

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

SPECIAL WORK SESSION MEETING OF THE CITY COUNCIL MEETING MINUTES
MAIN CONFERENCE ROOM
June 30, 2016

The City Council met at the above place and date. Meeting was called to order at 9:13 a.m. Mayor Oscar Leeser present and presiding and the following Council Members answered roll call: Jim Tolbert, Emma Acosta, Carl Robinson, and Lilia Limón. Late arrivals: Claudia Ordaz at 9:16 a.m., Peter Svarzbein at 9:18 a.m., Michiel Noe at 9:27 a.m., and Cortney Niland at 9:33 a.m.

AGENDA

1. Goal 7 – Infrastructure (Capital Improvement, Sun Metro, Streets and Maintenance)

Mr. Richard Bristol, Deputy Director for Streets and Maintenance, presented a PowerPoint presentation (copy on file in City Clerk's Office).

Representative Limón raised an issue about traffic and pedestrian safety.

Representative Ordaz questioned uplighting and traffic safety.

Representative Robinson questioned reconstruction of streets projects, Railroad Drive.

Ms. Monica Lombrana, Director of Capital Improvement, stated, "Some streets were on the list, and were not funded."

Representative Svarzbein questioned bike path lanes between Paisano and Border West Expressway and added that given the current construction this may be the last best opportunity to create a safe passage for bikes.

Ms. Lombrana explained the plans to reroute bike lanes on Mesa. TXDOT is creating a basic bike trail but Council should not expect landscaping from TXDOT.

Representative Svarzbein further explained the attractions of a bike trail to appreciate our environment and climate.

Representative Svarzbein questioned street cars and Economic Development's efforts to work on initiatives and incentives around the street cars. The other issue is

ridership. "How do we get people to ride it?" Possibility is to waive the rider fee for the first 90 days. Representative Svarzbein commented on the heavy use of San Jacinto Plaza and the downtown bike share program by all walks of life.

Mayor Leeser stated, "Sylvia Firth advised that can be done but we have to reach out to the Federal Transit Authority."

Mr. Jay Banasiak, Mass Transit Director, explained the process.

Representative Niland questioned funding in FY17 Budget and the raising of the parking court cost for child safety.

Ms. Richarda Momsen, Municipal Clerk, explained the parking court cost.

Representative Ordaz questioned traffic improvements around the ports of entry, Zaragoza Port of Entry and Bridge of Americas.

Mr. Gonzalez explained the strains of federal funding.

Representative Ordaz would like to increase funding amount above \$4 million as a contingency plan in case monies are freed.

Ms. Lombrana recommends an additional 10%, which equals \$400,000.

Representative Acosta questioned the increase in outside contract services by \$4.7 million.

Mr. Jay Banasiak stated, "Sun Metro's increase is for the LIFT, more heavy equipment contracts for aging engines and to move bus shelter cleaning for the BRIO."

Representative Acosta questioned raising contracts to a minimum of \$10 per hour.

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

Mayor Leeser asked if we have spoken with contractors about this proposal and how it would affect them in doing business with the City.

Mr. Cary Westin, Director of Economic and International Development, replied, "Yes, City staff has done that." He briefed Council on the feedback received from businesses.

Representative Acosta questioned, "\$240,000 for this year's increase?"

Mr. Cortinas replied, "Yes."

Representative Acosta questioned increases in capital expenditures. She questioned MPO expenditures. She would like to see the MPO listed as a flow through as the fiscal agent.

Ms. Sylvia Firth, City Attorney, asked, "Do you include 911 District in our budget?"

Mr. Cortinas replied, "No."

Representative Acosta questioned Slide 17, roof upgrade at Multi-Purpose Center.

Representative Limón stated, "As it stands right now, there is no plan to adjust contracts to a minimum of \$10 per hour." Representative Limón expressed her dismay that the City is paying contract employees \$7.25 an hour, which is not a livable wage.

Mayor Leeser spoke of the dilemma businesses could face at paying different wages for the same work at different entities.

Mr. Gonzalez stated, "It may be an option for the City to take some services back in house to equalize the pay." He explained the 5 year plan being presented to raise both City and contract employees to \$10 per hour, in stages.

Representative Noe spoke of taxing, taking from some to give to others, benefiting a few to punish a lot. The market should drive the wages.

Representative Limón stated, "We are asking for a livable wage."

Representative Noe stated, "We are here to create private jobs."

Representative Robinson questioned Railroad Drive, resurfacing and reconstructing.

Ms. Lombrana replied, "Railroad was originally estimated at \$5.9 million but is now at \$13.2 million. There was enough funding."

Representative Robinson stated, "Someone dropped the ball. What happened to Montwood?"

