CITY OF EL PASO, TEXAS AGENDA ITEM AGENDA SUMMARY FORM

DEPARTMENT: Mayor and Council

AGENDA DATE: Tuesday, November 24, 2020

CONTACT PERSON NAME AND PHONE NUMBER:

<u>City Representative Henry Rivera, District 7- 915.212.0007</u> <u>City Representative Peter Svarzbein, District 1- 915.212.1002</u>

DISTRICT(S) AFFECTED: All Districts

STRATEGIC GOAL: Goal 6 - Set the Standard for Sound Governance and Fiscal Management

SUBJECT:

APPROVE a resolution / ordinance / lease to do what? OR AUTHORIZE the City Manager to do what? Be descriptive of what we want Council to approve. Include \$ amount if applicable.

<u>Discussion and action to direct the City Manager and City Attorney to update City Council on the outstanding invoice of March 27, 2019, to Donald J. Trump for President Inc.</u>

BACKGROUND / DISCUSSION:

Discussion of the what, why, where, when, and how to enable Council to have reasonably complete description of the contemplated action. This should include attachment of bid tabulation, or ordinance or resolution if appropriate. What are the benefits to the City of this action? What are the citizen concerns?

PRIOR COUNCIL ACTION:

Has the Council previously considered this item or a closely related one?

Yes, Council has discussed this in open meetings and executive session.

AMOUNT AND SOURCE OF FUNDING:

How will this item be funded? Has the item been budgeted? If so, identify funding source by account numbers and description of account. Does it require a budget transfer?

AGENDA FOR REGULAR COUNCIL MEETING

August 20, 2019 COUNCIL CHAMBERS, CITY HALL 9:00 AM

AND

AGENDA REVIEW MEETING 300 N. CAMPBELL COUNCIL CHAMBERS AUGUST 19, 2019

30.5. Discussion and action to direct the City Manager and City Attorney to brief council on the outstanding invoice of March 27, 2019, to Donald J. Trump for President Inc.

All Districts

Representative Cassandra Hernandez, (915) 212-0003

MINUTES FOR REGULAR COUNCIL MEETING August 20, 2019 COUNCIL CHAMBERS, CITY HALL 9:00 AM

30.5. Discussion and action to direct the City Manager and City Attorney to brief council on the outstanding invoice of March 27, 2019, to Donald J. Trump for President Inc.

Representatives Annello, Hernandez, and Rivera commented.

The following members of City staff commented:

- 1. Ms. Karla Nieman, City Attorney
- 2. Mr. Robert Cortinas, Chief Financial Officer

Motion made by Representative Annello, seconded by Representative Svarzbein and unanimously carried to **DIRECT** the City Manager and City Attorney to **RETURN** with a briefing at the September 17, 2019 meeting.

AYES: Representatives Svarzbein, Annello, Hernandez, Morgan, Salcido, Ordaz Perez,

Rivera, and Lizarraga

NAYS: None

*** REVISED *** NOTICE OF WORK SESSION OF THE CITY COUNCIL OF THE CITY OF EL PASO CITY HALL, 300 N. CAMPBELL COUNCIL CHAMBERS

September 30, 2019 9:05 AM

Notice is hereby given that a Work Session of the City Council of the City of El Paso will be conducted on September 30, 2019 at 9:05 AM Council Chambers, City Hall, 300 N. Campbell, El Paso, TX 79901.

<u>AGENDA</u>

1. Traffic Fatality Prevention and Safety Strategies.

All Districts

Streets and Maintenance, Richard Bristol, (915) 212-0151 Police, Assistant Chief Victor Zarur, (915) 212-4000

2. <u>Presentation – Capital project year in review report for FY2019 and preview for FY2020.</u>

All Districts

Capital Improvement, Sam Rodriguez, (915) 212-0065

EXECUTIVE SESSION

The City Council of the City of El Paso may retire into EXECUTIVE SESSION pursuant to Section 3.5A of the El Paso City Charter and the Texas Government Code, Chapter 551, Subchapter D, to discuss any of the following: (The items listed below are matters of the sort routinely discussed in Executive Session, but the City Council of the City of El Paso may move to Executive Session any of the items on this agenda, consistent with the terms of the Open Meetings Act and the Rules of City Council.) The City Council will return to open session to take any final action and may also, at any time during the meeting, bring forward any of the following items for public discussion, as appropriate.

