

OSCAR LEESER
MAYOR

CARY WESTIN
INTERIM CITY MANAGER



CITY COUNCIL
BRIAN KENNEDY, DISTRICT 1
JOSH ACEVEDO, DISTRICT 2
CASSANDRA HERNANDEZ, DISTRICT 3
JOE MOLINAR, DISTRICT 4
ISABEL SALCIDO, DISTRICT 5
ART FIERRO, DISTRICT 6
HENRY RIVERA, DISTRICT 7
CHRIS CANALES, DISTRICT 8

SPECIAL CITY COUNCIL MEETING MINUTES

July 8, 2024

Main Conference Room, 2nd Floor, City Hall, 300 N. Campbell and Virtually
9:00 A.M.

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The City Council of the City of El Paso met at the above place and date. Meeting was called to order at 9:00 a.m. on July 8, 2024. Mayor Oscar Leeser was present and presiding and the following Council Members answered roll call: Brian Kennedy, Josh Acevedo, Joe Molinar, and Chris Canales. Late arrivals: Isabel Salcido at 9:04 a.m. and Cassandra Hernandez at 9:13 a.m. Art Fierro and Henry Rivera requested to be excused.

AGENDA

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1. **For presentation and discussion: FY 2024 - 2025 Budget as presented by the Interim City Manager.**

Mayor Leeser introduced the item and thanked Mr. Cortinas for the work put into the budget and for responding to questions and praised Mr. Cary Westin, Interim City Manager, for his leadership.

The Mayor also mentioned that he was impressed with all the City departments.

City Manager Overview

Mr. Cary Westin, Interim City Manager, also recognized City staff for all their hard work and then proceeded to provide an explanation of the preliminary budget to be presented. He explained that all items would be reviewed at Council's pace as there was plenty of time set aside for subsequent budget meetings.

Mr. Westin went over FY2025 challenges such as a decrease in revenues resulting from a decrease in sales tax and franchise fee revenues, and an increase in fixed costs for the City such as contributions to healthcare costs, citywide elections, and appraisal services.

Mr. Westin went on to highlight additional cost increases to cover the Morehead Animal Shelter and Information Technology related contracts. He also spoke about the recommended preliminary property tax rate which would be reduced by \$0.04 making it the lowest tax rate since 2016 and went over the different actions taken to make it possible.

Ms. Nicole Cote, Office of Management and Budget Managing Director, continued briefing Council; she reviewed the expenditures from the general fund by department and the revenue by category for FY 2024/2025 and went over the responses from the Chime in Budget Survey submitted by the community showing Public Safety as the top priority, and the responses received during the focus group meetings conducted throughout the city.

Mr. Robert Cortinas, Chief Financial Officer, covered information related to the general fund revenue section of the presentation, including forecasted and historical information on property and sales tax revenues, lease of city buildings, and franchises. Mr. Cortinas finished his presentation by providing an overview of FY2025 changes to fees for zoning applications, garbage collection, memberships, ambulance transports and the addition of event fees for the Mexican American Cultural Center.

Ms. Nicole Cote continued with the presentation on the preliminary budget with expenditures and variances by department. The major variances were due to compensation increases, including benefits, for Police, Fire, and civilian personnel, animal services department expenditures and election expenses. When reviewing employee expenditures and attrition, Mr. Westin mentioned there was an increase in staffing of about 200 employees from last year.

Mr. Westin summarized the presentation and noted a 4-cent reduction in the property tax rate by using \$5M from the pay-for-futures fund, splitting the pay raise for civilian between September and March, taking increased savings from vacancies and reducing annual pay-go funds by \$3M for vehicles and facilities.

Mayor Leeser and Representatives Kennedy, Acevedo, Hernandez, and Canales posed questions related to the budget deficit, budget for the Police Department, Schedule C, Capital Improvement Projects, reserves, Chime-In responses, tax reductions, and Streets and Maintenance budget.