Mr. Richard Bristol, Deputy Director for Streets and Maintenance replied, "2010 Certificate of Obligations funded the Montwood reconstruction, a portion of it."

Ms. Lombrana stated, "\$11 million was the original cost for Montwood."

Mr. Gonzalez explained the funding constraints the City is facing for the reconstruction projects.

Representative Niland asked, "Why are we beating a dead horse? We've been over and over this."

Representative Limón would like to see increases for employees, as well.

Public comment:

1. Mr. Scott White - He urged Council to build streets not just for vehicles but for bikes and pedestrians a vision zero policy. No traffic deaths.
2. Mr. Mike Rooney – Spoke about restriping of roads.

.....
The Special City Council Meeting was **RECESSED** at 11:48 a.m. and **RECONVENED** at 12:38 p.m.
.....

Goal 8 – Healthy Community (Environmental Services, Animal Services, Community Development, Public Health)

Ms. Veronica Soto, Director of Community and Human Development, presented a PowerPoint presentation (copy on file in City Clerk's Office).

Representative Robinson questioned homelessness, movement by feds to reduce funding the way they are allocating that funding.

Ms. Soto replied, "Yes, the new goal is the rapid rehousing needed."

Representative Robinson believes many of the homeless people are not ready to live in an apartment on their own due to alcohol, drug, and psychological problems. He is not saying all homeless people are not ready, some are ready but many are not ready.

Mayor Leeser asked Ms. Soto to come back to Council with some recommendations.

Ms. Firth spoke of funds granted in previous legislative sessions to address homelessness.

Representative Robinson asked, "What State funding have we received?"

Ms. Soto explained the State funding the City receives and passes on to homeless agencies.

Representative Robinson said he also would seek resources through the Rio Grande Council of Governments.

Representative Svarzbein questioned the Job Express Program and the end of funding at the end of June. He would like to know the facts and any contingency plan.

Representative Limón commented on Housing Finance conferences.

Ms. Soto stated, "Low income tax credits are a subject of the Mayor's Blue Ribbon Committee. We will be reporting to Council the first Council meeting in August."

Representative Limón asked on low income housing, "What is the medium income and rent payment?"

Ms. Soto replied: "\$41,000 for a family of 4."

Representative Limón asked Ms. Soto to calculate if a single person earning minimum wage could afford this.

Representative Tolbert praised department heads for their work.

Ms. Nicole Ferrini, Office of Resilience and Sustainability explained initiatives of her

office with City employees and tips for new construction.

Representative Tolbert praised the beauty of St. Anne's as housing for senior citizens.

Representative Acosta questioned Slide 7, page 4. "Why increase \$10 million in Environmental Services?"

Ms. Ellen Smyth, Director of Environmental Services replied, "We will be constructing landfill cells."

Mr. Cortinas explained the outside contract account increase.

Representative Acosta questioned transfers out and the increase in revenues.

Ms. Smyth replied, "\$9 million transfer is going to Animal Services."

Representative Acosta questioned revenue increases. She also questioned additional 55 positions, "What is the funding?"

Mr. Kurt Fenstermacher, Director of Animal Services, answered about his staffing level.

Ms. Smyth explained they will be using part of the environmental fund balance.

Representative Acosta stated, "Finance and Audit Committee meeting revealed the loss of a position in housing and it was an audit funding."

Ms. Soto stated, "There is one position for compliance, five for interns, and three for graduate interns."

Mr. Gonzalez agreed to add a position for housing and instructed Ms. Soto and Mr. Westin to get outside help if the situation happens again.

Representative Acosta questioned the decrease in the revolving loan fund. She questioned, "Who handles the Community Development accounting?"

Ms. Soto and Dr. Sutter replied, "Comptrollers does the accounting work."

Mr. Gonzalez and Mr. Cortinas presented a PowerPoint presentation (copy on file in City Clerk's Office) on a budget summary.

Representative Svarzbein would like to see the pie chart on what tax dollars go to what entities. The dollar breakout has been included in the tax bills, the Mayor noted.

Representative Niland questioned \$3.2 million reduction in the redesigned healthcare plan.

Mr. Gonzalez stated, "This reduced the amount demanded of the employees." He explained some life style incentives open to employees. This is cost avoidance as opposed to cost savings.

Representative Limón questioned Mr. Cortinas on the list of the 10 signalized intersections.

Mr. Gonzalez stated, "It will go from 2 to 10 intersections. There are 25 projects on the list."

Dr. Mark Sutter, Chief Financial Officer, discussed reductions to achieve no tax rate increase. He cautioned Council that as we start making reductions it reduces our ability to be flexible, to respond to unexpected demands for services or unexpected dips in revenue.

Mayor Leeser thanked Dr. Sutter and Mr. Gonzalez for the recommendations.