Section 551.071	CONSULTATION WITH ATTORNEY
Section 551.072	DELIBERATION 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
Section 551.076 Section 551.087 NEGOTIATIONS Section 551.089	DELIBERATION REGARDING SECURITY DEVICES DELIBERATION REGARDING ECONOMIC DEVELOPMEN DELIBERATION REGARDING SECURITY DEVICES OR SECURIT

Discussion and action on the following:

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- Ex1. Economic Development Incentives for a Convention Center Hotel located in the City of El Paso. (16-1007-1783) (551.071) (551.087)

 Economic and International Development, Jessica Herrera, (915) 212-0094
- Ex2. Economic Development Incentives for a Convention Center Hotel located in the City of El Paso, (16-1007-1729) (551.071) (551.087)

Economic and International Development, Jessica Herrera, (915) 212-0094

- Economic Development Incentives for a Convention Center Hotel located in the City of El Paso. (17-1007-1895) (551.071) (551.087)

 Economic and International Development, Jessica Herrera, (915) 212-0094
- Legal consultation regarding outstanding invoice sent to Donald J. Trump for President Inc. on March 27, 2019. (551.071)
 City Attorney's Office, Karla M. Nieman, (915) 212-0033
- City of McAllen, et al v. The State of Texas; 353rd District Court of Travis County;

 Cause No. D-1-GN-17-004766. (551.071)

 City Attorney's Office, Karla M. Nieman, (915) 212-0033
- EX6. In Re: Max Grossman, Relator; Supreme Court of Texas; Case #19-0522; Matter No. 19-1001-233 (551.071)
 City Attorney's Office, Karla M. Nieman, (915) 212-0033
- EX7. Max Grossman v. Mark Wolfe, Executive Director, Texas Historical Commission;
 Supreme Court of Texas; Case #19-0521; Matter No. 19-1001-237 (551.071)
 City Attorney's Office, Karla M. Nieman, (915) 212-0033
- EX9. Max Grossman v. City of El Paso; 384th District Court; #2017DCV2528; Matter No. 17-1001-171.001 (551.071)
 City Attorney's Office, Karla M. Nieman, (915) 212-0033

Published — April 16, 2020

CITY LEADERS TO TRUMP: HELP US FIGHT THE CORONAVIRUS BY PAYING YOUR BILLS

President Donald Trump speaks at a campaign rally in Battle Creek, Mich., back in December 2019. (AP Photo/Paul Sancya)

Fourteen city governments say the president's campaign now owes them a collective \$1.82 million. The campaign says it's not responsible.

This article is published in partnership with <u>NBC News</u>

INTRODUCTION

The Center for Public Integrity is a nonprofit newsroom that investigates betrayals of public trust. Sign up to receive our stories.

Here's how some city leaders say President Donald Trump could immediately help them grapple with the coronavirus crisis: Pay bills they already sent his campaign committee months or years ago.

Fourteen municipal governments — from <u>Albuquerque</u>, <u>New Mexico</u>, to <u>Wildwood</u>, <u>New Jersey</u> — want Trump's campaign committee to clear a combined \$1.82 million worth of public safety-related debt connected to Trump's "Make America Great Again" campaign rallies, according to interviews with local officials and municipal records obtained by the <u>Center for Public Integrity</u>. The Trump campaign's tab is now more than double what Public Integrity first reported in June

Cities are girding for a coronavirus-induced financial disaster, with a <u>new study</u> from the <u>National League of Cities</u> and <u>U.S.</u>

<u>Conference of Mayors</u> indicating more than 2,100 U.S. cities are anticipating significant budget shortfalls and widespread cuts to

local government programs and staff. These cuts are likely to fall hardest on <u>low-income residents</u>, <u>people of color</u>, the <u>homeless</u> and the <u>disabled</u>, who are suffering disproportionately from the pandemic.

Campaigns should always reimburse already cash-strapped cities for police and public safety costs, argued Minneapolis Mayor Jacob Frey, whose city wants the Trump campaign to pay nearly \$543,000 stemming from an Oct. 10 rally.

"But during this crisis, that loss is even more pronounced — \$150,000, for instance, could pay for emergency rental assistance for 100 Minneapolis families," Frey told Public Integrity this week.

"Without this money, we cannot help our most vulnerable, and I guarantee we do not have enough money to prevent lives lost and homes lost," said Kate Burke, a city council member in Spokane, Washington, which has been waiting since 2016 for the Trump campaign to pay more than \$65,000.

