
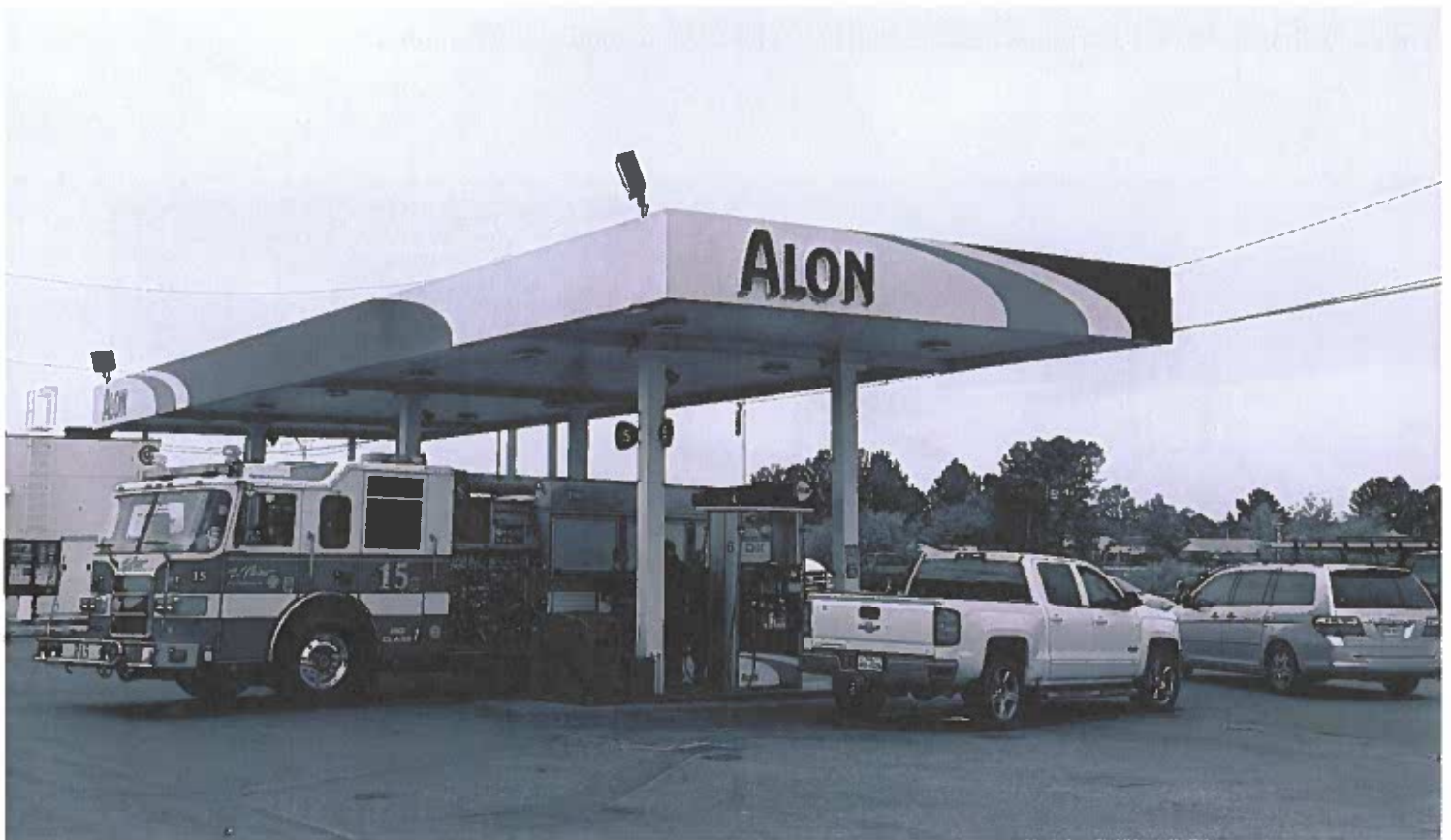


EL PASO MATTERS

GOVERNMENT

City Reps. Hernandez, Rodriguez drum up largest fuel card bills; spending policies, oversight long lacking

 by Elida S. Perez
June 11, 2023



A city of El Paso fire truck gets fueled up at the Alon gas station at Doniphan and Redd roads on Friday. The city's contract with Alon allows city vehicles -- as well as the mayor and city representatives -- to fuel up at Alon locations. (Elida S. Perez / El Paso Matters)

Former city Rep. Claudia Rodriguez filled up her gas tank in Carlsbad, New Mexico, during the Fourth of July weekend in 2021 using her city-issued gas card – one of five times she used taxpayer dollars to purchase fuel out of town in less than three years in office.

