

**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, 2<sup>ND</sup> FLOOR**  
**March 20, 2017**  
**9:15 AM**

The City Council met at the above place and date. Meeting was called to order at 9:50 a.m. Mayor Oscar Leeser present and presiding and the following Council Members answered roll call: Peter Svarzbein, Jim Tolbert, Carl Robinson, Michiel R. Noe, Claudia Ordaz, and Lily Limón. Requested to be excused: Emma Acosta and Cortney Niland.

**AGENDA**

1. Presentation and discussion on the Strategic Plan Goal Team Report for the following:

Goal 3 Team (Visual Image)

Goal 7 Team (Infrastructure)

Mr. Scott Sensanbaugher, Assistant Director of Design for Capital Improvement, gave a PowerPoint presentation (copy on file in City Clerk's Office).

Representative Robinson questioned, "Which roadways are mandated by TXDOT and which by the City, such as, McCombs?"

Representative Limón asked for clarification on Representative Robinson's concerns.

Representative Svarzbein questioned Transmountain Road, trees for shade versus shrubbery or bushes.

Mr. Khalil Zaied, Deputy City Manager Public Works, explained conversations with TXDOT.

City Manager Tommy Gonzalez explained the limitation of the contract with TXDOT.

Representative Limón questioned the funding for Sun City Lights-Cincinnati/Kern Corridor.

Mr. Zaied explained the existing capital budget part of the university pedestrian improvement.

Representative Limón questioned the cost of pre-final design.

Mr. Zaied said, "\$4 million."

Representative Limón asked, "How much money have we spent? How can we get to a pre-final design without funding for the project?"

Mr. Robert Cortinas, Director of Office of Management and Budget, replied, "It is funded by the Saturday parking meter revenue."

Mr. Gonzalez stated, "Council approved the item."

Representative Limón questioned, "Where is the third project that was presented previously, the Eastside Regional Park?"

Mr. Zaied replied, "We can't put the projects out to bid until the funding is there, but the City Manager can do the design phase up to \$500,000."

Representative Limón questioned, "How much has been spent so far?" She mentioned concerns about the use of the \$500,000 for this project when other already approved projects need money for completion. She asked, "How are the City Manager's priorities set in spending these funds?"

Mayor Leaser said he will pull the videos of the meeting where Paseo de las Luces have been discussed. "Certificates of obligations were never mentioned as a funding source; the Saturday parking fee proceeds yes, but not certificate of obligations."

Representative Svarzbein questioned Mr. Sam Rodriguez, Assistant Director for El Paso International Airport, regarding Chevron Gas Station.

Representative Robinson questioned reimbursement for TXDOT projects. He gave kudos to the City Manager and staff for aggressively pursuing those reimbursements.

Mr. Gonzalez stated, "The \$19.17 million, shown on Slide 14, was back to 2009, we do still have some projects to complete that require City matches." He thanked staff for the reimbursement work.

Representative Svarzbein questioned the Comprehensive Bike Plan. One of the most important connections is between Doniphan to downtown. Right now G-10 and Borderland Expressway projects are opportunities for a valley to valley bike corridor. Any progress with TXDOT about building a bike path along with their projects.

Mr. Ted Marquez, Street and Maintenance Director, replied, "The TXDOT budget is very tight. We are discussing it with them. City funding may be necessary."

Representative Ordaz questioned, "Mesa Street is a state road, but how about the signalization?"

Mr. Marquez replied, "Signalization was done Citywide. We do modifications to the

signals when we have certain events and closures to try to alleviate some of the congestion from the closures.”

Mr. Marquez thanked El Paso Police Department for their coordination and UTEP Police for the same.

Mr. Gonzalez commented, “Staff did effective work on the Whole Foods projects to manage traffic in and out.”

Representative Limón questioned, “What streets in District 7 have been synchronized?”

Mr. Marquez replied, “Yes, we will provide the District 7 locations for synchronization.”

Representative Svarzbein questioned synchronization of lights on Mesa and Paisano during rush hours. “How about arterials feeding Mesa?”

Mr. Marquez replied, “They were part of the signalization project.”

Mr. Zaied stated, “Five to ten percent improvement results from signalization reconfiguration.”

Representative Limón asked, “Who makes the adjustments to the school flashers?”

Representative Svarzbein questioned graffiti removal.

Mr. Richard Bristol, Deputy Director for Streets and Maintenance, explained the current program focus and budget, and spaces for confined artistic expression.

Representative Limón explained she was able to pinpoint last year places that were hit with graffiti repeatedly that could be ripe for street art and murals. She praised our great graffiti removal program.

