

JOHN F. COOK
MAYOR



JOYCE WILSON
CITY MANAGER

CITY COUNCIL
ANN MORGAN LILLY, DISTRICT 1
SUSANNAH M. BYRD, DISTRICT 2
EMMA ACOSTA, DISTRICT 3
MELINA CASTRO, DISTRICT 4
RACHEL QUINTANA, DISTRICT 5
EDDIE HOLGUIN JR., DISTRICT 6
STEVE ORTEGA, DISTRICT 7
BETO O'ROURKE, DISTRICT 8

**SPECIAL CITY COUNCIL MEETING MINUTES
10TH FLOOR CONFERENCE ROOM
NOVEMBER 5, 2008**

The City Council met at the above place and date. Meeting was called to order at 9:14 a.m. Mayor John Cook present and presiding and the following Council Members answered roll call: Ann Morgan Lilly, Susie Byrd, Emma Acosta, and Beto O'Rourke. Late arrivals: Rachel Quintana at 9:23 a.m., Eddie Holguin, Jr. at 9:42 a.m., Melina Castro, Melina Castro at 9:54 a.m., and Steve Ortega at 10:05 a.m.

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ITEMS TAKEN TOGETHER:

1. Discussion and action on update of the Strategic Goals for the City, previously adopted by Council in January 2006.
2. Discussion and action on Capital Improvements Program (CIP) projects: update on existing projects; identification of present and outstanding needs, and direction to staff on proceeding with further development of the CIP.
3. Discussion and action on current and future Debt Service requirements based on project requirements and current economic conditions affecting the market.
4. Discussion and action on Financial Forecasts for the City based on:
 - a. Economic indicators affecting today's financial environment.
 - b. Service priorities, short and long term strategies based on current economic conditions and future outlook.
 - c. FY 09 budget review and effects based on preliminary economic conditions.
 - d. Preliminary three year budget forecast.
 - e. Conducting a new citizens survey, using a balanced score card approach.
5. Discussion and action and closing comments that would pertain to the items on this agenda and the impact related to the strategic goals, capital projects, budget, and financial implications as noted in the agenda.

Mayor Cook made introductory remarks.

Ms. Joyce Wilson, City Manager, introduced Mr. Joe Gonzalez, Facilitator, who gave an outline of the meeting's focus – discussion on strategic goals.

Ms. Wilson presented a PowerPoint presentation (on file in the City Clerk's office), on strategic planning.

Ms. Pat Aduato, Deputy City Manager of Development and Infrastructure Services, discussed debt service requirements, and Ms. Wilson elaborated on the requirements. Mayor Cook questioned the source of funding and the market outlook and Ms. Wilson responded that funding was all Certificates of Obligations

(Cos). Mr. William Studer, Deputy City Manager of Financial Services, discussed the discouraging market environment for municipal bonds. He also reported on the assumptions staff has made for debt services – how much, for what, when issuance is planned. Representative Byrd commented that an election is planned in November 2010. Representative Holguin asked about COs for streets and covered the idea list of streets. Ms. Adatao explained the list of streets has not changed. Mayor Cook commented on preauthorized debt that has not been issued yet. Mr. Studer discussed assumption in growth in taxable values, interest rates. He conceded these were all guesses.

Representative O'Rourke questioned what the 1-cent tax would mean in revenue and Mr. Studer responded the amount would be \$3,000,000. Representative Ortega questioned the 25-cents and how it came about. Representative Byrd questioned if these assumptions indicate projects being proposed. Mr. Studer stated they did not include Sun Metro projects or the 2010 Bond Election and the Mayor commented that it does not include the Bus Regional Transit plans for construction. Representative Holguin questioned the decrease in bridge revenue. Mr. Studer stated pedestrian crossings have decreased and Mr. Said Larbi-Cherif, Bridge Director, added that vehicle crossings have decreased and commercial crossings are flat whereas they had been previously rising. Representative Byrd questioned the maquiladora closings.

Mr. David Almonte, Director of Office of Management and Budget, presented a PowerPoint presentation on key economic indicators (on file in the City Clerk's office). He reported that 30% of the City's sales tax is tied to the Mexican clientele purchasing in El Paso and the peso devaluation is a major concern. A 5.5% increase had been projected over FY08 and there is concern about the November – February report that will be coming in. Mayor Cook questioned the effort of recycling.

