

CITY COUNCIL REGULAR MEETING

SEPTEMBER 2, 2014

The City Council of the City of McKinney, Texas met in regular session in the Council Chambers of the Municipal Building on September 2, 2014 at 6:00 p.m.

Council Present: Mayor Brian Loughmiller, Mayor Pro Tem Travis Ussery, Council members: Geralyn Kever, Don Day, Ray Ricchi, Roger Harris, and Randy P. Pogue.

Staff Present: Interim City Manager Tom Muehlenbeck; Deputy City Manager Jose Madrigal; Interim Assistant City Manager Barry Shelton; City Attorney Mark Houser; City Secretary Sandy Hart; Chief Financial Officer Rodney Rhoades; Assistant Director of Development Services Rick Leisner; Director of Planning Michael Quint; Director of Engineering Mark Hines; Assistant Director of Engineering Michael Hebert; Interim Police Chief David James; McKinney Economic Development Corporation President Jim Wehmeier; Interim Parks, Recreation, and Open Space Director Ryan Mullins; Assistant Fire Chief Tim Mock; Assistant to the City Manager Darrek Ferrell; Assistant Director of Water Utilities and Infrastructure Paul Sparkman; McKinney Community Development Corporation President Cindy Schneible; Engineering - Gary Graham, Robyn Root, Kyle Odom, Danny Still, and Annita McCormick; Parks Superintendent Tony Nielsen; IT Service Desk Supervisor Amy Greer; Planning Manager Brandon Opiela; Airport - Ken Wiegand, Mark Jaraczewski, and Eric Pratt; Planner Steven Doss; Finance - Mark Holloway and Trevor Minyard; Help Desk Manager Amy Greer; EMS Battalion Chief Jason Hockett; Interim Human Resources Director Kathryn Usrey; and Officer Trent Davis.

There were 26 guests present.

Mayor Loughmiller called the meeting to order at 6:03 p.m. after determining a quorum was present.

Invocation was given by Carol Wood, City Church Youth Outreach McKinney. Mayor Loughmiller led the Pledge of Allegiance.

14-783 Recognition of Brian Colehour for Life Saving Efforts. Assistant Fire Chief Tim Mock presented a plaque to Brian Colehour for his Life Saving Efforts to save a young girl from drowning.

- 14-849** Presentation of "Certificate of Achievement for Planning Excellence".
Planning Director Michael Quint presented the Certificate of Achievement to the City Council.

Mayor Loughmiller called for Citizen Comments.

Mr. Peter Bailey, 2003 Skyline Drive, McKinney spoke about welcoming Barclays to McKinney.

Mr. Matt Hilton, 3605 Camino Trail, McKinney, spoke about a housing need for McKinney resident Ms. Rosie Woods. Mr. Hilton stated that contributions can be made through Habitat for Humanity to help raise money to rebuild Ms. Woods deteriorating home.

Council unanimously approved the motion by Mayor Pro Tem Ussery, seconded by Council member Kever, to approve the following consent items:

- 14-850** Minutes of the City Council Special Meeting of August 18, 2014
- 14-851** Minutes of the City Council and McKinney Community Development Corporation Joint Meeting and Work Session of August 18, 2014
- 14-852** Minutes of the City Council Regular Meeting of August 19, 2014
- 14-853** Minutes of the City Council Special Meeting of August 25, 2014
- 14-776** Minutes of the McKinney Airport Development Corporation Meeting of July 2, 2014
- 14-635** Minutes of the McKinney Armed Services Memorial Board Meeting of June 18, 2014
- 14-803** Minutes of the McKinney Community Development Corporation Meeting of July 24, 2014
- 14-823** Minutes of the McKinney Economic Development Corporation Meeting of July 15, 2014
- 14-768** Minutes of the Parks, Recreation and Open Space Advisory Board Meeting of June 12, 2014
- 14-757** Minutes of the Planning and Zoning Commission Regular Meeting of July 22, 2014
- 14-854** Consider/Discuss/Act on an Ordinance to Modify the School Zone Times

at Imagine Charter School in McKinney. Caption reads as follows:

ORDINANCE NO. 2014-09-058

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MCKINNEY, TEXAS MODIFYING THE SCHOOL ZONE TIMES AT IMAGINE CHARTER SCHOOL IN MCKINNEY; AMENDING THE CODE OF ORDINANCES, CITY OF MCKINNEY, TEXAS; PROVIDING FOR PUBLICATION OF THE CAPTION OF THE ORDINANCE, EFFECTIVE DATE HEREOF AND A PENALTY CLAUSE

- 14-855** Consider/Discuss/Act on an Ordinance of the City Council of the City of McKinney, Texas, Amending Certain Sections of the Airport Minimum Standards and Rules and Regulations. Caption reads as follows:

