

CITY COUNCIL REGULAR MEETING

OCTOBER 15, 2013

The City Council of the City of McKinney, Texas met in regular session in the Council Chambers of the Municipal Building on October 15, 2013 at 6:00 p.m.

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

Staff Present: City Manager Jason Gray; Deputy City Manager Jose Madrigal; City Attorney Mark Houser; City Secretary Sandy Hart; Executive Director of Development Services Barry Shelton; Assistant Director of Development Services Rick Leisner; Chief of Police Joe Williams; Parks, Recreation, and Open Space Director Lemuel Randolph; Assistant Fire Chief Neil Howard; Assistant to the City Manager Darrek Ferrell; McKinney Community Development Corporation President Cindy Schneible; Planning Manager Jennifer Arnold; Airport Executive Director Ken Wiegand; IT Senior Help Desk Technician Amy Greer; Engineering - Matt Richardson; Planning Manager Brandon Opiela; Assistant Chief of Police Joe Ellenburg; Housing and Community Services Manager Janay Tieken; Police - John Gade,; Scott Brewer,; Rene Fernandez, Donnie Williams, Jose Quiles, John Harris, Johnnie Wade, Adriann Guzman, and Jason Satre.

There were approximately 40 guests present.

Mayor Loughmiller called the meeting to order at 6:05 p.m. after determining a quorum was present. Invocation was given by Father Mike Michie of St. Andrew's Episcopal Church. Mayor Loughmiller led the Pledge of Allegiance.

13-1074 Recognition of Officer Donnie Williams for his Participation in the 2013 Harley Davidson Law Enforcement Motorcycle Skills Competition. Chief Joe Williams introduced Officer Donnie Williams and video of the 2013 Harley Davidson Competition.

13-1075 Recognition of Officer Rene Fernandez for His Act of Heroism. Chief Joe Williams read a citation for Officer Rene Fernandez for his act of Heroism at an apartment fire on Virginia Parkway.

Mayor Loughmiller called for Citizen Comments.

Mr. Peter Bailey, 2003 Skyline Drive, McKinney, spoke about Texoma Area Paratransit (TAPS).

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

- 13-1076** Minutes of the City Council Work Session of September 30, 2013
- 13-1077** Minutes of the City Council Regular Meeting of October 1, 2013
- 13-983** Minutes of the Board of Adjustment Regular Meeting of August 28, 2013
- 13-974** Minutes of the McKinney Convention and Visitors Bureau Board meeting of August 27, 2013.
- 13-975** Minutes of the McKinney Convention and Visitors Bureau Special Meeting of September 5, 2013.
- 13-1078** Minutes of the McKinney Housing Authority of July 23, 2013
- 13-1079** Minutes of the McKinney Housing Authority of August 22, 2013
- 13-1080** Minutes of the McKinney Housing Authority of August 28, 2013
- 13-1004** Minutes of the Planning and Zoning Commission Regular Meeting of September 10, 2013
- 13-1081** Consider/Discuss/Act on an Ordinance Amending the Budgets for McKinney Economic Development Corporation (MEDC) for Fiscal Year 2012-2013 and Fiscal Year 2013-2014. Caption reads as follows:

ORDINANCE NO. 2013-10-096

AN ORDINANCE AMENDING A BUDGET FOR MCKINNEY ECONOMIC DEVELOPMENT CORPORATION FOR THE FISCAL YEAR 2012-2013 AND THE BUDGET FOR MCKINNEY ECONOMIC DEVELOPMENT CORPORATION FOR THE FISCAL YEAR 2013-2014, APPROPRIATING THE VARIOUS AMOUNTS THEREOF

- 13-1082** Consider/Discuss/Act on an Ordinance Approving a Negotiated Resolution Between the Atmos Cities Steering Committee and Atmos Energy Corporation, Mid-Tex Division Regarding the Company's 2013 Annual Rate Review Mechanism Filing. Caption reads as follows:

ORDINANCE NO. 2013-10-097

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MCKINNEY, TEXAS, ("CITY") APPROVING A NEGOTIATED RESOLUTION BETWEEN THE ATMOS CITIES STEERING