Discussion Panel

Mr. Joe Gonzalez, Facilitator, set out the guidelines for discussion among the Council Members and the need for staff to get a clear direction. He then asked Council to put their questions on the table.

Representative Ortega explained his priority is transportation and to provide people without vehicles a viable option for public transportation; wants to see the next step in service; and wants Bus Rapid Transit (BRT) to be clearly defined. He stated that the lack of a unified vision has lead to confusion among the staff and that \$25 million seems to have been an arbitrary number and that much appears to have been done on the fly without a strategic process to priorities.

Mayor Cook stated alternative analysis is necessary for a good discussion of BRT.

Mr. Alan Shubert, City Engineer, commented that the National Environmental Policy Act (NEPA) has to be followed in preparing an alternative analysis.

Mr. Tim Omick, Sun Metro Director, discussed BRT Corridors. Representative Ortega questioned what discussion Mr. Omick had with Mr. Ted Houghton and Mr. Omick stated he had not had a discussion with Mr. Houghton. Ms. Wilson mentioned she had a discussion with Mr. Houghton, as did Ms. Jane Shang, Deputy City of Mobility Services. Representative Ortega stated Council had not been part of those discussions. Ms. Shang stated an average of \$10 million per mile was used.

Representative Ortega commented that Council should have been involved in the discussions and City staff should have proper direction from Council as part of Council's strategic plan on transportation. He reiterated that there has not been comprehensive discussion or unified vision among Council and that has lead to staff's confusion.

Mr. Gonzalez asked if there is a strategic plan from Council on transportation or if there is a unified vision.

Representative Lilly said she understands her district and downtown's needs but does not have a complete understanding of the other districts' needs. A big picture is needed, including an understanding of the military impact.

Representative Byrd stated she senses a real disjointedness in how transportation policy is being conducted and said she is concerned about "on the fly" discussions. She commented that she believes Mayor Cook wants to get the BRT done quickly but her focus is on the quality of service and its attractiveness to users. She wants to study how other cities have launched BRTs. She mentioned she is concerned about identifying the missing pieces in the planning process.

Representative Acosta echoed Representative Lilly's comment that Council has a piecemeal understanding of the BRT and transportation planning, but not a big picture.

Representative O'Rourke congratulated staff on focusing on planning for transit but stated he would like to see measurable progress toward the strategic goal set out in 2005 (least car-dependent city in the Southwest). He commented that El Paso is behind and needs to develop a set of matrixes to be met. He stated that Council's job is to define the vision and work to define the matrix and then to get out of it and hold Ms. Wilson and staff accountable. He said agreement needs to be reached on the 2005 strategic goals: date (when it will be met) and cost (dollar cost and political cost).

Representative Quintana stated that Council does not have the confidence that transit is being done the most cost-effective way. She said she does not have the confidence at this point. She further stated that she wants transit to be earth friendly, questioned how staff set priorities on routes, and mentioned it is not easy to get from one side of the city to another. She said that the Metropolitan Planning Organization Board composition from Council seems to be one sided and that Representatives Ortega, O'Rourke, and Byrd often vote together and she feels she is not being heard. She questioned how Ms. Wilson will choose Council members to advise on the Airport Director. Ms. Wilson explained she asks the Chairs of the Legislative Review Committees (LRC) to sit on the selection committees and mentioned Representative Castro was on the selection committee for the Police Chief and Representative Holguin was on the selection committee for the Parks Director.

Representative Holguin stated he defers to Representative O'Rourke on transportation issues and the animal shelter. He said he would like to have more communication with Sun Metro and feels it is not good; it is hard to get information on route cancellations, shelter issues, etc.

Representative Castro commented that Council has a lot of great, big city ideas but they are expensive and the decisions sometimes appear to be rushed. She questioned whom the city was serving with transportation services. She expressed concern about having so many projects and so little money and not providing the needs over the wants.

Mayor Cook stated he believes staff has taken the 2005 strategic goals and methodically worked toward that goal (improved fleet of buses, reduced routes to focus resources, re-examined plan to build facilities). The Mayor said he started investigating what public transportation the city could do. He mentioned that BRT has been focused on and has been passed on to staff to see what could be done and he has tried to open doors to federal funding in Washington, D.C. He stated Smart 101 was a good suggestion by Sun Metro staff.