"Any revenue received would be helpful to our general fund, which supports the majority of our operating costs," said Rebecca Fleury, city manager of Battle Creek, Michigan, which billed the Trump campaign more than \$93,000 for public safety services related to a Trump campaign rally in December.

Trump frequently touts his support for law enforcement.

Minneapolis Mayor Jacob Frey said campaigns should always reimburse already cash-strapped cities for police and public safety costs. (AP Photo/Jim Mone File)

"I love you guys, whether you're cops, police officers, law enforcement — I'll call you whatever you want, it doesn't matter. You are so great, so respected," Trump said <u>during his rally</u> in Minneapolis.

"Nobody appreciates you more than the president of the United States," Trump told law enforcement officials on Law Enforcement Appreciation Day in January.

But in a statement to Public Integrity, the Trump campaign indicated it's not responsible for reimbursing cities for police and public safety

costs associated with its spirited, and sometimes boisterous rallies — the president's favored venue for connecting with supporters.

"It is the U.S. Secret Service, not the campaign, which coordinates with local law enforcement. The campaign itself does not contract with local governments for police involvement. All billing inquiries should go to the Secret Service," the statement said.

Secret Service officials, however, said that they receive no funding from Congress to reimburse municipal governments for the local public safety protection they request.

The Trump campaign did not say whether it supports Congress appropriating federal tax dollars to reimburse municipal governments for protecting people at future presidential campaign rallies.

In the meantime, Trump's campaign should both pay Tucson, Arizona, the nearly \$82,000 for a March 2016 campaign rally and prioritize helping all cities contend with coronavirus-ravaged budgets, Tucson spokesperson Lane Mandle said.

"What the City of Tucson needs, like every major municipality, is a direct infusion of cash from the federal government that can be put toward our general fund to offset the millions currently being lost in sales tax revenue," Mandle said.

"We're a small, seasonal resort. It's all a scary proposition," said Wildwood Mayor Pete Byron, whose city of about 5,000 residents is invoicing the Trump campaign for \$33,900 following a campaign rally on Jan. 28. "The president could help now."

SOME CANDIDATES PAY — OTHERS DON'T

Following his inauguration in January 2017, Trump immediately launched his 2020 re-election effort. No other president has <u>started</u> so early.

Trump has since conducted nearly 90 large-scale campaign rallies — although both Trump and presumptive Democratic nominee Joe Biden have suspended in-person campaign events since mid-March, when states began limiting the sizes of public gatherings in response to spiking COVID-19 infections.

Many cities that hosted Trump rallies chose not to bill his campaign for police and public safety costs, explaining they have policies against doing so or didn't bother because of Trump's history of nonpayment.

Alternatively, several — <u>including Nashville</u> — required the Trump campaign to sign a contract and prepay police costs because Trump planned to appear at a city-owned facility.

But Trump often gathers his political flock at private venues. And if city officials want to recoup often significant costs associated with protecting these rallies, they must bill the Trump campaign after the fact and hope it will pay.

When the Trump campaign does not pay, local taxpayers are left to absorb costs they effectively cannot avoid, as municipal leaders say they are duty bound to secure and protect any large gathering within their cities' limits.

Some recent presidential candidates, including Republican Ted Cruz in 2016 and Democratic also-rans Elizabeth Warren, Kamala Harris, Cory Booker, Beto O'Rourke and Pete Buttigieg in 2020 routinely paid police bills municipal governments sent their campaigns. They argued it was the right thing to do, even if their campaigns weren't legally obliged.

President Barack Obama and 2016 Democratic presidential nominee Hillary Clinton paid some police bills, but <u>not</u> others. Likewise, Sen. Bernie Sanders, who <u>dropped out</u> of the 2020 race this week, has a checkered history of paying such bills.

For example, both the Clinton and Sanders campaigns of 2016 still have pending invoices from Spokane, said Marlene Feist, the city's public works director of strategic development.

Biden's campaign, which has primarily conducted small-scale political events during the 2020 campaign, has paid several municipalities and school districts several thousands of dollars during the past year for "event security," Federal Election Commission records indicate. The Biden campaign has also paid New York-based private security firm T&M Protection
Resources more than \$312,000, according to federal records. The Biden campaign did not respond to requests for comment about whether it will honor public safety-related invoices it receives from municipalities that host Biden's general election campaign events.