The following City staff members were available to answered questions posed by Council members:

- Mr. Cary Westin, Interim City Manager
- Mr. Robert Cortinas, Chief Financial Officer
- Ms. Nicole Cote, Office of Management Managing Director
- Assistant Police Chief Zina Silva
- Mr. Nick Ybarra, Environmental Services Director
- Mr. Richard Bristol, Streets and Maintenance Director

Vibrant Regional Economy

Deputy City Manager Mario D'Agostino began the portfolio presentation by going over the funding for each department while highlighting major variances, expenses from the general fund versus non-general funds, and staffing related to Goals 1 and 3.

Goal 1 – Economic Development (Airport, Bridges, Economic Development, Destination El Paso)

Ms. Karina Brasgalla, Economic and International Development Interim Director, presented the priorities and planned accomplishments for Goal 1. Some of these included the expansion of flights out of the El Paso International Airport, to continue the growth in convention sales, expand entertainment bookings, attract new investments and higher paying jobs, improve the competitiveness of existing businesses including small, local businesses, improvements to pedestrian safety at ports of entry, and implementation of intelligent transportation systems for rapid crossings. Ms. Brasgalla finished her presentation by sharing the 2-year action plan for the Economic and International Development Department to include the coordination with local utility providers to ensure the use of renewable energy resources and closed system water

recycling, support of hyperscale data centers, and build off of Notes Live partnership to realize the vision of the Cohen Entertainment District Master Plan.

Goal 3 – Visual Image (Planning & Inspections)

The planned accomplishments for Goal 3 were presented by Mr. Philip Etiwe, Planning and Inspections Director, who briefed Council members on code improvements in the form of implementation of zoning code quick fixes, landscape amendments, updates on historic guidelines for districts to be more user-friendly, and the ongoing cross training program within the Planning and Inspections Department to maintain continuity of service delivery.

Mayor Leeser and Representatives Acevedo, Hernandez, and Salcido commented.

The following City staff members were available to answered questions posed by Council members:

- Mr. Cary Westin, Interim City Manager
- Mr. Robert Cortinas, Chief Financial Officer
- Mr. Jose Garcia, Destination El Paso Executive Director
- Ms. Nicole Cote, Office of Management and Budget Managing Director
- Ms. Karina Brasgalla, Economic and International Development Interim Director
- Mr. Philip Etiwe, Planning and Inspections Director

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The Special City Council meeting was **RECESSED** at 11:42 a.m. for lunch.

The Special City Council meeting was **RECONVENED** at 12:48 p.m.

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Safe and Beautiful Neighborhoods

Ms. Ellen Smyth, Chief Transit and Field Operations Officer, kicked off the presentations for Goals, 2, 7, and 8, encompassing 10 departments with the largest budgets. Ms. Smyth provided a breakdown of departmental funding sources and associated major variances for each.

Goal 2 – Public Safety (Police, Fire and Municipal Court)

Fire Chief Jonathan Killings spoke about the priorities for Police, Fire, and Municipal Court to include recruitment and staffing, vehicle replacement program, paramedic training for Fire, equipment and staffing of the Upper Eastside Regional Command Center, keeping up with the projects resulting from the public safety bond, and the expansion of the text reminder program, along with the development of a juvenile diversion program for Municipal Court.

The accomplishments highlighted included the academies' graduation for firefighters and paramedics, changes to the 911 telecommunicator recruitment program, training with local state and federal agencies, and remodeling of four police stations.

Executive Assistant Police Chief Zina Silva talked about the challenges in officer recruitment and retention efforts post COVID. She cited challenges in eligibility that make applicants ineligible or unable to proceed through the hiring process. Chief Silva also spoke about the recent transfer of the Code Enforcement section to the Police Department.

In regard to Municipal Court, Chief Silva talked about the upcoming opening of the far east bond office, the expansion of the texting program, the Juvenile Diversion Program per state requirement, the future offerings of an online calendar to allow defendants to select a date and time for certain types of case hearings.

Chief Killings and Chief Silva closed the presentation for Goal 2 by going over the 2-year plan to replace the fleet for Fire and Police along with additional equipment such as tasers, body cameras, handheld radios, and handheld ticket issuing devices.

Mayor Leeser and Representatives Hernandez, Molinar and Canales commented.