He commented that the Mayor can only appoint three members to the MPO so he picked the ones who share the vision. The mayor said he sees his responsibility as ensuring the City's needs are given priority

and the County and other cities have a voting block so he thinks he needs to make sure the City of El Paso also has a voting block.

The Special City Council meeting **RECESSED** at 10:55 a.m. and **RECONVENED** at 11:08 a.m.

Mr. Gonzalez asked about the transportation policy. Ms. Shang stated if the City wants to move projects along, they have to bite the bullet and front-fund them. She said there is a conflicting message from Council; they give instructions to do something but when it comes to funding, they do not want to proceed. She commented that they need to agree on what the city needs to do and focus on one area and build to the next step, identify projects that can be delivered and that qualify for federal funding; and they need local support to match federal dollars.

Representative O'Rourke mentioned that Council gets stuck about the means and rarely, if ever, puts them up against the goals. He praised the steps in improving the system. He questioned how a \$5 million Transit Center gets the Council closer to their goals and asked if this achieved the already established goal. Mr. Omick responded that now that the system has been improved, they can build upon it. He said the lynchpins are necessary equipment and acceptable service levels. He stated that El Paso was persona non grata with the Federal Transportation Administration (FTA). He said Sun Metro has fixed that negative relationship. He commented that convenience, speed, and flexibility are keys to transit. Automobiles give people that, and public transit needs to offer a competitive alternative.

Mr. Gonzalez asked what Mr. Omick's target for improvement was. Mr. Omick stated that 15 minutes was the ideal trip time and mentioned that 95% - 96% on time performance was the current rate. Ms. Wilson stated the City needs to transform its system into one that is attractive to people who do have transit options and to continue to give good service to those who have no other transit options. Mr. Gonzalez asked how long Sun Metro would need to bring back to Council a plan and cost analysis. Mr. Omick stated it would take three to six months.

Representative Ortega commented that Council's job at this point is to make BRT work. He stated that Council has approved every single proposal that Ms. Wilson and Mr. Omick have brought to them. He suggested staff prepare a storyboard with timeframes, scenarios, costs, etc., and let Council decide what they want to do.

Mayor Cook stated that the City still needed to fund \$70.5 million. Mr. Omick stated that the City needs to implement Park-N-Ride service.

Representative Lilly commented that federal funds have been sat on for many years and the City did not spend the money it needed to but now is doing so. She questioned if the City was holding itself back by using in-house staff who are unable to get projects launched in a timely manner.

Representative O'Rourke reiterated that they were still focusing on the means, not the quantifiable benefits to be generated by the projects.

Representative Byrd said she wants to see a quality BRT system, something exciting and attractive, not just a restriping of the streets. She questioned how Council can be involved without micromanaging.

Mr. Shubert stated it was a "crawl before you walk" process and Carter and Burgess were the transportation experts. Mr. Shubert stated that staff needs Council to help in budget process with advance funding so projects are ready to go when presented at the MPO.

Ms. Shang commented that there is value in pilot projects and Ms. Wilson mentioned the Alameda/Medical Center, the Mesa corridor, and Montana as important projects for consideration. Representative Quintana questioned how Mesa was established as a priority over easier corridors. Ms. Shang commented that ridership determined the priority.

Representative Quintana responded that getting from the eastside to the westside needs to be considered. Ms. Shang commented that the first thing that needed to be done was to redesign the routes to match where people want to go. This takes time.

Representative Quintana questioned whether the military was taken into consideration and how these decisions were made. Ms. Shang responded that some decisions were made in the 1990s, before she came to the City.

Representative Quintana questioned when the alternative analysis would be delivered. Mr. Shubert responded money was needed to get started. Mayor Cook emphasized \$70,500,000 was needed over a 2-year period. Ms. Aduato mentioned that the City must give a grant match in order to get MPO funding even though the money will be reimbursed. Representative Quintana questioned if this included dedicated lanes and Ms. Wilson responded that it did.

Representative Quintana asked what the federal lobbyist has done for the City and noted that they were not experts in transportation. Ms. Wilson stated the City may need to get another lobbyist firm for the transportation area.

