

OSCAR LEESER
MAYOR

TOMMY GONZALEZ
CITY MANAGER



CITY COUNCIL
PETER SVARZBEIN, DISTRICT 1
JIM TOLBERT, DISTRICT 2
EMMA ACOSTA, DISTRICT 3
CARL L. ROBINSON, DISTRICT 4
MICHEL R. NOE, DISTRICT 5
CLAUDIA ORDAZ, DISTRICT 6
LILY LIMÓN, DISTRICT 7
CORTNEY CARLISLE NILAND, DISTRICT 8

**CITY COUNCIL WORK SESSION MINUTES
MAIN CONFERENCE ROOM, 2ND FLOOR
February 27, 2017
9:15 AM**

The City Council met at the above place and date. Meeting was called to order at 9:42 a.m. Mayor Oscar Leeser present and presiding and the following Council Members answered roll call: Peter Svarzbein, Jim Tolbert, Emma Acosta, Carl Robinson, Michiel R. Noe, Claudia Ordaz, and Lily Limón. Requested to be excused: Cortney Niland.

AGENDA

1. Discussion and action on the Streets CIP Update.

Mr. Andy Goh, City Engineer, gave a PowerPoint presentation (copy on file in City Clerk's Office).

Representative Limón questioned if one of the line items includes lighting.

Mr. Goh replied, "Yes, we will show that later on in the presentation."

Representative Limón questioned, "On the \$18 million that was reallocated, does it go to the items on page 5?"

Mr. Goh replied, "On page 6 (Slide 6)."

Representative Ordaz questioned Slide 6. She asked Mr. Goh to explain comments on left side of slide.

Representative Limón questioned Resurfacing / Microsurfacing.

Mr. Khalil Zaied, Deputy City Manager of Public Works and Transportation, explained this was money taken out of street resurfacing to remodel the building.

Mayor Leeser reiterated that explanation.

Mr. Tommy Gonzalez, City Manager, explained the context of the slide.

Mr. Kevin Smith, CIP, answered questions about resurfacing of Hawkins.

Mr. Gonzalez further explained the limitations of the resurfacing fund.

Representative Limón asked, "\$3 million was 'stolen' or 'removed' for Mulligan building."

Mr. Gonzalez replied, "They borrowed the funds and should have replenish them."

Mr. Zaied replied, "We're trying to learn from the 2012 actions."

Representative Acosta questioned Slide 7, Item #7 "Five Points and UMC Quiet Zones." She does not think this is completely correct.

Mr. Gonzalez stated, "Ballpark commitments regarding quiet zones needed to be expedited through our agreement with the railroad on the ballpark project."

Representative Limón would like the City Manager to provide a list of the items in the agreement with the railroad and what has or has not been changed.

Mayor Leeser stated, "There was not specific time line, but in good faith to the railroad we need to following through on the agreements."

Mr. Robert Cortinas, Director for Office of Management and Budget claimed the money was to have been used for Five Points and UMC Quiet Zones.

Representative Acosta disagreed.

Mr. Gonzalez stated, "The majority of the 55 street projects are from 2012, but there are some new projects requested by Council."

Mr. Gonzalez pointed out that the presentation includes projects desired by Council for reconstruction but that does not mean there is money for these projects.

Representative Limón questioned Slide 20. I-10 to Border Highway "Median Landscaping". She has repeatedly requested that this money be redirected to the more critical needs of streets and sidewalks. "What do I need to do?"

Mr. Gonzalez replied, "You're doing it by telling us your priorities. The landscaping ordinance from 2013 influences."

Mr. Zaied stated, "Slide 23 orders the priorities of the projects."

Representative Limón questioned Slide 23, "What pages in the prior slides show critical, high priority, and candidates for future CIP?"

Mr. Zaied explained.

Representative Acosta asked, "All of these are unfunded, correct?"

Mr. Goh replied, "Yes, all 55 projects are unfunded."

Representative Acosta asked, "\$250 million of unfunded Street CIPs?"

Mr. Zaied replied, "Correct."

Representative Tolbert asked Mr. Goh if City staff visited District 2. "Why Copia is not on the list?"

Mr. Ted Marquez, Director of Streets and Maintenance replied, "Copia does not have the volume of the top 10."