Rodriguez and city Rep. Cassandra Hernandez, who are under scrutiny for their fuel expenses in 2022, also spent significantly more than their colleagues over the last few years, according to an El Paso Matters analysis of fuel spending data obtained through the Texas Public Information Act.

Hernandez has spent about \$13,330 since September 2019. Rodriguez spent about \$10,260 during the time she served in office from February 2020 through Jan. 2, 2023 – her last day in office and the last time she filled up her gas tank.

Altogether, members of City Council have spent about \$38,000 fueling their personal vehicles since September 2019, the analysis shows. El Paso Matters' review of the spending comes as the city's internal auditor examines the expenditures and whether "adequate internal controls" are in place to avoid "unauthorized or inappropriate use" of the cards. The spending has led to police investigations and ethics complaints – as well as recommendations that elected city officials be provided fuel stipends instead of gas cards.


The focus has been on Rodriguez and Hernandez, who have denied any wrongdoing.



El Paso city Rep. Cassandra Hernandez, left, and former city Rep. Claudia Rodriguez

Documents show that in fiscal years 2020 and 2021, there were at least a dozen instances when Hernandez used her gas card on back-to-back days – and at least twice where she used it on the same day.

After being verbally warned by the chief internal auditor not to use her card for out-of-town fuel purchases following a fill-up in Pecos in 2020, Rodriguez filled up in Van Horn twice in 2022, once in Fort Stockton in 2021 and the holiday fill up in Carlsbad, documents show.



PARENT ACCOUNT:
City of El Paso

REPORT FOR:
City of El Paso
CredAccessDevice
JUN 15 2021 TO JUL 15 2021

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Purchase Activity Report

CARD NUMBER		CARD EMBOSSED	MEMBER IDENTIFIER	VEHICLE DESCRIPTION	PLATE (ST)	VIN	DEPARTMENT								
CredAccessDevice		MC-DISTRICT 8	MC-DISTRICT 8	At F-101			Mayor and Council								
DATE	TIME	SITE ADDRESS	PROMPT INFO	TRAN CODE	ODOM	PROD UNITS	COST/LIT	FUEL \$	OTHER \$	EXEMPT TAX	FUEL SAVINGS	NET \$	REPORTED TAX		
PREVIOUS ODOMETER															
06-15	18:44	6200 Gateway Blvd E, El Paso, TX	D 7356	OP	123,784										
06-19	23:12	6200 Gateway Blvd E, El Paso, TX	D 7356	OP	124,153	SUP	19.897	3,798	71.18			71.18	7.25		
06-22	09:06	501 N. Copra St, El Paso, TX	D 7356	OP	124,153	SUP	19.952	3,799	75.03			75.03	-7.64		
06-29	20:39	9880 Montana@Airways, El Paso, TX	D 7356	OP	182,630	UNL	8.012	2,705	21.67			21.67	-3.07		
07-03	12:55	6200 Gateway Blvd E, El Paso, TX	D 7356	OP	124,301	SUP	18.220	3,087	58.42			58.42	-9.87		
07-04	21:42	3320 National Plaza Hwy Carlsbad, NM	D 7356	OP	124,331	SUP	19.386	3,728	72.33			72.33	-7.43		
07-08	16:30	9880 Montana@Airways, El Paso, TX	D 7356	OP	124,474	SUP	11.789	3,356	38.93			38.93	-4.37		
07-11	16:53	9880 Montana@Airways, El Paso, TX	D 7356	OP	124,842	SUP	18.678	3,055	87.07			87.07	-7.18		
			D 7356	OP	125,089	SUP	15.640	3,104	48.54			48.54	-5.99		
PERIOD TOTALS							1,311	130,884	441.71						
YTD TOTALS								681,831	2,618.08		-97.78	-187.49	1,918.30	-183.19	
PERIOD AVG. OPU, PPU, CPD							10.04		3.982						
YTD AVG. PPU									2.997						
***** TO ENSURE MORE ACCURATE MILEAGE REPORTING, VEHICLE DISTANCE STATISTICS ARE NOT CALCULATED WHEN KEY ODOMETER READINGS ARE NOT WITHIN AN ACCEPTABLE RANGE *****															
DEPARTMENT TOTALS FOR Mayor and Council															
TOTAL FUEL - PERIOD								338,418	3,076	1,044.07		-93.21	1,044.07	-131.48	
YTD								2,016,028	2,678	5,383.86		-310.64	-483.79	5,083.22	-486.91
TOTAL PURCHASES - PERIOD															
YTD															