Such gatherings — if they're <u>allowed to occur</u> — will likely be notably larger, and demand significantly more public safety presence, than Biden's primary events.

Moe Vela, who served in the White House as Biden's vice presidential senior adviser and director of management and administration, said both the Trump and Biden campaigns should pay police bills sent by municipalities.

"No double standards," Vela said.

FORCING TRUMPS HAND?

Politicians at all levels of government are now attempting to compel the Trump campaign specifically — and presidential campaigns generally — to pay their bills.

Officials in El Paso, Texas, which initially billed the Trump campaign for more than \$470,000 in police bills following a campaign rally in February 2019, have prodded Trump with <a href="later-to-later-text-align: later-to-later-text-align: later-text-align: late

Several state lawmakers in Wisconsin grew so perturbed with deadbeat presidential candidates that they introduced <u>legislation</u> in January that would deny rally permits to presidential campaigns that owe Wisconsin municipalities money.

The <u>bill</u>, which has not become law, also authorizes local governments to require presidential campaigns to make advance payments covering estimated police and sanitation costs related to their rallies.

Trump has yet to pay four-year-old bills from Eau Claire, Wisconsin (\$47,398) and Green Bay, Wisconsin (\$9,380), city officials there confirmed last week.

"That kind of money could be the difference between hiring another police officer or not," said state Rep. Amanda Stuck, a Democrat and the bill's co-sponsor, who's also running for Wisconsin's 8th District U.S. House seat. "This should be a bipartisan issue, and this really should be on campaigns to pay. I don't expect taxpayers to pay for my campaign events."

In Washington, D.C., Rep. Bill Pascrell, D-N.J., <u>filed a complaint</u> with the FEC against the Trump campaign, in part <u>accusing it</u> of violating a provision in federal election law that requires candidate committees to report its debts, including disputed debts.

The Trump campaign has not publicly disclosed any of the police and public safety bills it's received as debt, disputed or otherwise.

The FEC, however, cannot act on the complaint because it doesn't have enough commissioners to <u>enforce federal campaign finance</u> laws — and hasn't since Sept. 1.

If the Trump campaign decided to pay the \$1.82 million in police and public safety bills it's received, it'd have no trouble doing so: Trump's own campaign committee, combined with Republican National Committee entities, this week <u>announced</u> they had begun the month with more than \$240 million in reserve.

By Jim Parker
April 21, 2020 10:40 pm
Published April 21, 2020 8:10 pm
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El Paso preparing to sue Trump campaign for \$500,000 owed from rally



AP filePresident Trump speaks at a rally in El Paso on Feb. 11, 2019.

EL PASO, Texas -- The City of El Paso is preparing to sue President Donald Trump's campaign for more than a half-million dollars it owes from a "Make America Great Again" rally that Trump hosted last year in the Sun City.

The move comes as the city is facing an estimated budget shortfall of \$26 million this fiscal year, and up to \$100 million next year, due to the financial impacts of the coronavirus pandemic.

A frustrated Mayor Dee Margo indicated Tuesday evening that a City Council vote to sue the Trump campaign for the unpaid bill would likely come soon. The city has been trying to collect for months to no avail - most recently

invoicing the campaign in February, which was one year after the event took place.

"If we need to file suit (to collect), we need to progress that way," Margo said in response to a question during a news conference about the city's coronavirus efforts.

The bulk of the \$569,204 owed to the city is for El Paso police providing security around Trump's event at the El Paso County Coliseum, along with protection from the fire department.

City leaders have said the Trump campaign's repeated failure to pay results in money being used to cover those costs from the city's contingency budget -- funds used for unexpected and emergency situations, such as natural disasters or the Covid-19 crisis.

ABC-7 first reported the city sending the Trump campaign an invoice for the February 2019 rally last year.

El Paso isn't the only city that says it's owed money for Trump campaign rallies.

A <u>report published last week by the The Center for Public Integrity</u> found that Trump's team owes a total of \$1.82 million to 14 communities for public safety-related costs incurred during the president's "Make America Great Again" events.

The Trump campaign has suggested it's not responsible for paying those bills because the U.S. Secret Service provides presidential security.

yahoo!finance

Yahoo Finance

Trump still owes El Paso—a city facing a coronavirus disaster—\$569,000 for his 2019 rally



Zack Guzman

·Senior Writer

30 October 2020-2-min read

As El Paso, Texas, battles the worst coronavirus outbreak in the nation as measured by population-adjusted cases, the city is also still fighting to get Trump's campaign to pay its outstanding bill from a rally held there in 2019.