The following City staff contributed to the presentation by answering questions posed by Council members:

- Mr. Mario D'Agostino, Deputy City Manager
- Ms. Araceli Guerra, Managing Director of Information Technology
- Mr. Robert Cortinas, Chief Financial Officer
- Mr. Cary Westin, Interim City Manager
- Ms. Nicole Cote, Managing Director for the Office of Management and Budget

Goal 7 - Infrastructure (Capital Improvement, Sun Metro, Streets & Maintenance)

Mr. Richard Bristol, Streets and Maintenance Director, continued the presentation, which included priorities and accomplishments for the Capital Improvement, Streets and Maintenance, and Mass Transit Departments. The Streets and Maintenance department is preparing for the upgrade of the traffic management system which will affect 670 intersections to include the transition from an analog system from the 1990s to a state of the art technology. Other upcoming projects include streets resurfacing from the Community Progress Bonds, the rollout of facility maintenance to roofs, HVAC systems, electrical and plumbing systems, the fleet replacement of revenue vehicles at Sun Metro, new Mini-Brio stations, Streetcar Charter Program, and execution of projects related to Public Safety and Community Progress Bond.

The planned accomplishments presented by Mr. Bristol included the upgrade of the traffic management system along the Alameda Corridor as a pilot project to the larger citywide upgrade to be implemented in the future, commencement of the design of the Resler and Airway extension project, the expanded use of technology in park operations to compensate for labor shortages, and replacement of playgrounds, picnic tables, shade structures, and benches.

Mr. Bristol ended his portion of the presentation by going over the next 2-year action plan including the continuation of bond related projects, and working on City safety initiatives such as the Vision Zero Program.

Representatives Acevedo and Hernandez questioned the following City staff members:

- Mr. Cary Westin, Interim City Manager
- Ms. Ellen Smyth, Chief Transit and Field Operations Officer
- Mr. Robert Cortinas, Chief Financial Officer
- Mr. Randy Garcia, Streets and Maintenance Assistant Director

Goal 8 - Healthy Community (Environmental Services, Animal Services, Community & Human Development, Public Health)

Ms. Ellen Smyth introduced Mr. Terry Keschull, Animal Services Director, who covered the presentation for Goal 8. Mr. Keschull talked about the priorities and accomplishments for the departments under this goal; on Animal Services he spoke about the new adoption center at 5625 Confetti that will help increase the number of adoptions, the continuous public outreach on responsible pet ownership to help reduce euthanasia rates, and the partnerships with the animal welfare community. For the Community and Human Development Department, he talked about the importance of maintaining federally funded community programs and the completion of the Climate Action Plan; for the Environmental Services Department, Mr. Keschull mentioned the updates to the Hondo Pass Citizen Collection Station, the expansion of landfill cells, a \$2 rate increase for residential trash and recycling collection, and a \$4 increase per ton at the Greater El Paso Landfill. As far as the Public Health Department, Mr. Keschull mentioned that the main focus remains on customer service and delivering more services to areas of the community with limited access along with the relocation of programs to the newly renovated Railroad building.

Mayor Leeser and Representatives Acevedo, Hernandez, Molinar, and Canales commented and posed questions to the following City staff members:

- Mr. Terry Keschull, Animal Services Director
- Mr. Robert Cortinas, Chief Financial Officer
- Ms. Nicole Cote, Office of Management and Budget Managing Director
- Ms. Nicole Ferrini, Climate and Sustainability Officer
- Mr. Ian Voglewede, Strategic and Legislative Affairs Director
- Mr. Nicholas Ybarra, Environmental Services Director
- Mr. Forrest Clancy, Environmental Services Assistant Director
- Mr. Cary Westin, Interim City Manager

Exceptional Recreational, Cultural and Educational Opportunities

Goal 4 - Quality of Life (Library, Museums and Cultural Affairs, Parks & Recreation, Zoo)

Ms. Dionne Mack, Deputy City Manager, provided an overview of the presentation for Goal 4, highlighting departmental funding sources, major variances due to all around increases in compensation, the operating stipend for the children's museum, and staffing for the Mexican American Cultural Center. Ms. Mack also reviewed the general fund and non-general fund expenditures for each department along with the staffing variations.