ORDINANCE NO. 2014-09-059

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MCKINNEY, TEXAS, AMENDING SECTION 30-2 OF CHAPTER 30 OF THE CODE OF ORDINANCES OF THE CITY OF MCKINNEY WITH AN UPDATED DEFINITION OF "AIRPORT AREA LAND LEASE RATE"; PROVIDING FOR THE REPEAL OF CONFLICTING ORDINANCES; PROVIDING A SEVERABILITY CLAUSE; PROVIDING FOR PUBLICATION; AND PROVIDING FOR AN EFFECTIVE DATE

- 14-856** Consider/Discuss/Act on an Ordinance Amending the Fiscal Year 2013-2014 Annual Budget and Amending the 2014 - 2018 Capital Improvements Program, to Provide Funds for the Ash Woods Park Pedestrian Bridge Project (PK4368). Caption reads as follows:

ORDINANCE NO. 2014-09-060

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MCKINNEY, TEXAS, AUTHORIZING A CERTAIN BUDGET AMENDMENT PERTAINING TO THE FISCAL YEAR 2013-2014 BUDGET AND THE 2014 – 2018 CAPITAL IMPROVEMENTS PROGRAM; AND PROVIDING FOR AN EFFECTIVE DATE HEREOF

- 14-857** Consider/Discuss/Act on a Resolution Authorizing the Interim City Manager, or his Authorized Designee, to Execute an Interlocal Agreement between Frisco Independent School District, City of Frisco, Texas, and City of McKinney, Texas Regarding the Mooneyham Elementary School Project. Caption reads as follows:

RESOLUTION NO. 2014-09-101 (R)

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MCKINNEY, TEXAS, AUTHORIZING THE INTERIM CITY MANAGER, OR AUTHORIZED DESIGNEE, TO EXECUTE AN

INTERLOCAL AGREEMENT BETWEEN FRISCO
INDEPENDENT SCHOOL DISTRICT, CITY OF FRISCO, TEXAS,
AND CITY OF MCKINNEY, TEXAS REGARDING THE
MOONEYHAM ELEMENTARY SCHOOL PROJECT

- 14-858** Consider/Discuss/Act on a Resolution Authorizing the Interim City Manager to Execute a Contract and All Necessary Supplemental Agreements with Kimley-Horn & Associates, Inc., for Traffic Engineering Services for US 380 Access Management Study from Hardin Boulevard to Coit Road. Caption reads as follows:

RESOLUTION NO. 2014-09-102 (R)

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MCKINNEY, TEXAS, AUTHORIZING THE INTERIM CITY MANAGER TO EXECUTE A CONTRACT IN THE AMOUNT OF \$60,660 WITH KIMLEY-HORN & ASSOCIATES, INC., FOR TRAFFIC ENGINEERING SERVICES FOR US 380 ACCESS MANAGEMENT STUDY FROM HARDIN BOULEVARD TO COIT ROAD AND AUTHORIZING ANY SUPPLEMENTAL AGREEMENTS UNDER SAID CONTRACT UP TO THE AGGREGATE CONTRACT AMOUNT, INCLUSIVE OF SAID SUPPLEMENTAL AGREEMENTS, OF \$66,000

- 14-859** Consider/Discuss/Act on a Resolution Authorizing the Interim City Manager to Request that TxDOT Not Demolish the Existing US 75 Northbound Frontage Road Bridge Over Wilson Creek and Instead Allow it to Remain for City Use as a Hike and Bike Trail. Caption reads as follows:

RESOLUTION NO. 2014-09-103 (R)

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MCKINNEY, TEXAS, AUTHORIZING THE INTERIM CITY MANAGER TO REQUEST THAT TxDOT NOT DEMOLISH THE EXISTING US 75 NORTHBOUND FRONTAGE ROAD BRIDGE OVER WILSON CREEK AND INSTEAD ALLOW IT TO REMAIN FOR CITY USE AS A HIKE AND BIKE TRAIL

END OF CONSENT

- 14-860** Mayor Loughmiller called for Consideration/Discussion/Action on a Resolution Authorizing an Interlocal Agreement with University of Texas at Dallas to Participate in the Master of Public Affairs in City Hall Program. Interim City Manager Tom Muehlenbeck stated that this item

would allow McKinney to participate with other cities in North Texas to send up to two employees who have Bachelor degrees to study for their Master's degree in Public Administration. The program is administered locally through University of Texas at Dallas and will benefit the employees. The approval tonight is for a two-year allocation. Council unanimously approved the motion by Council member Kever, seconded by Council member Pogue, to approve a Resolution Authorizing an Interlocal Agreement with University of Texas at Dallas to Participate in the Master of Public Affairs in City Hall Program. Caption reads as follows:

RESOLUTION NO. 2014-09-104 (R)

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
McKINNEY, TEXAS, AUTHORIZING THE INTERIM CITY
MANAGER TO EXECUTE AN INTERLOCAL AGREEMENT WITH
THE UNIVERSITY OF TEXAS AT DALLAS

Council member Pogue stepped down from the dais on the following two items.