Trump's outstanding balance of \$569,204.63 for the rally he held in the border town back in February of last year still hasn't been paid, according to El Paso Mayor Dee Margo.

"We've been unable to collect," he told Yahoo Finance. "We're told even if we filed suit, chances of collection are slim."



U.S. President Donald Trump speaks during a campaign rally at El Paso County Coliseum in El Paso, Texas, U.S., February 11, 2019. REUTERS/Leah Millis

According to Margo, the heart of the conflict stems in part from an issue of botched billing on the part of the city which is now strapped for resources at the worst possible time.

"The city mishandled the documentation and the way we should have handled it and we learned a lot. We're not used to presidents coming to visit El Paso," he said.

Documents from an open records request filed by Yahoo Finance reveal the outstanding balance includes a more than \$380,000 charge for police and more than \$60,000 charged to the fire department. A 21% late fee assessed to the Trump campaign after the balance still remained unpaid in March 2019 pushed the balance past the \$500,000 mark.

On Thursday, Margo relented the strapped position his police and fire departments find themselves in, saying, "Our police are stretched to the full extent of their capacity. We have COVID issues with our police and fire department, we have a number of issues we're trying to deal with."

Earlier this year in April, when Margo was instructing his staff to file suit against the Trump campaign, a <u>Texas Tribune report</u> highlighted that city leaders were already facing more than \$25 million in lost revenue due to the coronavirus pandemic and were weighing cutting projects and employee salaries.

Despite that stance, the Republican mayor, who is up for re-election, refuted the idea that the nonpayment has had any impact on the city's ability to battle its current health crisis.

"No, it has no bearing whatsoever," Margo said.

A Trump campaign spokesperson did not return Yahoo Finance's request for comment.

City Attorney won't sue Trump; refuses to say why

by Shelton Dodson

Tuesday, November 10th 2020







President Donald Trump speaks during a rally at the El Paso County Coliseum, Monday, Feb. 11, 2019, in El Paso, Texas. (AP Photo/Eric Gay)

EL PASO, Texas (CBS4) — For months CBS4 On Your Side has requested an on-camera interview with El Paso city attorney Karla Nieman over her decision not to sue the Trump campaign for the money it still owes the city of El Paso.

We've also requested a written comment about her decision. However, just like the El Paso taxpayers, we've come up broke.

Shortly after his 2019 State of the Union address in which he <u>falsely labeled El Paso as formerly</u> being one of the most violent cities in the country, President Trump flew to the Borderland for <u>a campaign rally at the El Paso County Coliseum</u>.

The city later sent the Trump campaign a bill for security and support services in the amount of \$470,417.05.

Four months later, the city tacked on a one-time late fee of \$98,787.58 raising the amount owed to \$569,204.63. To date, not a penny has been paid.

City Attorney won't sue Trump; refuses to say why

In October 2019, <u>CBS4 On You Side took the issue to the city's chief financial officer Robert Cortinas</u>. He admitted that if the Trump campaign refused to pay, the only option left may be for the city to sue.

Earlier this year we asked if the city had filed a lawsuit against the Trump campaign and received this email reply from the city's strategic communications director Laura Cruz-Acosta:

Legal staff advised that we are currently not in any litigation with the Trump campaign and it would be inappropriate to speak about the possibility of a litigation.

According to an <u>online article by Yahoo! Finance</u>, El Paso Mayor Dee Margo said the city, "mishandled the documentation" and even if a lawsuit was filed the, "chances of collection are slim."

CBS4 On Your Side also took the matter to El Paso District Attorney Jaime Esparza. While this type of civil matter is not a case his office would handle, he did offer his legal opinion on whether the city should sue the Trump campaign.

"I don't know enough about the contract that was signed between (the city) and the Trump campaign but certainly a debt is owed and you would think that a civil lawsuit would be appropriate action," Esparza said.

CBS4 On Your Side also requested a copy of the contract between the City of El Paso and the Trump Campaign. Once again, the city attorney's office has refused to respond, therefore it remains unclear if a contract ever existed.

One thing that is crystal clear is the Trump campaign has been given 18 months to pay the city back and has not. Now, with the Trump presidency possibly coming to an end, it seems likely it never will.