Mr. Pablo Caballero, Parks and Recreation Director, went over the priorities and accomplishments for the various departments including the opening of the La Nube Children's Museum and the Mexican American Cultural Center, the renovations of the Main Library, several recreation and aquatic centers, the completion of at least 14 quality of life projects, reinstating Sunday service with the reopening of the Main Library, restoring the services from Parks and Recreation to pre-pandemic levels, expansion of Winterfest activities by incorporating Cleveland Square Park, and the zoo remodeling of the Galapagos tortoise and leopard exhibits.

Ms. Mack finished the presentation by going over the ongoing investments in park amenities, in response to ongoing requests based on community surveys.

Mayor Leaser and Representatives Acevedo and Hernandez commented.

The following City staff members were available to provide additional commentary and answer questions from Council members:

- Mr. Pablo Caballero, Parks and Recreation Director
- Ms. Nicole Cote, Office of Management and Budget Managing Director
- Ms. Dionne Mack, Deputy City Manager
- Mr. Victor Morales, Facilities Engineer
- Mr. Ben Fyffe, Museums and Cultural Affairs Managing Director
- Mr. Cay Westin, Interim City Manager
- Mr. Joe Montisano, Zoo Director

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The Special City Council meeting was **RECESSED** at 4:12 p.m. on **July 8, 2024**.

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The Special City Council meeting was **RECONVENED** at 9:01 a.m. on **July 9, 2024**. Mayor Oscar Leaser was present and presiding and the following Council Members answered roll call: Brian Kennedy, Josh Acevedo, Joe Molinar, Isabel Salcido, and Chris Canales. Late arrival: Cassandra Hernandez at 9:07 a.m. Art Fierro and Henry Rivera requested to be excused.

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For presentation and discussion: FY 2024 - 2025 Budget as presented by the Interim City Manager.

High Performing Government - Robert Cortinas

Mr. Robert Cortinas, Chief Financial Officer, introduced the item related to Goals 5 and 6; he mentioned that this budget represents 23% of the overall budget since it is a large vision block within strategic Goal 6; he talked about the sources of funding and mentioned that the debt service payments are included in this budget. Mr. Cortinas spoke about the major variances in the Human Resources self-insurance fund, major variances due to employee compensation increases, IT maintenance contract increases, costs for cyber security audits, election expenses, increases on property insurance, and appraisal services.

Goal 5 - Communication (Information Technology)

Ms. Araceli Guerra, Managing Director of IT and Human Resources, reviewed the priorities for the IT Department, which include focus on cybersecurity paired with educational information for employees, and equipment upgrades. In reference to planned accomplishments, she highlighted the modernization of software solutions to enhance customer experience and the continued reduction of employee phishing failure rates by enhancing internet security layers. Ms. Guerra mentioned that the 2-year action plan included data collection and sharing, accessible and reliable services, and Artificial Intelligence improvements by adopting emerging technologies.

Goal 6 - Sound Governance (City Attorney, City Manager / OMB/Strategic Communications / Transformation Office, Human Resources, City Council, City Clerk, Internal Audit, Non- Departmental, Comptroller, Purchasing & Strategic Sourcing, Tax)

Ms. Margarita Marin, Comptroller, kicked off the presentation for Goal 6 by going over priorities and planned accomplishments to include the securing of more resources for the City through state and federal allocations, grants, and strategic partnerships; Ms. Marin talked about the election activities that will take place in November to fill the expiring seats for Mayor, several

District Offices, and all the seats for Municipal Court Judge. As far as the City Attorney's Office, Ms. Marin highlighted that the focus would include attracting, retaining, and developing municipal lawyers, training for departments to mitigate risk, and supporting the development of the 89th legislative agenda priorities. For the Internal Audit Department, Ms. Marin explained that they will be updating the Internal Audit Charter and Departmental Policies and Procedures to conform with the new Institute of Internal Auditors Global Internal Audit Standards; the Office of the Comptroller will continue to work with the CFO and external actuaries to develop a Pension Funding Policy; the Office of Management and Budget will continue to utilize the EP Budget Module for city-wide annual projections and will increase the Chime In Survey participation and focus group attendance; the Purchasing and Strategic Sourcing Department will continue to publish virtual training videos, will conduct a disparity study for suppliers, and will launch the PRISM system upgrade; the Human Resources Department will expand the volunteer and internship programs, will update the performance evaluation system, and focus on the expansion of employee wellness program.