- 14-184GDP** Mayor Loughmiller called for a Public Hearing to Consider/Discuss/Act on the Request by Himalayan Ventures, L.P., for Approval of a General Development Plan for a Portion of the Adriatica Town Center District, Being Fewer than 3 Acres, Located Approximately 300 Feet South of Virginia Parkway and on the East Side of Adriatic Parkway. Director of Planning Michael Quint stated that the applicant is requesting modification from a series of buildings to a single building for an independent living facility. Staff has no objection to the modification. The land use is allowed by right and the site plan is next item on the agenda for Council's consideration. Applicant George Fuller was present to answer any questions and there were none. Mayor Loughmiller called for public comment and there were none. Council approved the motion made by Council member Ricchi, seconded by Council member Harris, to close the public hearing and approve a General Development Plan for a

portion of the Adriatica Town Center District, being fewer than 3 acres, located approximately 300 feet south of Virginia Parkway and on the east side of Adriatic Parkway with a vote of 6-0-1, Council member Pogue abstaining.

14-185SP Mayor Loughmiller called for a Public Hearing to Consider/Discuss/Act on the Request by Himalayan Ventures, L.P., for Approval of a Site Plan for an Office Development and Senior Independent Living Facility (St. Paul's Senior Living), Being Fewer than 3 Acres, Located Approximately 300 Feet South of Virginia Parkway and on the East Side of Adriatic Parkway. Director of Planning Michael Quint stated that the applicant is proposing a mixed-use building comprised of office and independent living uses. The subject property does allow nursing/retirement homes. The zoning for this property was approved in 2005. Since that time, the zoning ordinance has been amended to redefine what a retirement community is and is now defined as independent living. The proposed layout is in conformance with the General Development Plan just approved by Council and staff recommends approval. Mr. Quint added that because this is an independent living facility, it is not technically classified as residential so that when the governing PD specifies a maximum of 285 dwelling units, this does not take away from the 285. Mr. Quint stated that the independent living use does not require deed restriction. He deferred to the applicant to answer if he planned to deed restrict the property. Applicant Mr. George Fuller stated that he is not familiar with the legality of deed restrictions as they pertain to independent living facilities. Mayor Loughmiller called for public comment and there were none. Council approved the motion made by Council member Ricchi, seconded by Council member Kever, to close the public hearing and approve a Site Plan for an Office Development and Senior Independent Living Facility (St. Paul's Senior Living), being fewer than 3 acres, located approximately 300 feet south of Virginia Parkway and on the east side of

Adriatic Parkway with the following conditions: the applicant satisfy the conditions as shown on the Standard Conditions for Site Plan Approval Checklist, with a vote of 6-0-1, Council member Pogue abstaining
Council member Pogue returned to the dais.

13-269PF Mayor Loughmiller called for Consideration/Discussion/Action on the Request by Hickman Consulting Engineers, Inc., on Behalf of 1331 Country Club Road, L.L.C., for Approval of a Preliminary-Final Plat for 11 Single Family Residential Lots and Two Common Areas (Three Oaks), Being Fewer than 17 Acres, Located Approximately 390 Feet East of Circle in the Woods and on the North Side of Country Club Road (F.M. 1378). Director of Planning Michael Quint stated that the applicant is proposing to subdivide the property. Because this property is in the ETJ, the applicant is requesting a number of variances to the requirements of the Subdivision Ordinance. Variances include: waiving the requirement to construct sidewalks within and adjacent to the property, waiving the requirement to construct sanitary sewer lines to the property, to allow the use of septic systems, waiving the requirement that lots be at least one and a half acres in size in order to utilize those septic systems, to prohibit lot to lot drainage, waiving the requirement that dead-end streets be limited to 600 feet in length, waiving the requirement to provide 250 foot centerline radius be waived, request that screening and buffering requirements be modified where residential lots are adjacent to or back or side to a public right-of-way, and request to modify the screening and buffering section to allow a five foot tall screening device instead of the typical six foot tall device. As is typical with ETJ plats, staff is recommending denial of these variances. If this item is to be approved there are two conditions of approval outlined in the staff report that we recommend Council adopt with this plat. Mr. Quint stated that the applicant, in order to obtain the most accessible source of water, is working with the Town of Fairview in order to remove this property from

McKinney's ETJ and incorporate it into the Town of Fairview's ETJ and ultimately into the corporate limits of the Town of Fairview. In order for the negotiations to move forward, the applicant has indicated that they need approval of this plat from McKinney City Council so that the Town of Fairview will honor the lot sizes and configuration of the plat. Mr. Quint stated that this situation is unique in that the properties to the east and west of the subject property are within the Town of Fairview. If water is required to be extended at its terminus, it will only be serving this property. The same is true for sewer service. The only property impacted by approving or denying these variances is this property. Mayor Loughmiller asked if, procedurally, we should run this item concurrently with the boundary agreement item. Interim Assistant City Manager Barry Shelton stated that we could table the item and run it concurrently with the boundary agreement. Interim City Manager Mr. Muehlenbeck stated that Staff is requesting plat approval without allowing the exemptions to go through according to our ETJ policies. McKinney should not wait on Fairview to make a decision. Council unanimously approved the motion by Council member Kever, seconded by Mayor Pro Tem Ussery, to deny a Preliminary-Final Plat for 11 single family residential lots and two common areas (three oaks), being fewer than 17 acres, located approximately 390 feet east of Circle in the Woods and on the north side of Country Club Road (F.M. 1378).