Representative Tolbert stated, "It is nonetheless rough to drive, requires front end alignments for residents. Copia needs to be addressed."

Representative Noe reminds Council that staff was directed to use objective data, not politics or opinions.

Representative Tolbert stated, "It is objective data."

Representative Ordaz stated, "This is the consequence of sprawl, traffic is moving to the outskirts."

Mr. Gonzalez stated, "We are only speaking to 7% of the whole pie. That does not mean the other 83% does not need addressing."

Representative Tolbert stated, "Our streets in the central area are getting worse and worse as attention moves to the far east and far west responding to the sprawl."

Representative Robinson questioned Mr. Marquez on the study of the streets and the formulation of the list. He discussed the process and the difficulty in balancing the needs between older and newer streets. "We're never going to agree. We've turned to our engineers to establish a prioritized list." Not one week goes by that someone does not ask him, "When are you going to fix my streets? The street I live on has not been resurfaced in 40 years."

Mr. Gonzalez stated, "First we need to replenish the fund."

Mayor Leeser stated, "All the streets need to be redone, but which ones are the worst." He told a joke evocative of that issue.

Representative Acosta questioned the steps of the process and MPO Studies. Montwood and Zaragosa is the #1 most congested street, she recalls from an MPO project.

Mr. Marquez stated, "We took the highest volume on each street, the whole street. The congestion on Montwood and Zaragosa is heavy but it does not compare to Sunland Park."

Representative Acosta asked, "Traffic counts, is that what you do to determine how much traffic travels through an area?"

Mr. Marquez replied, "Yes, traffic counts."

Representative Acosta stated, "70,000 cars at Hawkins and Gateway."

Mr. Goh stated, "We need to have a major paradigm shift. Elsewise we will never catch-up to the need. It will take 140 years."

Mr. Gonzalez stated, "Some of our roads do not have as much truck traffic as others. The truck traffic tears up streets more quickly. Also, these high volume areas are the most visible to the public for the deployment of tax dollars. The optics are maximized."

Representative Robinson stated, "Analysis in 2008." He commented on that.

Mr. Zaied stated, "Construction value in 2012 could cost 25% more today. We're going to be coming back next year for the 2012 projects to tell you that the projects have not been fully funded."

Mayor Leeser replied, "Correct. These projects are going to cost us quite a bit more."

Mr. Gonzalez stated, "Skilled labor is going up in cost. Also driving up the cost is the demand for the skilled labor among the projects for other governmental entities: TXDOT, school districts, etc."

Representative Robinson asked, "How much did the 2008 study cost conducted by the third party?"

Mr. Marquez replied, "About half a million dollars."

Representative Acosta commented, "Background on what happened in 2012: Council had considered placing it on the ballot. Outcry from community that they needed it now. The budget for streets was supposed to be increased every year in the general operating budget but that did not happen for street maintenance."

Representative Ordaz asked, "Can we include the 25% inflation rate for the 2012 projects in the new budget for 2017-2018?"

Mr. Gonzalez replied, "Our intent is to bring all the items back to Council for them to be fully funded. The budget discussion will include the debt side, including these projects."

Representative Ordaz stated, "For me, this is something I can justify as a certificate of obligation or a tax increase. All of us have different needs."

Mr. Zaied stated, "We'll be speaking to each of you, Dr. Sutter and I, this week on all these projects."

Mr. Gonzalez stated, "Quality of Life bond sale will be about 40 million dollars."

Representative Limón stated, "Lien Paving Program residents on those streets paid

directly to pave their own streets. That's why you will see pockets of better conditions."

Representative Robinson asked, "What is the philosophy on using asphalt rather than concrete?"

Mr. Goh replied, "Concrete is more expensive, but the life span is longer."

Mr. Zaied stated, "Heavily travel streets, you use concrete. Trucks, concrete. Utility cuts are harder with concrete."

Representative Ordaz appreciates the team and how data driven they are.

Representative Limón wants to make sure a contractor has not already been selected for #3. "It needs to be fair and open to everyone."

Mr. Zaied replied, "No. We have nobody in mind nor have we discussed it with any company."

Representative Noe questioned Slide #4. "Does it include traffic volume?"