Representative Robinson questioned, “What is the majority of the removal you are doing?” Public buildings? Residential?”

Mr. Marquez replied, “Everywhere, public property, private property, walls, businesses.”

Representative Ordaz praised Representative Svarzbein’s idea about area for street art. She would like to work with Representative Svarzbein on this.

Mayor Leeser commented, “LED lights through the City and we forecasted a huge savings. Was the saving realized?”

Mr. Bristol replied, “\$600,000 was in the budget for the contract. The lowest bid came in at \$1.3 million. We now have a functioning in-house street light division, a big savings over contracting it out.”

Mr. Gonzalez stated, “The maintenance was seriously underestimated in costs for the

LED.”

Representative Robinson questioned lights at US 54 arterials, Hondo Pass/375 intersection Railroad/Marshall road to Diana.

Mr. Richard Bristol explained it is the City’s responsibility but it is time consuming to see what circuit breakers are out along a two-mile area.

Representative Svarzbein questioned the Mesa to Oregon stretch that is still dark at night. Damage from a fire and disruption from the street car project have affected that lighting.

Representative Svarzbein questioned, “Where are the new District 1 traffic signalization locations?”

Mr. Bristol replied, “They are in design right now, eight of them. They are not quite done yet. There is no funding for the construction.”

Mr. Robert Cortinas, Director of Office Management and Budget, stated, “The Mayor’s veto put ten extra locations on hold.”

Mayor Leeser stated, “We had a budget in 2017. We are now preparing ourselves for the FY18 budget. In the FY17 budget any year end savings would be brought forward to fund projects in 2018. Identify these as FY18 budget items, not items that are delayed because of my veto.”

Representative Svarzbein questioned slide 26. “What are the best practices from other cities for funding road maintenance?”

Mr. Gonzalez stated, “Money is put aside for seal coating.”

Mr. Zaied stated, “On February 27, we did presentations on capital projects and life cycle of streets. Within the first few years it is best practice to seal streets.”

Mr. Bristol stated, “About 20 years ago the City used to do seal coating, but we got away from that because of budgetary reasons. Every 7 to 10 years, we should be seal coating every street.”

Representative Limón questioned if seal coating is part of the budget.

Mr. Zaied replied, “Yes, we did that and it was passed unanimously to have it included in the budget.”

Representative Limón summarized the good news she has heard today. The best thing is the in-house team for the LED lights.

Representative Ordaz commented, “During the Streets discussion two weeks ago the City wide plan did include discussion of certificate of obligations.”

Mayor Leeser commented, “This has nothing to do with the certificate of obligations

brought up last week and vetoed by me.”

Mr. Gonzalez replied, “Correct.”

**NO ACTION** taken on this item.

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2. Presentation and discussion on FY 2018 budget (FY 2018-2022 Long-term financial plan).

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

Mayor Leaser stated, “Long range debt is not just certificate of obligations. It does not necessarily mean certificate of obligations.”

Mr. Gonzalez stated, “Long range financial planning is an analysis of costs, operational and debt service.”

Mr. Cortinas confirmed the Mayor’s statement.

Representative Noe questioned, “Long term financial planning is Certificates of Obligation and General Obligation Bonds; right?”

Mr. Gonzalez stated, “Long term financing is Certificates of Obligation, General Obligation, revenue bonds, one-offs, pay as you go.”

Dr. Mark Sutter, Deputy City Manager Financial and Public Health, stated, “Last year, you Council, had an extensive session on long term financial planning. In 2018, Certificates of Obligation and General Obligation Bonds are additional issuances for authorization.

Mayor Leaser questioned, “\$5.5 million MPO match?”

Mr. Cortinas replied, “We have not touched that money because the Certificates of Obligation have not been sold yet.”

Mayor Leaser stated, “The projects are not ready yet. When we set it up, the issuance of Certificates of Obligation was not mentioned.”

Dr. Sutter stated, “Last August, Council voted to issue \$5.5 in MPO match money.”

Mayor Leaser stated, “It did not say Certificates of Obligation. I said long term financing.”

Representative Limón questioned, “Are “underfunded” and “over budget” synonymous terms?”

Mr. Cortinas replied, “No.”

Representative Limón questioned Argal Park financial issues.

Mr. Khalil Zaied, Deputy City Manager Public Works, explained the history of Argal Park and the purchase of additional land. The larger area has made the project underfunded.

Representative Limón asked if the Eastside Regional Park is underfunded or over budget.

Mr. Zaied replied, "In order to make it equivalent to the Westside Pool additional amenities were added to the Eastside Park that now makes it underfunded." He also added, "Originally the Eastside Regional Park pool was not in line with the Westside Pool, so originally it was within budget."

