

**CITY OF EL PASO, TEXAS**  
**AGENDA ITEM**  
**DEPARTMENT HEAD'S SUMMARY FORM**

**DEPARTMENT:** Financial Services Department  
Sun Metro Department

**AGENDA DATE:** February 14, 2012

**CONTACT PERSON NAME AND PHONE NUMBER:** Carmen Arrieta-Candelaria, CFO, 915-541-4293  
Jay Banasiak, Sun Metro

**DISTRICT(S) AFFECTED:** Citywide

**SUBJECT:**

Discussion and action to increase the Mass Transit Department (Sun Metro) Capital Plan ("Capital Program") as adopted on November 2, 2010, by \$14,841,219 and to amend the 2009 Capital Improvement Program projects as adopted on December 2, 2008, by reprogramming \$10,016,212 of the \$16,000,000 Bus Acquisition Project in order to increase and amend the project known as the Sun Metro Operations Center for a total combined project budget of \$37,000,000; to amend the Mass Transit Capital Program as approved on December 2, 2008 by reprogramming \$611,509 of the Capital Improvement Project Montana Rapid Transit System in order to increase and amend the project known as the Dyer Rapid Transit System Project; to authorize the use of a combination of Certificates of Obligation, revenue bonds, or other sources for the Capital Program pursuant to the City's Debt Management Policy; and to authorize the City Manager to establish funding sources and execute any and all documents necessary for the execution of these projects.

**BACKGROUND / DISCUSSION:**

Over the course of the last year, Sun Metro has been working on the development and design of an Operations Center. Bids have been let out and preliminary estimates have been considered. The final estimate of the proposed Operations Center for Sun Metro total \$37,000,000, of which \$6 million is for equipment and the remaining amount is for the construction and design of the Center. In 2011, City Council authorized the City's share from general debt services in the amount of \$12,803,800, but did not appropriate the portion from Sun Metro until the project budget was estimated and all funding sources could be identified.

Additionally Sun Metro has been working in conjunction with FTA, FHWA and TXDoT to finalize funding for Dyer RTS corridor. FTA has agreed to increase their contribution by \$5,120,000 to provide pedestrian and system enhancements. City will provide required match by the use of 2008 Montana Rapid Transit System as presented to Council on February 7, 2012 by DOT as part of program update. The project amendment addresses the difference of \$611,509 that is needed to update the project budget to reflect the additional match of \$1,368,000.

**PRIOR COUNCIL ACTION:**

On December 2, 2008, City Council approved the Capital Improvement Program of 2009 which included the Bus Acquisition Project, the Montana RTS and the Dyer RTS.

On April 19, 2011, City Council approved the City of El Paso 2012-13 Short Term CIP which included the Sun Metro Operations Center.

On February 7, 2012 City Council approved updating of Sidewalk Gaps on RTS systems which requires the reprogramming of monies from one project to another.

**AMOUNT AND SOURCE OF FUNDING:**

Total revised Capital Project of \$37,000,000 to be funded from a combination of general debt service (property taxes) and Sun Metro revenues (self-sustaining); the reprogramming of the Dyer project will not impact the debt model since it is a reprogramming of project budgets.

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**BOARD / COMMISSION ACTION:**

N/A

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\*\*\*\*\*REQUIRED AUTHORIZATION\*\*\*\*\*

**DEPARTMENT HEAD:**

*Caimita Paredes*

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## RESOLUTION

**WHEREAS**, the El Paso City Council approved its revised Debt Management Policy on February 14, 2012 which sets forth the parameters for issuing new debt for the City of El Paso; and

**WHEREAS**, the Debt Management Policy establishes the types of bonds that may be used to fund capital improvement projects at the lowest costs possible and states that Certificates of Obligation are an appropriate debt instrument for infrastructure-related capital projects (and non-quality of life projects) at a cumulative value of \$100 million or less; and

**WHEREAS**, the El Paso City Council has directed that issuances for proposed capital projects and utilizing Certificates of Obligation be brought forward annually starting in 2010 and thereafter; and

**WHEREAS**, on November 2, 2010, City Council approved a listing of capital projects to be undertaken in Fiscal Years 2011 through 2017 for which the City would need to issue long term debt and, on April 19, 2011, revised the City of El Paso 2012-13 Short-Term Capital Improvement Plan to add additional capital projects;

**WHEREAS**, City Staff recommends to increase the Mass Transit Department (Sun Metro) Capital Plan ("Capital Program") as adopted on November 2, 2010, by **\$14,841,219** and to amend the 2009 Capital Improvement Program projects as adopted on December 2, 2008, by reprogramming **\$10,016,212** of the \$16,000,000 Bus Acquisition Project in order to increase and amend the project known as the Sun Metro Operations Center for a total combined project budget of \$37,000,000 and to authorize the use of a combination of Certificates of Obligation, revenue bonds, or other sources for the Capital Program pursuant to the City's Debt Management Policy; and

**WHEREAS**, City Staff further recommends amendment of the Mass Transit Capital Program as adopted in December 2008 by re-programming of **\$611,509** of Capital Improvement Project Montana Rapid Transit System in order to increase and amend the project known as the Dyer Rapid Transit System project by this amount to provide additional pedestrian enhancements and match Federal Transit Administration and Federal Highway Administration increased contributions.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF EL PASO, TEXAS THAT:**

A) The revision of the City of El Paso 2012-13 Short-Term Capital Improvement Plan to increase the Mass Transit Department (Sun Metro) Capital Plan ("Capital Program") as adopted on November 2, 2010, by **\$14,841,219** and to amend the 2009 Capital Improvement Program

projects as adopted on December 2, 2008, by reprogramming \$10,016,212 of the \$16,000,000 Bus Acquisition Project in order to increase and amend the project known as the Sun Metro Operations Center, for a total combined project budget of \$37,000,000 is hereby approved;

B) The amendment of the Mass Transit Capital Program as adopted in December 2008 by re-programming of \$611,509 of Capital Improvement Project Montana Rapid Transit System in order to increase and amend the project known as the Dyer Rapid Transit System project by this amount to provide additional pedestrian enhancements and match Federal Transit Administration and Federal Highway Administration increased contributions is approved;

C) The use of a combination of Certificates of Obligation, revenue bonds, or other sources for the Capital Program pursuant to the City's Debt Management Policy is authorized; and

D) The City Manager is directed to pursue the actions and execute documents necessary to implement the project, subject to annual budgeting requirements and final Council approvals.

**PASSED AND APPROVED** this \_\_\_\_\_ day of \_\_\_\_\_ 2012.

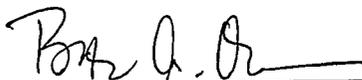
**CITY OF EL PASO**

\_\_\_\_\_  
John F. Cook, Mayor

**ATTEST:**

\_\_\_\_\_  
Richarda Duffy Momsen  
City Clerk

**APPROVED AS TO FORM:**

  
\_\_\_\_\_  
Bertha A. Ontiveros  
Assistant City Attorney

**APPROVED AS TO CONTENT:**

  
\_\_\_\_\_  
Carmen Arrieta-Candelaria  
Chief Financial Officer

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R. Alan Shubert, P.E.  
City Engineer