



Meeting Minutes

City Council Workshop Session

Tuesday, August 17, 2021

10:00 AM

City Council Chambers

FY 2022 Budget Workshop for Capital Budget and Gas Department

A. Mayor Paulette M. Guajardo to call the meeting to order.

Mayor Guajardo called the meeting to order at 10:07 a.m.

B. City Secretary Rebecca L. Huerta to call the roll of the required Charter Officers.

City Secretary Rebecca L. Huerta called the roll and verified that a quorum of the City Council and the required Charter Officers were present to conduct the meeting.

Charter Officers: City Manager Peter Zanoni, City Attorney Miles Risley and City Secretary Rebecca L. Huerta.

NOTE: Council Member Lerma arrived at 10:53 a.m.

Present 9 - Mayor Paulette M. Guajardo, Council Member Roland Barrera, Council Member Gil Hernandez, Council Member Michael Hunter, Council Member Billy A. Lerma, Council Member John Martinez, Council Member Ben Molina, Council Member Mike Pusley, and Council Member Greg Smith

C. BRIEFINGS TO CITY COUNCIL:

1. [21-1055](#) FY 2022 Budget Workshop for Capital Budget and Gas Department

Mayor Guajardo referred to Item 1.

Director of Engineering Services Jeff Edmonds presented information on the following topics: FY2022 CIP: sources and uses; FY2022 proposed capital budget: \$448.9M; prior G.O. bond summary; water CIP: \$111.9M; streets CIP: \$84.2M; wastewater CIP: \$80.1M; stormwater CIP: \$58.1M; parks and recreation CIP: \$25.5M; marina CIP: \$20.4M; public health and safety CIP: \$39.5M; Airport CIP: \$11.2M; Gas CIP: \$10.3M; public facilities CIP: \$7.83; about engineering services; and FY2022 proposed budget engineering services fund: \$9.9M.

Council Members, Director Edmonds, Capital Improvement Program Manager Kamil Taras, Director of Water Utilities Kevin Norton and City Manager Peter Zanoni discussed the following topics: the goal is to close out the bond programs from 2008, 2012, 2014 and 2016; 75% of all the street projects are in the design phase; one grant has been

approved at about \$5M for the Packery Channel; there is a ten percent administration cost for each project; only \$11.4M has been approved by Council for the desalination plant; and the \$448.9M in the capital budget includes operating funds.

Director of Gas Operations Bill Mahaffey presented information on the following topics: mission statement; about gas department; organization; FY2021 achievements; performance measures; services; FY2022 gas department proposed budget: \$47.3M; FY2022 proposed budget gas fund: \$47.3M; FY2022 enhancement 1; FY2022 enhancement 2; and FY2022 enhancement 3.

Council Members, Director Mahaffey, Director of Management and Budget Eddie Houlihan and City Manager Peter Zanoni discussed the following topics: the reason for the ten percent increase in the overtime budget is for on call employees; for marketing purposes, the gas department is 100% involved in the Home Builders Association; the gas department generates about \$500,000 a year in revenue; gas services are being offered to new subdivisions; our gas rates are the lowest or second lowest in the state; a Council Member believes that gas services should be considered a necessity; and in order to market gas services, rebates are being offered to new home builders.

D. ADJOURNMENT

There being no further business, Mayor Guajardo adjourned the meeting at 11:28 a.m.