Representative Limón stated, "The Quality of Life Projects were not budgeted realistically."

Representative Ordaz questioned, "MPO \$5.5 million match?" She discussed it and the Mayor's veto. Wynn Road Project is critical, long time coming. She does not want any more delays. She asked about the University Pedestrian Project."

Mr. Zaied stated, "\$278,000 total match for the University Pedestrian Project. \$1,000,000 for the Wynn Road Project."

Mayor Leeser discussed the merits of the projects and made it clear that they should be budgeted, not funded by Certificates of Obligation. He added, "We need to fund our budget properly."

Police Chief Gregory Allen told the Mayor he believes the police garage has been outgrown.

Mayor Leeser stated, "The way the \$44 million was posted for the Certificates of Obligation would not have accomplished what Representative Ordaz wants to do."

Representative Ordaz recounted the MPO reimbursement "black eye" that embarrassed the City nationally. She does not want to go back to old practices and wants money set aside for these projects. She also added: "We need to be prepared for our MPO projects."

Mayor Leeser said he understands, but Certificates of Obligation are not the proper way of doing that. He added, "I will veto the issuance of Certificates of Obligation if the veto override goes forward." He wants to have a work session to discuss all these projects.

Representative Ordaz questioned, "What about the \$5.5 million match?"

Mayor Leeser replied, "Once the projects are ready, we'll have the funding there."

Representative Noe stated he believes we need the funding very quickly for critical projects; he asked Ms. Sylvia Firth, City Attorney, if we can decrease the \$44 million at the public hearing.

Ms. Firth replied, "Yes, you can decrease it, but not increase it."

Representative Noe is concerned about jeopardizing MPO projects and delaying so that costs increase due to higher interest rates. He agrees with the Mayor that it needs to be fiscally responsible and with transparency and explained his rationale for supporting the Certificates of Obligation now since he does not know what the new Council will do.

Mayor Leeser stated, "We made a commitment to our taxpayers that we would stay within our budget." He mentioned if he operated his business by relying on debt, he would be out of business.

Mayor Leeser also added: "We need to stay within our means and within our budget. 10% of El Paso taxpayers can afford anything we throw at them, but the rest will really struggle with this debt burden. We had identified other funding for many of the projects that now are being proposed to be funded by Certificates of Obligation. I made a commitment to represent the people; I will represent the people until the last day I am here in office."

Dr. Sutter discussed debt modeling and the 30% cap.

Mayor Leeser asked Dr. Sutter, "If we use up the one penny left in the cap, what will we do?"

Dr. Sutter replied, "We will have to raise the cap."

Mr. Gonzalez asked Dr. Sutter to send the debt modeling presentation to all of Mayor and Council.

Mr. Zaied stated, "We will need money in Fall 2017 for Eastside project."

Mr. Cortinas stated, "Budget is finalized in August."

Ms. Firth explained the process that will happen if the veto is overridden. The debt policy will have to be rewritten. The current debt policy does not allow Certificates of Obligation to be issued for Quality of Life projects.

Mayor Leeser stated, "It's a big problem to double back on what we told the public."

Representative Robinson tells his constituents that they can have anything they want but they have to pay for it. "We, the City, started projects eight to ten years ago that are not complete yet. Even so, we're talking about new projects. We need an honest discussion and plan about what our priorities are."

He added that again and again he hears from citizens, "When are you going to fix our streets? People in District 4 pay taxes, as well. We cannot change directions from one day to the next. Northeast Regional Park was started ten years ago. Today it is not complete yet."

Representative Robinson did give credit to the City Manager for working on the project, applying for grant funding. He added that athletic fields are not complete and District 4 constituents believe they are getting the short end of the stick.

Representative Robinson stated, “Streets, streets, streets. My street has not been resurfaced in 40 years.”

Representative Svarzbein stated, “Your constituents are concerned about streets, but we are working on them.”

Representative Ordaz asked Ms. Firth on the procedure for tomorrow regarding the override of the Mayor’s veto.

Mayor Leaser spoke of the steps in the process and the burden Certificates of Obligation will impose on the taxpayers.

Mr. Gonzalez commented on cities that say they are lowering the tax rate. “Citizens do not pay fewer tax dollars.”

**NO ACTION** taken on this item.

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**ADJOURN**

Motion made by Representative Limón, seconded by Representative Robinson, and unanimously carried to **ADJOURN** this meeting at 1:01 p.m.

ABSENT: Representatives Acosta and Niland

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APPROVED AS TO CONTENT:

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Richarda Duffy Momsen, City Clerk