



## SPECIAL CAPITAL IMPROVEMENTS ADVISORY COMMITTEE MEETING

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**DATE:** January 27, 2014  
**TIME:** 9:30 A.M.  
**PLACE:** City Hall – Council Chambers, 1<sup>st</sup> Floor  
300 N. Campbell  
El Paso, Texas

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### MINUTES

#### **Boardmembers Present:**

Boardmember Randy Bowling  
Boardmember Lamar Skarda  
Boardmember Conrad Conde  
Boardmember Joe Rosales  
Boardmember Sal Masoud  
Boardmember Mark Dyer  
Boardmember Ray Aauto  
Boardmember Luis Leon  
Boardmember Sam Shallenburger

Mr. Ray Aauto, Chair, introduced and welcomed Mr. Sam Shallenburger, newly appointed member to the Capital Improvements Advisory Committee.

The Pledge of Allegiance was lead by Mr. Ray Aauto.

Introduction of board members and staff.

1. Presentation on updated land use assumptions and capital improvements plan as required by Chapter 395 of the Texas Local Government Code, prior to the re-evaluation of the existing impact fee structure for water and wastewater services.

Staff Contact: Mathew McElroy, (915) 541-4193, [mcelroymx@elpasotexas.gov](mailto:mcelroymx@elpasotexas.gov);  
Marcela Navarrete, (915) 594-5614, [mnavarrete@EPWU.org](mailto:mnavarrete@EPWU.org)

Marcela Navarrete, Vice President Strategic, Financial and Management Services for the EPWU addressed the board and noted that they are at the five year point where they have to update both the LUAs and the CIP related to the Impact Fees Service Areas. She summarized the service areas and the CIP.

She noted that the service areas are the same that were originally adopted five years ago. One significant change in the CIP is the Jonathan Rogers Expansion. This project does affect two of the service areas, the east side and the northeast side. She also noted that nothing has changed with the water distribution system as far as the reservoirs, pumping equipment, and the lines.

She spoke about the Jonathan Rogers Expansion which was not originally in the CIP and noted that there is no waste water treatment in the CIP proposed. She noted that there are no changes to the CIP that was adopted five years ago and no treatment capacity is needed for the next ten years on the westside wastewater system.

Rocky Craley with Raftelis, Financial Consultant for EPWU, gave an update to the 2014 calculation of the Impact Fee. He noted that the same methodology was used in the 2014 update as was used in the 2009 study. He noted that the single most significant change is the Jonathan Rogers Water Treatment Plan. A portion of those costs have been allocated to the NE and the East side and that contributed to the proposed change to Impact Fees for 2014. The credit is calculated in Attachment G of the report to show what the new proposed fee is. Additional estimates were provided in a handout that was distributed to the board members. He answered questions from the board members regarding the calculations.

David Coronado, City Development Manager, noted that last month the board was briefed on the LUA that the City Development Department prepared using the information from 2008. Today the board is receiving briefing on the CIP that the EPWU prepared. Any comments or changes received today on the numbers on the CIP and LUA will go to City Plan Commission on February 13, 2014, and then to City Council on February 18, 2014. The State Statute requires that this committee submit a written recommendation to City Council five business days prior to the meeting day.

Public comments were taken at this time.

Bobby Bowling from Tropicana Homes addressed the committee noting that he disagrees with the CIP and feels that it is vastly overstated. He asked how it's possible for growth projection to go down and the CIP is doubling.

Marcela Navarrete addressed some of Mr. Bobby Bowling's concerns. The only increase is the Jonathan Rogers Expansion. All the other items were in the original Impact Fee. The infrastructure that is put into the ten year CIP is not built to only serve the ten years worth of growth but for built out capacity and the build out capacity frame is unknown. She noted that the Jonathan Rogers Expansion which was added this year during the budget process is going to be a multi-phase program and it's in the ten year CIP.

Mathew McElroy, Director for City Development, noted that we did give the board a very specific ten year projection based on actual plat and land study activity. That plat and land study activity can be tied to a number of housing starts that are very close to El Paso and that it wasn't arbitrary.

Charlie Wakeem, reminded the committee that the purpose of the Impact Fees is so that the rate payers do not pay for new growth and that new growth should pay for itself. The responsibility of this board is to be sure that the calculations are done correctly both for the CIPs and the LUAs and that they are within Chapter 395 of the Texas Local Government Code.

Ms. Lisa Turner addressed some of Mr. Bobby Bowling's comments. She stated that those residents that are already established are having to pay for those that are coming in.

Mr. Mathew McElroy noted that this is the committee's opportunity to formalize comments they want to send to City Council unless they want to set another meeting date to finalize those comments as part of the update to the LUA and CIP.

Mr. Bobby Bowling noted that it is unfair that the CIAC committee has met twice a year for the last six years and this huge jump to \$50 million dollars had never been mentioned before.

Mr. McElroy noted that the committee has until February 6, 2014, to submit their comments to City Council. He feels that the best approach is to have a smaller working group to work with staff and the water utilities and this group can report back to CIAC, through staff to avoid quorum issues. Then the committee can make a final decision to send to City Council.

Mr. Ray Aduato presented a proposal to the committee for their consideration which was read into the record. A copy of his letter is filed with the City Development Department.

**ACTION:**

Motion made by Mr. Randy Bowling, seconded by Mr. Luis Leon, and unanimously carried to **FORWARD THE FOLLOWING RECOMMENDATIONS TO CITY COUNCIL.**

- **THAT NO INCREASE IN FEES BE DONE AT THIS TIME**
- **THAT THE CITY ALLOW THE PSB AND THE CIAC TO MEET TO WORK ON ALTERNATIVES TO THE METHODOLOGY BEING USED, AND**

- **TO ALLOW THE COMMITTEE TO MAKE A JOINT RECOMMENDATION ON ALTERNATIVE FEE METHODS AS ALLOWED BY THE CURRENT GOVERNMENT CODE, CHAPTER 395, ONCE THE COMMITTEE COMES TO AN AGREEMENT.**

Motion passed. (9-0 votes in favor.)

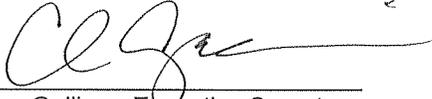
2. Discussion and action to consider, prepare, and file written comments on the proposed amendments to the land use assumptions, capital improvements plan, and impact fee to the City Council.  
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**No action was taken on this item.**

3. Adjournment

The CIAC meeting was adjourned at 11:15 am.

Approved as to Form:



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Carlos Gallinar, Executive Secretary