Mr. Zaied replied, "Yes, it is part of the technical data."

Representative Svarzbein questioned priorities of the comprehensive bike plan.

Dr. Sutter explained the procurement process related to Item #3 on page 39.

Public comment:

Scott White, citizen bicycle advocate commented.

MOTION

Motion made by Representative Ordaz, seconded by Representative Acosta, and unanimously to **APPROVE** the following recommendations:

1. Continue with funded street CIP commitments (active resurfacing and reconstruction contracts)
2. Identify funding for the most critical unfunded street reconstruction projects (\$44,652,286)
3. Commit funding for a citywide pavement assessment and utilize that technical data to prioritize funding of capital decisions going forward
 - \$750,000 for initial Citywide assessment database with an estimated \$200,000 for annual updates for one-third of the City (3-year cycle to complete to update the entire City)
 - Once citywide pavement assessment is completed, a comprehensive plan will come back to City Council
4. Change current approach to include:
 - Ranking every street solely on technical data
 - Full range of pavement rehabilitation/replacement options utilizing: preventative maintenance, slurry seal, mill and overlay, reconstruction

AYES: Representatives Svarzbein, Tolbert, Acosta, Noe, Limón and Niland

NAYS: None

NOT PRESENT FOR THE VOTE: Representative Robinson

ABSENT: Representative Niland

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2. Presentation and discussion on the 1st Quarter Financial Report for FY2017

Dr. Mark Sutter, Chief Financial Officer, gave a PowerPoint presentation (copy on file in City Clerk's Office).

Mayor Leeson questioned, "Rents and other?"

Mr. Gonzalez commented on December Sales Tax Collections.

Mayor Leeson also commented on sales tax steadiness for El Paso.

Representative Robinson questioned Fines and forfeitures. "How much do we get to keep?"

Ms. Richarda Momsen, Municipal Clerk, replied, "About two-thirds, one third goes to the State."

Representative Limón questioned Economic Development on economic indicators. "Can it be a monthly reoccurring report?"

Mr. Cary Westin, Economic Development Managing Director, replied, "Yes, will be included in the City Manager's report."

Representative Svarzbein questioned the effect of new federal and state policies on our economy.

Mr. Westin replied, "Too early to tell."

Mr. Gonzalez stated, "Sales tax is flat, but we cannot dependably tie it to new policies."

Dr. Sutter spoke of the daily exchange rate of pesos.

Ms. Jessica Herrera, Interim Director of Economic and International Development, working with the Federal Reserve Branch on border business.

Representative Robinson questioned, "Revenue from Fort Bliss? How are we monitoring it? We should be able to get the information from the State Comptroller's Office."

Mr. Cortinas stated, "We'll continue to update that information as we receive it."

Representative Robinson stated, "I would like to see that as a line item in the revenues."

Ms. Sylvia Firth, City Attorney, stated, "For purpose of sales tax collection, the sale tax for Fort Bliss is considered part of the City limits."

Mr. Gonzalez stated, "It will cost \$16 million per bridge to automate collections on the bridges."

NO ACTION taken on this item.

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3. Presentation and discussion on the FY 2018 budget cost drivers.

Mr. Robert Cortinas, Director for Office of Management and Budget, gave a PowerPoint presentation (copy on file in City Clerk's Office).

Representative Ordaz questioned addressing budget cost drivers, expanding the commercial tax base. "A large portion of commercial property owners contest their assessments at Central Appraisal District (CAD). That information is public but not publicized. Is there a way to show us who the culprits are?"

Mayor Leeser stated, "We asked for some consistency in the process. If we can get the State to work with us through Comptroller Glenn Hegar."

Representative Robinson stated, "We gave Paul Foster money for the Mills Building and then he moved his Corporate Headquarters to Arizona (Western Refining)."

He agreed with Representative Ordaz regarding the Central Appraisal District.

NO ACTION taken on this item.

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ADJOURN

Motion made by Representative Ordaz, seconded by Representative Limón, and unanimously carried to **ADJOURN** this meeting at 12:11 p.m.

ABSENT: Representative Niland
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APPROVED AS TO CONTENT:

Richarda Duffy Momsen, City Clerk