Maria Pasillas, Tax Assessor Collector, took over the presentation and spoke about the planned accomplishments for Enterprise Risk and Safety related to Worker's Compensation training for all PD Officers/Supervisors at the Police Training Academy, the development of a Risk and Safety Management Plan to improve the incident management process to enhance the reporting of efficiencies and reduction of incidents; Ms. Pasillas highlighted efforts to recruit and retain employees by identifying key benefits available and possible gaps in offerings, to include a comprehensive service recognition program to celebrate employee milestones, and continue to focus on annual minimum wage increases.

Mr. Robert Cortinas ended the presentation by reviewing the need for grants and IT related capital replacements; he praised Mr. Ernesto Arriola for his efforts in building and identifying areas of weakness as part of the city's cybersecurity program.

Mayor Leeser and Representatives Acevedo, Hernandez, Molinar, and Salcido commented and posed questions answered by the following City staff members:

- Mr. Robert Cortinas, Chief Financial Officer
- Mr. Cary Westin, Interim City Manager
- Ms. Mary Wiggins, Chief Human Resources Officer
- Ms. Nicole Cote, Office of Management and Budget Managing Director
- Mr. Aracely Guerra, Information Technology Systems Managing Director
- Mr. Ernesto Arriola, Chief Information Security Officer
- Ms. Margarita Marin, Comptroller
- Ms. Karla Nieman, City Attorney
- Mr. Ian Voglewede, Strategic and Legislative Affairs Director

After all the questions were answered, Ms. Nicole Cote went over the dates for the following budget-related activities to take place in August.

NO ACTION was taken on this item.

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EXECUTIVE SESSION

Motion made by Representative Salcido, seconded by Representative Molinar, and unanimously carried that the City Council **RETIRE** into **EXECUTIVE SESSION** at 10:55 a.m. on **July 9, 2024** pursuant to Section 3.5A of the El Paso City Charter and the Texas Government Code, Sections 551.071 - 551.089 to discuss the following item:

Section 551.071 CONSULTATION WITH ATTORNEY

AYES: Representatives Kennedy, Acevedo, Hernandez, Molinar, Salcido, and Canales

NAYS: None

ABSENT: Representatives Fierro and Rivera

Motion made by Alternate Mayor Pro Tempore Molinar, seconded by Representative Kennedy, and unanimously carried to **ADJOURN** the Executive Session at 11:49 a.m. on **July 9, 2024** and **RECONVENE** the meeting of the City Council at which time a motion was made.

AYES: Representatives Kennedy, Acevedo, Hernandez, Molinar, and Canales

NAYS: None

NOT PRESENT FOR THE VOTE: Representative Salcido

ABSENT: Representatives Fierro and Rivera

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EX1. State of Texas v. United States Department of Labor, et al; Cause No.4:24-cv-00499 (551.071)

Motion made by Mayor Pro Tempore Kennedy and seconded by representative Molinar that the City Council **DIRECT** the City Attorney, in coordination with the City Manager, to take all steps and actions necessary to intervene in the civil action styled as *State of Texas v. United States Department of Labor, et al.*, pending under case No. 4:24-cv-00499-SDJ before the United State District Court, Eastern District of Texas, Sherman Division and authorizes the City Attorney to execute any required documentation to effectuate this authority.

Mayor Leeser stated that he was not in support of the motion.

AYES: None

NAYS: Representatives Kennedy, Acevedo, Hernandez, Molinar, Salcido, and Canales

ABSENT: Representatives Fierro and Rivera

THE MOTION FAILED

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ADJOURN

Motion made by Representative Hernandez, seconded by Representative Molinar, and unanimously carried to **ADJOURN** the meeting at 11:51 a.m. on **July 9, 2024**.

AYES: Representatives Kennedy, Acevedo, Hernandez, Molinar, Salcido, and Canales

NAYS: None

ABSENT: Representatives Fierro and Rivera

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APPROVED AS TO CONTENT:

Laura D. Prine, City Clerk