COMMITTEE AND ATMOS ENERGY CORP., MID-TEX DIVISION REGARDING THE COMPANY'S 2013 ANNUAL RATE REVIEW MECHANISM FILING IN ALL CITIES EXERCISING ORIGINAL JURISDICTION; DECLARING EXISTING RATES TO BE UNREASONABLE; ADOPTING TARIFFS THAT REFLECT RATE ADJUSTMENTS CONSISTENT WITH THE NEGOTIATED SETTLEMENT AND FINDING THE RATES TO BE SET BY THE ATTACHED TARIFFS TO BE JUST AND REASONABLE; REQUIRING THE COMPANY TO REIMBURSE CITIES' REASONABLE RATEMAKING EXPENSES; REPEALING CONFLICTING RESOLUTIONS OR ORDINANCES; DETERMINING THAT THIS ORDINANCE WAS PASSED IN ACCORDANCE WITH THE REQUIREMENTS OF THE TEXAS OPEN MEETINGS ACT; ADOPTING A SAVINGS CLAUSE; DECLARING AN EFFECTIVE DATE; PROVIDING A MOST FAVORED NATIONS CLAUSE; AND REQUIRING DELIVERY OF THIS ORDINANCE TO THE COMPANY AND THE STEERING COMMITTEE'S LEGAL COUNSEL

- 13-1083** Consider/Discuss/Act on a Resolution Authorizing the City Manager to Execute a Contract with Kimley-Horn and Associates, Inc., for Engineering Design Services for Redbud Boulevard from Wilmeth Road to Bloomdale Road and 12-Inch Water Line and Any Necessary Supplemental Agreements. Caption reads as follows:

RESOLUTION NO. 2013-10-160 (R)

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MCKINNEY, TEXAS, AUTHORIZING THE CITY MANAGER TO EXECUTE A CONTRACT IN THE AMOUNT OF \$218,500 WITH KIMLEY-HORN AND ASSOCIATES, INC., FOR ENGINEERING DESIGN SERVICES FOR REDBUD BOULEVARD FROM WILMETH ROAD TO BLOOMDALE ROAD AND 12-INCH WATER LINE AND AUTHORIZING ANY SUPPLEMENTAL AGREEMENTS UNDER SAID CONTRACT UP TO THE AGGREGATE CONTRACT AMOUNT, INCLUSIVE OF SAID SUPPLEMENTAL AGREEMENTS, OF \$260,000

- 13-1084** Consider/Discuss/Act on a Resolution Authorizing the City Manager to Accept and Implement Urban Area Security Initiative (UASI) Program Grant Funding from the Department of Homeland Security through the North Central Texas Council of Governments (NCTCOG) to Purchase a Specialty Paramedic Response Vehicle for the Fire Department's Community Healthcare Program. Caption reads as follows:

RESOLUTION NO. 2013-10-161 (R)

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MCKINNEY, TEXAS, AUTHORIZING THE CITY MANAGER TO ACCEPT AND IMPLEMENT URBAN AREA SECURITY INITIATIVE (UASI) PROGRAM GRANT FUNDING FROM THE DEPARTMENT OF HOMELAND SECURITY THROUGH THE

NORTH TEXAS COUNCIL OF GOVERNMENTS (NCTCOG) TO
PURCHASE A SPECIALTY PARAMEDIC RESPONSE VEHICLE

- 13-1085** Consider/Discuss/Act on a Resolution Authorizing the City Manager to Accept and Implement Urban Area Security Initiative (UASI) Program Grant Funding from the Department of Homeland Security through the North Central Texas Council of Governments (NCTCOG) to Fund a Full-Time, Temporary Web Emergency Operations Center Position. Caption reads as follows:

RESOLUTION NO. 2013-10-162 (R)

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MCKINNEY, TEXAS, AUTHORIZING THE CITY MANAGER TO ACCEPT AND IMPLEMENT URBAN AREA SECURITY INITIATIVE (UASI) PROGRAM GRANT FUNDING FROM THE DEPARTMENT OF HOMELAND SECURITY THROUGH THE NORTH TEXAS COUNCIL OF GOVERNMENTS (NCTCOG) TO FUND A FULL-TIME, TEMPORARY WEB EMERGENCY OPERATIONS CENTER POSITION

- 13-1086** Consider/Discuss/Act on a Resolution Authorizing the City Manager to Accept and Implement Urban Area Security Initiative (UASI) Program Grant Funding from the Department of Homeland Security through the North Central Texas Council of Governments (NCTCOG) to Purchase a 3D Crime Scene Laser Scanner. Caption reads as follows:

RESOLUTION NO. 2013-10-163 (R)

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MCKINNEY, TEXAS, AUTHORIZING THE CITY MANAGER TO ACCEPT AND IMPLEMENT URBAN AREA SECURITY INITIATIVE (UASI) PROGRAM GRANT FUNDING FROM THE DEPARTMENT OF HOMELAND SECURITY THROUGH THE NORTH TEXAS COUNCIL OF GOVERNMENTS (NCTCOG) TO PURCHASE A 3D CRIME SCENE SCANNER

- 13-184M2** Consider/Discuss/Act on a Resolution Setting a Public Hearing Date for November 19, 2013 to Consider the Amendment of the Updated Capital Improvements Plans for Utility Impact Fees as Part of the 2012-2013 Impact Fee Update. Caption reads as follows:

RESOLUTION NO. 2013-10-164 (R)

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MCKINNEY, TEXAS, SETTING A PUBLIC HEARING DATE FOR NOVEMBER 19, 2013 TO CONSIDER/DISCUSS/ACT ON THE AMENDMENT OF THE CAPITAL IMPROVEMENTS PLANS FOR

UTILITY IMPACT FEES AS PART OF THE 2012-2013 IMPACT
FEE UPDATE

- 13-184M3** Consider/Discuss/Act on a Resolution Setting a Public Hearing Date for November 19, 2013 to Consider Adoption of the Updated Utility Impact Fee Ordinance and associated Fee Amendments as Part the 2012-2013 Utility Impact Fee Update. Caption reads as follows:

RESOLUTION NO. 2013-10-165 (R)

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MCKINNEY, TEXAS, SETTING A PUBLIC HEARING DATE FOR NOVEMBER 19, 2013 TO CONSIDER/DISCUSS/ACT ON THE ADOPTION OF THE UPDATED UTILITY IMPACT FEE ORDINANCE AS PART OF THE 2012-2013 IMPACT FEE UPDATE

- 13-185M2** Consider/Discuss/Act on a Resolution Setting a Public Hearing Date for November 19, 2013 to Consider the Amendment of the Updated Capital Improvements Plan for Roadway Impact Fees as Part of the 2012-2013 Impact Fee Update. Caption reads as follows:

RESOLUTION NO. 2013-10-166 (R)

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MCKINNEY, TEXAS, SETTING A PUBLIC HEARING DATE FOR NOVEMBER 19, 2013 TO CONSIDER/DISCUSS/ACT ON THE AMENDMENT OF THE CAPITAL IMPROVEMENTS PLAN FOR ROADWAY IMPACT FEES AS PART OF THE 2012-2013 IMPACT FEE UPDATE

- 13-185M3** Consider/Discuss/Act on a Resolution Setting a Public Hearing Date for November 19, 2013 to Consider Adoption of the Updated Roadway Impact Fee Ordinance and Associated Fee Amendments as Part of the 2012-2013 Roadway Impact Fee Update. Caption reads as follows:

RESOLUTION NO. 2013-10-167 (R)

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MCKINNEY, TEXAS, SETTING A PUBLIC HEARING DATE FOR NOVEMBER 19, 2013 TO CONSIDER/DISCUSS/ACT ON THE ADOPTION OF THE UPDATED ROADWAY IMPACT FEE ORDINANCE AS PART OF THE 2012-2013 IMPACT FEE UPDATE

13-176Z2 Mayor Loughmiller called for a Public Hearing to Consider/Discuss/Act on the Request by Sanchez & Associates, on Behalf of Greenway Investment Company for Approval of a Request to Rezone Fewer than 11 Acres from "PD" - Planned Development District and "REC" - Regional Employment Center Overlay District to "BG" - General Business District and "REC" - Regional Employment Center Overlay District, Generally to Modify the Development Standards, Located South and East of the Southeast Corner of Stacy Road and Custer Road, and Accompanying Ordinance. Planning Manager Brandon Opiela stated that the applicant is requesting to rezone the subject property to "BG" - General Business District in order to remove the general development plan that is currently attached to the zoning on the property. He stated that during last night's work session, Council expressed concerns with some of the potential uses allowed within the "BG" - General Business District and requested that staff bring back a list of potential uses that might be considered objectionable for the property. Mr. Opiela stated the applicant is supportive of removing the residential uses and sexually oriented business use. Staff recommends approval of the rezoning request with the recommended list of eighteen prohibited uses on the property. Mr. Opiela stated that the prohibited use for residential would also include multi-family. Applicant, Mr. Levi Wild, 402 N. Tennessee Street, McKinney, went over the history of the property and stated that they are in agreement with staff's recommendations. Mayor Loughmiller asked if the applicant is agreeing to staff's list. Mr. Wild stated that he is agreeing to the their proposal of nine prohibited uses and not the staff's list of eighteen. Mr. Opiela stated that the uses that are different between staff's and the applicant recommendations relate primarily to the auto uses such as auto painting and body shop, automobile trailer, light truck and tool rental, automobile and motorcycle sales, boat storage, cleaning plant, creamery, farm implement sales, and