- 14-167Z2** Mayor Loughmiller called for a Public Hearing to Consider/Discuss/Act on the Request by J Volk Consulting, on Behalf of Standard Pacific Homes of Texas, for Approval of a Request to Rezone Fewer than 14 Acres from "PD" - Planned Development District and "REC" - Regional Employment Center Overlay District to "PD" - Planned Development District and "REC" - Regional Employment Center Overlay District, Generally to Modify the Development Standards, Located Approximately 1,745 Feet North of Silverado Trail and Approximately 650 Feet East of Alma Road,

and Accompanying Ordinance. Director of Planning Michael Quint stated that the applicant is requesting to rezone the subject property to modify the minimum lot size requirements from 75' wide lots to 62' wide lots. This modification will increase the number of lots to eight. Staff has no objection to the request and recommends approval. Applicant Jay Volke, 800 East Campbell, Suite 120, Richardson, presented information on the Stone Hollow development. Mayor Loughmiller called for public comment and there were none. Council unanimously approved the motion by Council member Pogue, seconded by Council member Harris, to close the public hearing. Council unanimously approved the motion by Council member Pogue, seconded by Council member Kever, to approve an Ordinance rezoning fewer than 14 acres from "PD" - Planned Development District and "REC" - Regional Employment Center Overlay District to "PD" - Planned Development District and "REC" - Regional Employment Center Overlay District, generally to modify the development standards, located approximately 1,745 feet north of Silverado Trail and approximately 650 feet east of Alma Road, with the following special ordinance provisions: the subject property shall develop in accordance with "PD" - Planned Development District Ordinance No. 2011-12-081, except as follows: the subject property shall adhere to the 62' x 115' lot development standards as outlined in "PD" - Planned Development District Ordinance No. 2011-12-081 except that the minimum lot depth shall be 120' and development of the subject property shall generally conform to the attached Boundary and Lot Layout zoning exhibit. Caption reads as follows:

ORDINANCE NO. 2014-09-061

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MCKINNEY, TEXAS, AMENDING THE ZONING MAP OF THE CITY OF MCKINNEY, TEXAS; SO THAT AN APPROXIMATELY 13.91 ACRE PROPERTY, LOCATED APPROXIMATELY 1,745 FEET NORTH OF SILVERADO TRAIL AND APPROXIMATELY 650 FEET EAST OF ALMA ROAD, IS REZONED FROM "PD" – PLANNED DEVELOPMENT DISTRICT AND "REC" – REGIONAL EMPLOYMENT CENTER OVERLAY DISTRICT TO "PD" – PLANNED DEVELOPMENT DISTRICT AND "REC" – REGIONAL

EMPLOYMENT CENTER OVERLAY DISTRICT, GENERALLY TO MODIFY THE DEVELOPMENT STANDARDS; PROVIDING FOR SEVERABILITY; PROVIDING FOR INJUNCTIVE RELIEF, PROVIDING FOR NO VESTED INTEREST; PROVIDING FOR THE PUBLICATION OF THE CAPTION OF THIS ORDINANCE; PROVIDING FOR A PENALTY FOR THE VIOLATION OF THIS ORDINANCE; AND PROVIDING FOR AN EFFECTIVE DATE HEREOF

14-206SP Mayor Loughmiller called for a Public Hearing to Consider/Discuss/Act on the Request by Cross Engineering Consultants, on Behalf of Family Video Movie Club, Inc., for Approval of a Site Plan for a Parking Lot Expansion (Family Video), Being Fewer than 2 Acres, Located on the Northwest Corner of Eldorado Parkway and Orchid Drive. Director of Planning Michael Quint stated that the applicant is proposing to construct an overflow parking lot. This site plan is before Council due to the governing PD. Staff is recommending approval of the item as it meets the requirements of the zoning ordinance. Applicant, Mr. Jonathan Hank, Cross Engineering, 131 S. Tennessee, McKinney, was present to answer questions and there were none. Mayor Loughmiller called for public comment and there were none. Council unanimously approved the motion by Mayor Pro Tem Ussery, seconded by Council member Pogue, to close the public hearing and approve a Site Plan for a parking lot expansion (Family Video), being fewer than 2 acres, located on the northwest corner of Eldorado Parkway and Orchid Drive, with the following conditions: the applicant satisfy the conditions as shown on the Standard Conditions for Site Plan Approval Checklist and prior to the issuance of a building permit: the applicant revise the sidewalk along Orchid Drive to be five (5) feet in width.