“I’ve never talked to him. I don’t know him,” Rodriguez said about the chief internal auditor in a phone interview with El Paso Matters.

Chief Internal Auditor Edmundo Calderon told the Financial Audit and Oversight Committee during a May 3 meeting he had verbally warned her of the expenditure.

Rodriguez also said she doesn’t recall her out-of-town fuel purchases and has not been afforded due process by the city in the matter. She declined to further comment, but said she encouraged the current City Council to update its fuel card policy and provide better training to elected officials.

City Council members' gas fill ups

From September 2019 through April 2023, city Rep. Aleksandra Anello purchased about \$4,960 in fuel. City Rep. Isabel Salcido, whose district covers far East El Paso mostly east of Loop 375, spent about \$4,300 in that timeframe – largely filling her gas tank in West El Paso.

Previous and current city representatives serving during that time spent less than \$2,500 each.

Former city Rep. Cissy Lizzaraga spent about \$2,150 from September 2019 through the end of December 2022 when her term ended.

Former Mayor Dee Margo and former city Reps. Peter Svarzbein and Sam Morgan did not use their fuel cards during that time; and neither has current city Rep. Henry Rivera.

Mayor Oscar Leeser, who took office for his second nonconsecutive term in January 2021, has spent about \$1,700. City Rep. Joe Molinar has spent just over \$600 since taking office in January 2021.

City Rep. Brian Kennedy has not used his fuel card since taking office Jan. 3, while city Rep. Art Fierro has spent about \$360 since that time.

Recent audit findings

An internal audit in May found Hernandez and Rodriguez used their gas cards excessively in 2022, prompting an expanded audit of previous years and of 2023.

Calderon presented his findings on fuel spending for 2023 to FOAC on Wednesday.



Edmundo Calderon, chief internal auditor, at left, presents his fuel card audit findings to the city's Financial Audit and Oversight Committee Wednesday. (Elida S. Perez / El Paso Matters)

In the review of fuel spending from January to April of this year, Calderon said Hernandez accounted for 40% of the total council's fuel spending. Her gas consumption over the same time period in 2022 accounted for about 35% of the entire council's spending, he noted.

Video recordings at Alon gas stations provided to Calderon by the El Paso Police Department show Hernandez and her husband, Jeremy Jordan, using the fuel card to fill their gas tanks, Calderon noted. Jordan previously served as a legislative aide to former city Rep. Cortney Niland.

"District 3 representative's spouse identified exiting vehicle, purchasing fuel, alone in vehicle," the audit states of a fill up on Friday, Feb. 10 this year.