On July 25, 2016 we will receive certified values and on July 28, the Introduction of Tax Ordinance.

Representative Noe questioned the 18 month implementation of Animal Services changes. He wants to make sure goals are reached.

Mr. Fenstermacher does not anticipate an issue on extending the implementation.

Representative Noe cannot accept any of the red highlighted reductions.

Mayor Leeser agreed.

Representative Acosta discussed increases. "What are the recommendations for the \$4.3 million general fund and what is the reduction to the debt service? \$8.4 million?"

Dr. Sutter stated, "There are no debt service reductions. All the reductions listed are General Fund reductions."

Representative Acosta expressed concerns about public safety vehicles and using the debt for those since they have a defined life span.

Mr. Gonzalez expressed funding options and the Council's priorities.

Representative Acosta asked, "If Council adopts the green and yellow recommendations, are we at a flat budget?"

Dr. Sutter replied, "No."

Mr. Cortinas stated, "\$2.3 cents equals \$1.56 cents."

Mayor Leeser stated, "On July 25 the certified values will be given."

Ms. Firth stated, "After July 25 the CAD can tell you what is in contention."

Representative Acosta asked Mayor, "If there is a 1.56 cent tax increase will he veto it?"

Mayor Leaser stated he removed a position from his budget.

Representative Acosta asked, "Can we add traffic calming to Certificates of Obligation? We have 30 requests for traffic calming."

Mr. Gonzalez replied, "It would cost about \$300,000 to fund this."

Representative Limón asked, "How are we cutting funding for vehicles, yet still maintaining them suitably?"

Dr. Sutter explained the \$3.5 million is the saving on the refunding of bonds.

Representative Limón questioned the combining of the EPPD Academy.

Ms. Nancy Bartlett, Chief Performance Officer commented on why EPPD had two separate academies: one attrition academy and one growth academy to prevent releasing 80 new officers to the street at one time.

Representative Svarzbein questioned the wisdom of sending so many new officers out at once. He would like to hear the best practice from Chief Allen.

Representative Limón asked, "If we combine the academies, will we have the necessary number of vehicles for them?"

Dr. Sutter explained they do believe they will have vehicles.

Representative Limón asked for an explanation of the reduction in the janitorial budget.

Mr. Cortinas replied, "Streets and Maintenance is releasing a bid and they think there may be a bit of a cushion."

Representative Limón asked Mr. Gonzalez about taking janitorial work inside.

Mr. Gonzalez stated, "Staff did not get a vote from Council." He discussed the managed competition process.

Representative Niland stated, "Historically, the reason to outsource is because it is cheaper."

Mr. Gonzalez stated, "The other reason to privatize is if the City does not have the required expertise in house."

Representative Niland thanked staff and City Manager for delivering this budget." We are cashing the checks that other City Councils wrote. This Council needs to be mindful of the burden we leave future Councils. We are just deferring the payments. They are going to have to be paid by future Councils."

Representative Svarzbein expressed concerns about incurring debt to get one year of

a tax freeze; it makes little sense. Voters have voted for projects and referendums that will raise tax rates. We need economic and cultural development.

Representative Svarzbein asked to suspend the rules to allow Representative Niland to pull out her IPAD to watch her son play basketball.

Representative Acosta questioned vacancy management. "What departments are affected?"

Representative Svarzbein questioned Chief Allen on the combined academy. The Chief said it would not affect the quality of the officers.

Ms. Bartlett explained the position review committee and how it processes approval or denial of the filling of vacancies.

Representative Acosta stated, "There comes a time when you have to say a reasonable tax increase is needed." She believes a reasonable tax rate is justifiable.

Representatives Svarzbein and Acosta discussed doing the Feasibility Study for streetcar bridge through the MPO to help share the cost. Our portion would be 20% for the City.

Mr. Gonzalez stated, "The project would have to be federalized anyway through the MPO."

Representative Ordaz pointed out that technically the City is going to have to post a tax increase.

MOTION

Motion by Representative Tolbert, and Representative Ordaz, and unanimously carried that the Budget Meetings to be held on July 12, 2016 and July 19, 2016.

Public comment

Mr. Scott White encourages people to become more active, walking, biking, and enjoying the outdoors. This would make the community healthier and safer. He would like to see a bike coordinator.

Mr. Mike Rooney spoke of cats being released back into the community or the care of the sponsors. Citizens are left to clean up the stray cat problems.

.....
ADJOURN

Motion made by Mayor Pro Tempore Noe, seconded by Representative Niland, and unanimously carried to adjourn this meeting at 4:13 p.m.

.....
APPROVED AS TO CONTENT:

Richarda Duffy Momsen, City Clerk