14-214M Mayor Loughmiller called for a Public Hearing to Consider/Discuss/Act on a Request By the City of McKinney to Amend Sections 142-74 (Preliminary-Final Plat), 142-75 (Preliminary-Final Replat), 142-76 (Record Plat), 142-77 (Minor Plat), 142-78 (Minor Replat), 142-79 (Amending Plat), 142-81 (Conveyance Plat), and 142-99 (Lots) of the Subdivision Regulations, and to Create Sections 142-42 (Dormancy and

Approval Expirations) and 142-82 (Administratively Complete) of the Subdivision Regulations, and Accompanying Ordinance. Director of Planning Michael Quint stated that City staff and the City of McKinney are proposing to modify various sections of the Subdivision Ordinance to address three primary objectives: 1) to eliminate the ability to circumvent the Subdivision Ordinance's requirement to construct public improvements; 2) the need for plat approvals to expire in a specific amount of time; and 3) the need for a completeness check for all plats. These proposed amendments were originally considered and adopted by Council in November 2012 and repealed six months later due to unrelated property rights concerns. Staff is recommending approval of this item. Mayor Loughmiller called for public comment and there were none. Council unanimously approved the motion by Council member Pogue, seconded by Council member Harris, to close the public hearing and approve an Ordinance amending Sections 142-74 (Preliminary-Final Plat), 142-75 (Preliminary-Final Replat), 142-76 (Record Plat), 142-77 (Minor Plat), 142-78 (Minor Replat), 142-79 (Amending Plat), 142-81 (Conveyance Plat), and 142-99 (Lots) of the Subdivision Regulations, and to create Sections 142-42 (Dormancy and Approval Expirations) and 142-82 (Administratively Complete) of the Subdivision Regulations. Caption reads as follows:

ORDINANCE NO. 2014-09-062

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MCKINNEY, TEXAS, AMENDING SECTIONS 74 (PRELIMINARY-FINAL PLAT), 75 (PRELIMINARY-FINAL REPLAT), 76 (RECORD PLAT), 77 (MINOR PLAT), 78 (MINOR REPLAT), 79 (AMENDING PLAT), 99 (LOTS) OF SUBDIVISION REGULATIONS (CHAPTER 142 OF THE CODE OF ORDINANCES); CREATING SECTIONS 42 (DORMANCY AND APPROVAL EXPIRATIONS) AND 82 (ADMINISTRATIVELY COMPLETE) OF THE SUBDIVISION REGULATIONS (CHAPTER 142 OF THE CODE OF ORDINANCES); ESTABLISHING PRESUMPTIONS; PROVIDING FOR THE PUBLICATION OF THE CAPTION OF THIS ORDINANCE; REPEALING ALL CONFLICTING ORDINANCES; PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING FOR AN EFFECTIVE DATE HEREOF

Ordinance, and Discuss the Proposed Changes to the Storm Drain Utility Fee. Director of Engineering Mark Hines stated that this item is to approve revisions to the Stormwater Ordinance and discuss the storm water utility fee. Changes include elimination of the requirement to check on downstream erosion from development. If downstream facilities can accommodate the 100-year storm, we are not requiring any detention, including the present requirement to detain the one-year storm for 24 hours. Eliminating the detention of downstream erosion will create additional maintenance of the creeks and will require increased funding for this maintenance. Mr. Hines presented the proposed changes to the Drainage Utility Fee. It is a three-tier fee structure for single-family residential properties based on impervious cover: \$2.75 for lots up to 2,500 square feet; \$5.00 for lots 2,500 to 3,500 square feet; and \$7.50 for lots over 3500 square feet. Multi-family properties will be charged \$2.75 for every 2,500 square feet of impervious cover with no maximum. Commercial properties will be charged \$2.75 for every 2,500 square feet of impervious cover with a \$500 maximum. The effects on residential, multi-family, and commercial properties will result in a projected increase of \$1.4 million per year in additional funds. Staff has not been able to calculate the additional cost of maintaining the creek beds. If the Drainage Utility Fees are approved at a later date, the funds will go into the storm drain budget and by law are required to be spent on storm drainage related items. Council member Kever expressed concern over approving the Ordinance without the fee schedule. Mr. Hines stated that staff is working on issues with the commercial fees and should be able to come back to Council in approximately 60 days with the new fee schedule. Council's consensus was to proceed with approving the Ordinance and assigning a committee to work with staff on setting the new fee schedule. Mr. Shelton stated that notice of a new fee schedule must be published in the newspaper 30 days in advance of a public

hearing before the new rates can take effect. Council approved the motion by Council member Ricchi, seconded by Council member Day, to approve an Ordinance adopting the Revised Stormwater Ordinance with the caveat that verbiage be added to the rate Ordinance to earmark the funds to be used for erosion control as well as storm water drainage, with a vote of 6-1-0, Council member Kever voting against. Caption reads as follows:

ORDINANCE NO. 2014-09-063

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MCKINNEY, TEXAS AMENDING CHAPTER 130, ENTITLED "LAND DEVELOPMENT REGULATIONS," OF THE CODE OF ORDINANCES OF THE CITY OF MCKINNEY, TEXAS, THROUGH THE AMENDMENT OF EXISTING ARTICLE IV, ENTITLED "STORM WATER MANAGEMENT" BY AMENDING THE ENTIRE ARTICLE; PROVIDING THIS ORDINANCE BE CUMULATIVE; PROVIDING FOR SEVERABILITY; PROVIDING FOR GOVERNMENTAL IMMUNITY; PROVIDING PENALTIES FOR VIOLATIONS OF THIS ORDINANCE; PROVIDING FOR INJUNCTIONS; PROVIDING FOR THE PUBLICATION OF THE CAPTION OF THIS ORDINANCE; AND PROVIDING AN EFFECTIVE DATE

14-862 Mayor Loughmiller called for the Second Public Hearing on Proposed Tax Rate for Fiscal Year 2014-15. Chief Financial Officer Rodney Rhoades stated that this is the second public hearing on the proposed fiscal year 2014-15 tax rate. The tax rate is proposed at \$0.5830 which is a quarter cent reduction over the current tax rate of \$0.5855. The existing values has increased by 8% over 2014. There are two components to the tax rate: The debt service component comprises a proposed \$16.7 cent rate and the operations/maintenance component comprises \$41.5 cents. The anticipated adoption date is September 16, 2014. Mayor Loughmiller called for public comment and there were none. Council unanimously approved the motion by Council member Kever, seconded by Council member Ricchi, to close the second public hearing on proposed Tax Rate for Fiscal Year 2014-15.

14-863 Mayor Loughmiller called for the First Public Hearing on the Budget Appropriation Ordinance for FY 2014-15. Chief Financial Officer Rodney

Rhoades stated that this is the first public hearing on the budget appropriation Ordinance for fiscal year 2014-15. Mr. Rhoades reviewed the proposed total funds, general fund, source of income and revenue spending, fund balances and fee changes for fiscal year 2015. The second public hearing and adoption of the budget will be held on September 16, 2014. Mayor Loughmiller requested a information on the component units MEDC, MCDC, MCVB and Airport component unit budgets as they relate to staffing. Interim City Manager Mr. Muehlenbeck stated that the Airport is considered an Enterprise Fund next year but we will get the information for the other units and present that on September 16. Mayor Loughmiller called for public comment and there were none. Council unanimously approved the motion by Council member Kever, seconded by Council member Harris, to close the first public hearing on the Budget Appropriation Ordinance for FY 2014-15.

- 14-864** Mayor Loughmiller called for Consideration/Discussion/Action on an Ordinance Authorizing the Issuance of Tax Notes, Series 2014. Chief Financial Officer Rodney Rhoades stated that this is a parameters Ordinance that allows the issuance of \$5 million, 5-year tax note, not to exceed \$5.6 million, for a new ERP software system, authorize the issuance, and delegate the Interim City Manager and Finance Director as pricing officers for the sale. Council unanimously approved the motion by Council member Day, seconded by Mayor Pro Tem Ussery, to approve an Ordinance authorizing the issuance of Tax Notes, Series 2014. Caption reads as follows:

ORDINANCE NO. 2014-09-064

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MCKINNEY, TEXAS, AUTHORIZING THE ISSUANCE OF "CITY OF MCKINNEY, TEXAS, TAX NOTES, SERIES 2014"; LEVYING A CONTINUING DIRECT ANNUAL AD VALOREM TAX FOR THE PAYMENT OF SAID NOTES; RESOLVING OTHER MATTERS INCIDENT AND RELATED TO THE ISSUANCE, SALE, PAYMENT AND DELIVERY OF SAID NOTES; ESTABLISHING PROCEDURES FOR THE SALE AND DELIVERY OF SAID NOTES; AND DELEGATING MATTERS RELATING TO THE SALE AND ISSUANCE OF SAID NOTES TO AN AUTHORIZED CITY OFFICIAL; ENACTING PROVISIONS INCIDENT AND

RELATED TO THE PURPOSES AND SUBJECT OF THIS
ORDINANCE; AND PROVIDING AN EFFECTIVE DATE

- 14-865** Mayor Loughmiller called for Consideration/Discussion/Action on an Ordinance Authorizing the Issuance of Tax and Limited Pledge Airport Revenue Certificates of Obligation, Taxable Series 2014B. Chief Financial Officer Rodney Rhoades stated that this is a parameters Ordinance that authorizes the issuance of 10-year taxable CO's for the start-up costs associated with the renovations, equipping, and other services necessary for the fixed-base operations at the McKinney Airport and also delegating the Interim City Manager and Finance Director as pricing officers. Council unanimously approved the motion by Mayor Pro Tem Ussery, seconded by Council member Day, to approve an Ordinance authorizing the issuance of Tax and Limited Pledge Airport Revenue Certificates of Obligation, Taxable Series 2014B. Caption reads as follows:

ORDINANCE NO. 2014-09-065
AN ORDINANCE AUTHORIZING THE ISSUANCE OF "CITY OF MCKINNEY, TEXAS, TAX AND LIMITED PLEDGE AIRPORT REVENUE CERTIFICATES OF OBLIGATION, TAXABLE SERIES 2014B;" PROVIDING FOR THE PAYMENT OF SAID CERTIFICATES OF OBLIGATION BY THE LEVY OF AN AD VALOREM TAX UPON ALL TAXABLE PROPERTY WITHIN THE CITY AND A LIMITED PLEDGE OF NET REVENUES FROM THE CITY'S MUNICIPAL AIRPORT FACILITIES; RESOLVING OTHER MATTERS INCIDENT AND RELATED TO THE ISSUANCE, PAYMENT, SECURITY, SALE, AND DELIVERY OF SAID CERTIFICATES OF OBLIGATION; DELEGATING MATTERS RELATING TO THE SALE AND ISSUANCE OF SAID CERTIFICATES TO AN AUTHORIZED CITY OFFICIAL; ENACTING PROVISIONS INCIDENT AND RELATED TO THE PURPOSES AND SUBJECT OF THIS ORDINANCE; AND PROVIDING AN EFFECTIVE DATE

- 14-866** Consider/Discuss/Act on an Ordinance Authorizing the Issuance Tax and Limited Pledge Hotel Occupancy Tax Revenue Certificates of Obligation, Taxable Series 2014A. Chief Financial Officer Rodney Rhoades stated that this is a parameters Ordinance that allows for the issuance of \$2.736 million, with a not to exceed amount of \$3 million, for the Gateway construction and improvement enhancements. This will be on a 21-year,

taxable CO to coincide with the previous issuance made in February of this past year. This Ordinance will allow for the issuance and to delegate pricing officers to the Interim City Manager and/or the Finance Director. Council unanimously approved the motion by Council member Kever, seconded by Council member Pogue, to approve an Ordinance authorizing the issuance Tax and Limited Pledge Hotel Occupancy Tax Revenue Certificates of Obligation, Taxable Series 2014A. Caption reads as follows:

ORDINANCE NO. 2014-09-066
AN ORDINANCE AUTHORIZING THE ISSUANCE OF "CITY OF MCKINNEY, TEXAS, TAX AND LIMITED PLEDGE HOTEL OCCUPANCY TAX REVENUE CERTIFICATES OF OBLIGATION, TAXABLE SERIES 2014A," PROVIDING FOR THE PAYMENT OF SAID CERTIFICATES OF OBLIGATION BY THE LEVY OF AN AD VALOREM TAX UPON ALL TAXABLE PROPERTY WITHIN THE CITY AND A LIMITED PLEDGE OF THE CITY'S HOTEL OCCUPANCY TAX REVENUES AND RESOLVING OTHER MATTERS INCIDENT AND RELATED TO THE ISSUANCE, PAYMENT, AND DELIVERY OF SAID CERTIFICATES OF OBLIGATION; DELEGATING MATTERS RELATING TO THE SALE AND ISSUANCE OF SAID CERTIFICATES TO AN AUTHORIZED CITY OFFICIAL, ENACTING PROVISIONS INCIDENT AND RELATED TO THE PURPOSES AND SUBJECT OF THIS ORDINANCE; AND PROVIDING AN EFFECTIVE DATE

14-867 Consider/Discuss/Act on an Ordinance Amending the Fiscal Year 2013-2014 Annual Budget and Amending the 2014 - 2018 Capital Improvements Program, to Provide Funds for AI3202 Airport Pavement Reconstruction and Expansion Project.

Airport Executive Director Ken Wiegand stated that this is an Ordinance to transfer funds from the airport construction fund to the Capital Improvement Program for the reconstruction and expansion of the parking apron at the airport. The project requires additional funding to meet the City's local share requirement for design and construction. The construction cost estimate increased during the design phase for additional underground drainage, parking lot relocation, and a TxDOT dictated increase in the asphalt sub base unit cost. Council unanimously approved the motion by Council member Pogue, seconded by Council

member Harris, to approve an Ordinance amending the Fiscal Year 2013-2014 Annual Budget and amending the 2014 - 2018 Capital Improvements Program, to provide funds for AI3202 Airport Pavement Reconstruction and Expansion Project. Caption reads as follows:

ORDINANCE NO. 2014-09-067

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MCKINNEY, TEXAS, AUTHORIZING A CERTAIN BUDGET AMENDMENT PERTAINING TO THE FISCAL YEAR 2013-2014 BUDGET AND THE 2014 – 2018 CAPITAL IMPROVEMENTS PROGRAM TO FUND THE AIRPORT PAVEMENT RECONSTRUCTION AND EXPANSION PROJECT; AND PROVIDING FOR AN EFFECTIVE DATE HEREOF

- 14-868** Consider/Discuss/Act on Casting Votes for Texas Municipal League Intergovernmental Risk Pool Board of Trustees. Interim City Manager Tom Muehlenbeck stated that there are three uncontested races on the Texas Municipal League Intergovernmental Risk Pool Board of Trustees and one contested race. The contested race involves the Peter Varga, City Manager of Allen. Council unanimously approved the motion by Council member Kever, seconded by Council member Pogue, to cast votes for Robert T. Herrera, John W. Fullen, George Shackelford, and Peter Vargas for the Texas Municipal League Intergovernmental Risk Pool Board of Trustees.