Purchase Activity Report

CARD NUMBER	CARD EMBOSSED	VEHICLE/ASSET IDENTIFIER	VEHICLE DESCRIPTION	PLATE (ST)	VIN	DEPARTMENT										
Credit Access Device	MC-DISTRICT 3	MC-DISTRICT 3	All Fuels			Mayor and Council										
DATE	TIME	SITE ADDRESS	TICKET NUMBER	PROMPT INFO	TRAN CODE	ODOM.	PROD.	UNITS	COBT/UNIT	FUEL \$	OTHER \$	EXEMPT TAX	FUEL SAVINGS	NET \$	REPORTED TAX	
01-03	17-12	PREVIOUS ODOMETER	00121484	D 5787	OP			17.758	3.888	84.80			-3.25	-3.80	61.25	-3.56
01-07	08-38	1811 Hunter Dr 110, El Paso, TX	00058012	D 5787	OP			25.878	2.888	74.80			-4.74	-7.05	70.21	-6.18
01-08	08-28	5100 Trounbridge Dr, El Paso, TX	00124711	D 5787	OP			17.856	2.888	51.77			-3.27	-6.35	48.50	-3.57
01-12	13-02	1811 Hunter Dr 110, El Paso, TX	00123476	D 5787	OP			15.888	2.912	45.90			-2.87	-7.85	42.83	-3.14
01-14	14-55	1811 Hunter Dr 110, El Paso, TX	00068372	D 5787	OP			19.275	3.348	64.88			-3.83	-9.38	61.03	-3.88
01-25	11-14	1414 E Palms Dr, El Paso, TX	00058847	D 5787	OP			17.225	3.388	58.66			-3.11	-9.38	55.40	-3.45
01-21	17-33	5811 Loveland Dr, El Paso, TX	00043511	D 5787	OP			15.835	3.107	48.57			-2.86	-9.33	46.71	-3.13
01-30	08-34	5100 Trounbridge Dr, El Paso, TX	00123884	D 5787	OP			15.986	3.380	54.23			-2.83	-9.00	51.30	-3.20
		PERIOD TOTALS						145.305		452.83			-25.80	-71.24	428.23	-29.08
		YTD TOTALS						145.305		452.83			-25.80	-71.24	428.23	-29.08
		PERIOD AVG: PPU							3.116							
		YTD AVG: PPU							3.116							

TO ENSURE MORE ACCURATE MILEAGE REPORTING, VEHICLE DISTANCE STATISTICS ARE NOT CALCULATED WHEN KEY ODOMETER READINGS ARE NOT WITHIN AN ACCEPTABLE RANGE.

Hernandez previously **stated publicly** that she was the only person who has used her fuel card. She has not publicly addressed the video.

The audit released in May found several instances when Hernandez used her card to fill up on back-to-back days, while Rodriguez used her gas card every few days and purchased both premium and regular gas – indications that both were fueling multiple vehicles, the audit states.

The audit findings mirror the two city representatives’ gas card usage during the previous years, although their total spending was not as high as in 2022. Records also show Rodriguez filled up with both premium and regular gas on multiple instances in fiscal years 2020 and 2021.

Gas card program origins

The city declined to answer El Paso Matters’ questions about the fuel card program.

“There is an active audit regarding the fuel card; the internal auditor did identify findings as presented to the FOAC and City Council,” said city spokeswoman Laura Cruz-Acosta in an email response. “City staff is in the process of reviewing the findings to determine next steps to bring back to the Council.”

Joyce Wilson, who served as El Paso’s first city manager from 2004 to 2014, said the program that allows elected officials to use city-issued fuel cards started with her administration as a way to better manage smaller-cost expenditures. Elected officials previously used travel and mileage logs for a mileage allowance, which Wilson said was not efficient and required a lot of paperwork.

It's unclear how long elected city officials have had fuel allowances or who first authorized the benefit prior to Wilson's administration.

The fuel card program likely started in 2008, Wilson said.

That's when the city entered into a contract with Western Refining to allow city vehicles – including police, fire and environmental services vehicles – to fuel up at several locations citywide, documents show. The mayor and city representatives were also allowed to purchase gas at taxpayers expense from those locations as “designated departmental users,” according to city documents. The contract was renewed in 2011.



A city of El Paso fire truck gets fueled up at the Alon gas station at Doniphan and Redd roads on Friday. (Elida S. Perez / El Paso Matters)

Calderon said the elected officials' fuel allowance has evolved over the years as the city has entered into fuel contracts with different vendors such as FireBird.

“That didn't work out because they limit their hours of operation,” Calderon said, adding the city previously worked with Howdy's and issued elected officials \$100 gift cards to use at that convenience store's gas stations.

The contract with the current vendor – Alon Brands, Inc. – was approved by the City Council in May 2019 so that users would have 24/7 access to gas stations.

Lack of policy, oversight

The Streets and Maintenance Department, which oversees fuel usage and issues the gas cards, did not have a policy for fuel card use until 2021. That came only after a November 2020 audit by Calderon found the department lacked a “comprehensive Policies and Procedures Manual for the Administrative or Usage Functions” for the gas cards.

