastic recycling should be stopped.

Ms. Smyth added that stopping is getting the word out.

Representative Svarzbein mentioned he would like to hear from Mr. Morris Friedman from Friedman Recycling and asked if the program in Las Cruces could end if the one in El Paso ends.

Representative Lizarraga asked if the program would end; Ms. Smyth replied that Las Cruces could go to another site.

Mr. Tommy Gonzalez, City Manager, asked if the Las Cruces program would end if the El Paso goes back to drop off.

Ms. Smyth answered that Las Cruces could go the same route and added that 15% of households don't participate and Las Cruces has a mandatory fee.

Representative Svarzbein asked about the mandatory \$4.00 fee; Ms. Smyth answered a lot of people would opt out but if people don't comply enforcement would be needed.

Representative Hernandez-Brown asked who delivers the product to Friedman and about the cost to the general fund. Ms. Smyth informed that the City delivers to Friedman.

Ms. Smyth added that enforcement requires a door-to-door, face-to-face with 7 officers; after 3 strikes the blue bin is retrieved and if resident wants it back a class needs to be taken and a fee of \$17 needs to be paid; the last 2 years the City dipped into fund balance.

Representative Hernandez-Brown mentioned she still needed to understand the \$4.00 proposal fee and the cost associated with the landfill.

Ms. Smyth explained the \$2,600.00 charge per ton and that in 14 years there has not been an increase and the very small customer base.

Representative Hernandez-Brown asked if any reduction is going to the landfill due to the recycling program; Ms. Smyth answered that in 11 years there have been 280,000 tons and that program ends in 2030.

Mayor Margo mentioned the program was to save landfill space.

Mr. Gonzalez added that 68 million is a big disparity.

Representative Hernandez-Brown asked how long the contract is, if it is okay for vendors to be present when discussing amendments, and if a process is in place for amendments.

Mr. Gonzalez mentioned a letter will be send asking for a meeting to which legal will be invited to see if it makes sense as he is not aware of actual protocol.

Representative Hernandez-Brown would like to set a standard so that she won't feel uncomfortable.

Mr. Morris Friedman, Friedman Recycling, presented a PowerPoint presentation, (copy on file in City Clerk's Office).

### **EXECUTIVE SESSION**

Motion made by Mayor Pro Tempore Noe, seconded by Representative Ordaz Perez, and unanimously carried that the City Council retire into **EXECUTIVE SESSION** at 10:42 a.m.

pursuant to Section 3.5A of the El Paso City Charter and the Texas Government Code, Sections 551.071 - 551.087 to discuss any of the following:

Section 551.071	CONSULTATION WITH ATTORNEY
Section 551.072	DELIBERATIONS REGARDING REAL PROPERTY
Section 551.073	DELIBERATION REGARDING PROSPECTIVE GIFTS
Section 551.074	PERSONNEL MATTERS
Section 551.076	DELIBERATION REGARDING SECURITY DEVICES
Section 551.087	DELIBERATION REGARDING ECONOMIC DEVELOPMENT NEGOTIATIONS
Section 551.089	DELIBERATION REGARDING SECURITY DEVICES OR SECURITY AUDITS; CLOSED MEETING

Motion made by Representative Rivera, seconded by Representative Ordaz Perez, and unanimously carried to adjourn the Executive Session at 11:42 a.m. and **RECONVENE** the City Council Work Session.

**2. Presentation on the use of economic development and public infrastructure financing tools, including Tax Increment Reinvestment Zones and Public Improvement Districts.**

Ms. Jessica Herrera, Economic and International Development Director, provided a brief introduction of the item.

Mr. David Pettit, Principal at David Pettit Economic Development, LLC, and Ms. Natalie Moore, Project Manager, David Pettit Economic Development, LLC, presented a PowerPoint presentation, (copy on file in City Clerk's Office).

Representative Hernandez-Brown asked if Certificate of Obligation with PID (Public Improvement District) credit would affect the City's bond rating.

Mr. Pettit answered it would and that is why it needs to be looked at separately; it is a gray area, but it does affect.

Representative Hernandez-Brown asked if the City is going to develop a policy; Ms. Herrera said the goal is to come back after looking at best practices.

Mr. Tommy Gonzalez, City Manager, added that is the reason it is being presented to Council so that they could see the differences between a TIF (Tax Increment Financing) and PID. He added mentioned the expansion of the MCA (Medical Center of the Americas) area and how he will have something for Council to see.

Representative Morgan asked what the maximum radius for expansion is; Mr. Pettit replied is 25% maximum in a tax base TIRZ (Tax Increment Reinvestment Zone) and that exempt tax is no problem with a radius limitation. He added that for a PID 51% if voters is needed.

Representative Ordaz Perez commented that Tool on Eastside and MCA makes sense but asked about a smaller area in 250 homes.

Mr. Pettit answered that most likely no, because new development is needed and they would be paying higher taxes, he could see it in a mix of commercial with residential.

Representative Ordaz Perez mentioned the neighborhood in her district used to have a great Neighborhood Association but would like to see park improvements.

Ms. Maria Urbina, Vice President of Hilltop Securities, commented you need to have a specific amount of value that you will add to the project for both, TIF and PID need to see value.

Representative Ordaz Perez mentioned she thinks she could get the support from the community.

Representative Noe asked, based on the HOA example provided, what the difference would be if the development is private property.

Mr. Pettit explained the City would have to take ownership or have public infrastructure.

Mr. Gonzalez gave an example of a gated community where the gates need to be open; it can be done and it is worth it.

Mr. Pettit mentioned a maintenance PID in another community and got 51% approval, \$0.12 extra but the residents saw benefits.

Representative Noe asked for the far east; if there is a set amount on a PID per lot; Mr. Gonzalez asked if there can be both, a PID and a TIRZ.

Mr. Pettit answered there can only be one but you will be paying higher taxes, a TIRZ would lower them.

Representative Noe mentioned the set up for this particular PID is separate because of the benefit to the community.

Mr. Gonzalez said it is correct, it ends in 15 years.

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**ADJOURN**

Motion made by Mayor Pro Tempore Noe, seconded by Representative Ordaz Perez and unanimously carried to **ADJOURN** this meeting at 12:04 p.m.

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APPROVED AS TO CONTENT:

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Laura D. Prine, City Clerk