Mayor Loughmiller called for Citizen Comments and there were none.

Mayor Loughmiller called for Council and Manager Comments.

Council member Pogue thanked Mr. Colehour for his life saving efforts. Mr. Pogue congratulated the Planning Department for the Certificate of Achievement. Mr. Pogue stepped down from the dais to take a picture of Council member Ricchi in a Texas A&M hat for a bet that he lost.

Council member Ricchi congratulated Director of Engineering Mark Hines and the stormwater committee on doing a great job on the stormwater ordinance. Mr. Ricchi stated that with Barclays coming to McKinney we are attracting an international scope of bringing more business into McKinney. Mr. Ricchi congratulated Jim Wehmeier and his staff for the diligent work they did for the Craig Ranch Corporate Center. This is great

news for McKinney to have a global company to put their first footprint in the area in McKinney. Mr. Ricchi complimented Airport Executive Director Mr. Wiegand on the great things he and his staff is doing at the airport under his leadership and Deputy City Manager Jose Madrigal.

Council member Harris thanked the Mayor for allowing Council member Pogue to take a picture of Council Ricchi in the Texas A&M hat as the picture will pay dividends for years to come. Mr. Harris thanked everyone who participated in the Stormwater committee for all their hard work. Mr. Harris thanked the McKinney Economic Development staff for those projects that were mentioned earlier and for the projects that have not been finalized yet as they are working hard on bringing in economic development activity and increasing our commercial tax base. Mr. Harris recognized the McKinney Community Development Corporation for the recent quality of life of grants they have recently approved as well as the work on the aquatic center. Mr. Harris thanked the City staff for what they do on a continual basis and the Communications Department for making the City look good in the eyes of the press and the media. Mr. Harris thanked everyone who participated in the Board and Commission process, especially those that are retiring, those that agreed to serve, and to those that agreed to participate and volunteer. If you were not selected, we may need people midterm. Mr. Harris thanked everyone for their willingness and desire to serve to make this a better place than it already is.

Council member Day did not have any comments.

Council member Kever echoed everyone's comments. Ms. Kever thanked City Secretary Sandy Hart and her staff for the great work organizing the binders for Council and scheduling all the interviews for the 107 candidates.

Mayor Pro Tem Ussery thanked staff and Mr. Quint and his Department for the award winning achievement. Mr. Ussery gave a special thanks to everyone who had anything to do with the Clint Black show that was held at MPAC it was a wonderful show and indicative of what we can do here in McKinney.

Mayor Loughmiller thanked those who applied to serve on a City Board or Commission. If you were not selected, Mayor Loughmiller recommended the applicants to attend one of the open board meetings to get a better feel for what takes place. Mr.

Loughmiller stated that in regards to Economic Development, we have a lot of challenges ahead of us with a lot of interest in McKinney. Mr. Loughmiller stated that he has participated in meetings over the last several weeks with different groups and corporations. Toyota did a tour of four cities in the region, it was apparent to him that what they are looking for and what attracted them to McKinney is the balance of quality of life issues and what we are doing to attract economic development. It also creates challenges with McKinney not having a lot of inventory to attract business. The City will need to work on developing a strategy over the next twelve months to attract business over the next few years. The projects are getting bigger and more competitive.

Interim City Manager Muehlenbeck stated that McKinney will be following the direction of the North Texas Municipal Water District to allow landscape irrigation once a week on scheduled trash days through October 31st. All other water restrictions under stage 3 will remain the same. Mr. Muehlenbeck stated that tonight it was presented that sales tax represents 18% of the revenues. Mr. Muehlenbeck stated that we need a retail strategy and we need to move ahead with the Retail Coach that will be jointly funded with \$25,000 from MCDC, \$15,000 from the City, and \$10,000 from MEDC for a total contract price of \$50,000. This will help us develop the retail strategy, will identify seven target areas that will be updated from the last time they did the analysis, and will also include an 8th study area around Laud Howell Parkway.

Mayor Loughmiller recessed the meeting into executive session at 7:52 p.m. per Texas Government Code Section 551.071 (2) Consultation with City Attorney on any Work Session, Special or Regular Session agenda item requiring confidential, attorney/client advice necessitated by the deliberation or discussion of said items (as needed), Section 551.072 Discuss Real Property, Section 551.074 Discuss Personnel Matters, and Section 551.087 Discuss Economic Development Matter as listed on the posted agenda. Mayor Loughmiller recessed to the open session at 8:32 p.m.

Council unanimously approved the motion by Council member Harris, seconded by Council member Pogue, to adjourn. Mayor Loughmiller adjourned the meeting at 8:35 p.m.

BRIAN LOUGHMILLER
Mayor

ATTEST:

SANDY HART, TRMC, MMC
City Secretary