The policy was updated in June 2022 and went into effect a month later, but lacked rules or guidelines for personally owned vehicles by council members or other employees.

Fuel cards are supposed to be assigned to a specific city vehicle and city employees and are to be used exclusively for that vehicle by that employee for official city business, according to the policy.

Although the policy explicitly states the fuel card is not to be used for personal vehicles, other city vehicles for which the card is not assigned, or rental vehicles, elected officials were given gas cards to use for their personal vehicles.

Wilson said the issue of excessive or abnormal spending could have been caught and addressed long ago with periodic and systematic audits of the fuel card program.

“If you weren’t (auditing), there are people out there who are going about their business and have no clue they are doing anything wrong,” Wilson said. “Now you’ve got this terrible situation where there’s all this conflict and there’s all this negative press and people’s careers are on the line and I don’t think that’s fair.”

Calderon said prior to the city contracting with Alon in 2019, problems with gas card usage had not been identified.

“It would not score high on my risk assessment,” Calderon said.

The biggest issue prior to the Alon contract was city vehicles not having access to fuel during the hours of operation when they needed it.

In 2019, the city received an anonymous tip that a firefighter used his fuel card to allow his girlfriend to fill up her gas tank, Calderon said. He conducted an initial review of the fuel card data but did not find evidence that

the claim was true.

He conducted a first audit of the Alon fuel program in 2020, when he discovered several issues, including a lack of policies and procedures for the use of the cards.

He did a follow-up audit released in August 2022 and noted that a policy had been put in place. The policy did not address elected official's use of the fuel cards at the time.

The latest audit released in May cited that the gas use policy did not address elected officials' use of the cards.

Calderon said that the audit was prompted by an anonymous tip from an employee who had concerns Rodriguez was using her card to pay for gas for her campaign staff throughout her failed-re-election bid in November.

Gas card spending fallout

An ethics complaint filed against Hernandez by District 3 resident George Zavala alleging, in part, that her gas card usage violated provisions of the city's Ethics Ordinance, will proceed to the city's Ethics Review Commission.

The commission, consisting of non-elected officials, was established to hear complaints about alleged violations of the city's ethics ordinance by elected officials or city staff and makes recommendations to the mayor and city representatives.

The complaint was received by the City Clerk's Office on May 30 and was referred to outside legal counsel by the City Attorney's Office.

Frank Garza, an attorney with the Law Offices of Davidson Troilo Ream & Garza based out of San Antonio, sent Zavala a letter dated June 8 confirming the complaint will be referred to the commission. The referral does not conclude that Hernandez violated the city's ethics ordinance, just that it falls within the commission's purview and will be reviewed.

Hernandez has 14 days to respond to the complaint before a hearing is scheduled with the commission.

City Attorney Karla Nieman, during the Wednesday FOAC meeting, said there may be an outside law enforcement agency looking into the elected officials' gas card usage but didn't specify the agency. She

mentioned the investigation after Kennedy, who serves as committee chair, asked why the police video recordings used in the audit had not been released through open records requests by the media.

The El Paso Police Department, which conducted its own investigation prompted by the audit, determined no crime had been committed by Hernandez and Rodriguez based on the city's existing fuel card policy, according to the police incident report.

The police investigation also determined members of the City Council should have never received the cards because of the existing policy.

The City Council in May voted to hire an outside investigator to look into the gas card purchases as a result of the audit. A recommendation on which investigator to hire has not yet been presented to the City Council.

Hernandez returned her city-issued gas card and paid the city \$6,700 for the fuel she purchased in 2022.

“My voluntary repayment demonstrates my commitment to protecting the interests of El Paso tax payers and the City. It is disappointing that the auditor's report continues to demonstrate flawed auditing practices that fail to follow basic standard auditing procedures, which have been outlined in the May 1 and June 5, 2023 Commercial Fuel Card Review,” Hernandez said in a June 6 statement.

Calderon, in response to Hernandez's statement after the Wednesday FOAC meeting, said he stands by his audit.

“They're 100% accurate. Sometimes when people get reviewed or audited they don't like what the results are,” Calderon said.

The City Council has not said how much it will spend on an outside investigator to look into the gas card usage.