Representative Castro commented that funding is the stumbling block for Council for these projects. She mentioned that she has trouble with a strategic goal and whether it jives with the lifestyles and wants of the citizens. She questioned whether the citizens had been surveyed and why other cities have gone to light rail. Ms. Shang responded that a system is designed based on the ridership and ways of attracting new ridership.

Mayor Cook said MPO did conduct a survey in 2005 and stated he would get copies to the Council. Ms. Wilson mentioned that it has also been part of the citizen surveys at UTEP and Fort Bliss. She suggested having the MPO give a presentation on what it does and how it works. Representative Byrd commented on the cost-effectiveness and stated it was cheaper to move people through public transit rather than with vehicles. Representative Castro asked how building all of the new roads meshed with the strategic plan to become the least car-dependent city. Mayor Cook mentioned that the City is restricted at Fort Bliss – the City can get people to the entrance but cannot move them within Fort Bliss. Representative Castro stated she did not ride the bus now on a daily basis, as there were too many meetings to attend but she did use the buses when she was younger and it was very frustrating. She praised Sun Metro's helpfulness to her and other Representatives.

The Special City Council meeting **RECESSED** at 12:14 p.m. and **RECONVENED** at 1:01 p.m.

Mr. Gonzalez asked how the discussion had helped each Council member.

Representative Lilly said it had been very helpful and the conversation with staff had been informative.

Representative Byrd stated the needs had been met and it was good to express the frustration level.

Representative Quintana commented that she liked the idea of getting feedback from the MPO and needs to know when COs will be issued.

Representative Castro said it was helpful in knowing how to get information and mentioned that Representative O'Rourke and Ms. Shang had reached out to her so she can better understand what the goal is.

Representative Holguin commented that it had been a great discussion.

Representative Ortega reaffirmed commitment to the BRT and stated it had been a good discussion on the timeframes.

Representative O'Rourke stated it had been a very good discussion and complimented Ms. Wilson and Mr. Gonzalez on the process and focusing on Council's expectations as it was productive in relating to other Council members.

Representative Acosta said it was a good discussion with good focus points.

Mayor Cook responded that the discussion gave everyone a chance to lay their cards on the table. He praised Representative Quintana for bringing up the Montana BRT as it is absent from the list. He commended Representative O'Rourke on his idea on better measurements. He mentioned that he was not aware people needed more feedback on MPO meetings and felt monthly MPO feedback sessions will help improve communication.

Ms. Wilson stated staff would bring forth the request for funding to Council within 30 days. She discussed the timeframe to report back to Council on Sun Metro's deliverables on project alternatives.

Ms. Adauto went over the 2009 Critical Priorities and discussed Option B.

Representative Ortega commented on the routes selected for Dyer, Alameda, Mesa, and Montana as potential corridors and discussed the strategy used in San Antonio.

Mayor Cook mentioned every county is different.

Mr. Shubert said the need for the process needs to be analyzed.

Ms. Wilson commented that there was funding for the acquisition. Representative Byrd commented on the cost of Glory Road. Ms. Lynly Leeper, Assistant Director for Development for Sun Metro, stated \$3.7 million was allocated back in 2005 and said they are looking at the alternatives. Ms. Wilson mentioned the City is receiving revenue from the parking garage. Representative Byrd questioned if Airway and Hawkins are TXDOT matters. Ms. Adauto confirmed and Mr. Daryl Cole, Street Director, stated Phase One goes from Airway to Montana. Representative Acosta questioned if this was the study and Mr. Cole confirmed it was the design. Mr. Shubert mentioned the City has a million dollars for the widening of North Loop and Ms. Wilson stated there was \$12.6 million for Storm 2006, which was designated for the Saipan area for the purchasing of homes. Mayor Cook asked her to come back to Council in 30 days. Representative Quintana stated she would feel more comfortable visiting the sites. Ms. Wilson stated the City has \$2 million in federal funding. She further stated she would put together a visit to the area for Representative Quintana.

Motion made by Representative Ortega, seconded by Representative O'Rourke, and unanimously carried to **APPROVE** Option B as 2009 Debt Issuance Critical Priorities.

NOT PRESENT FOR THE VOTE: Representative Holguin

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Motion made by Representative Ortega, seconded by Mayor Pro Tempore Byrd, and unanimously carried to adjourn this meeting at 1:47 p.m.

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APPROVED AS TO CONTENT:

Richarda Duffy Momsen, City Clerk