recreational vehicle sales. Mayor Loughmiller called for public comment and there was none. Council unanimously approved the motion by Mayor Pro-Tem Ussery, seconded by Council member Harris, to close the public hearing. Council approved the motion by Council member Keever, seconded by Mayor Loughmiller, to approve an Ordinance rezoning fewer than 11 acres from "PD" - Planned Development District and "REC" - Regional Employment Center Overlay District to "BG" - General Business District and "REC" - Regional Employment Center Overlay District, generally to modify the Development Standards, located south and east of the southeast corner of Stacy Road and Custer Road, and the use and development of the subject property, depicted on Exhibits "A" and "B", shall develop in accordance with Section 146-85 ("BG" - General Business District) of the City of McKinney Zoning Ordinance, and as amended, and the "REC" - Regional Employment Center Overlay District, and as amended, except as follows: Prohibited Uses: residential uses, auto painting or body shop, automobile trailer, automobile light truck and tool rental, automobile, motorcycle, boat (sales, repair, or storage), bait shop, building material sales or monument sales, bus station, cleaning plant, laundry, creamery (dairy products), farm implement sales and service, frozen food lockers, funeral homes and mortuaries, garage, auto repair, halfway house, pawnshops, railroad track or right-of-way, recreational vehicle sales, and sexually oriented business, with a vote of 4-3-0, Council member Day, Pogue, Ricchi voting against. Caption reads as follows:

ORDINANCE NO. 2013-10-098

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MCKINNEY, TEXAS, AMENDING ORDINANCE NO. 1270 OF THE CITY OF MCKINNEY, TEXAS; SO THAT AN APPROXIMATELY 10.97 ACRE PROPERTY, LOCATED SOUTH AND EAST OF THE SOUTHEAST CORNER OF CUSTER ROAD AND STACY ROAD, IS REZONED FROM "PD" - PLANNED DEVELOPMENT DISTRICT AND "REC" - REGIONAL EMPLOYMENT CENTER OVERLAY DISTRICT TO "BG" - GENERAL BUSINESS DISTRICT AND "REC" - REGIONAL

EMPLOYMENT CENTER OVERLAY DISTRICT; 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

- 13-017Z2** Mayor Loughmiller called for a Public Hearing to Consider/Discuss/Act on the Request by Abernathy, Roeder, Boyd & Joplin, on Behalf of CCC Partnership, L.P., for Approval of a Request to Rezone Fewer than 42 Acres from "C" - Planned Center District and "CC" - Corridor Commercial Overlay District to "PD" - Planned Development District and "CC" - Corridor Commercial Overlay District, Generally to Modify the Development Standards, Located on the Southwest Corner of Bloomdale Road and U.S. Highway 75 (Central Expressway), and Accompanying Ordinance. Planning Manager Brandon Opiela stated that the applicant is requesting to rezone the subject property to allow for an urban pedestrian oriented mixed use community that is intended to develop with a mixture of townhomes, multifamily, and commercial land uses. The Council has been provided a revised proposed development standards provided by the applicant that should result in construction of a more urban development similar to what they might see in Addison, Texas. Mr. Opiela stated that staff recommends denial of the proposed rezoning request due to lack of conformance with the City's newly adopted multi-family development standards. Applicant, Mr. Bob Roeder, 1700 Redbud, Suite 300, McKinney, stated that they are not mandating that at least 50% of the parking spaces be in a garage and what they are saying is that at least 70% of the parking spaces will either be in a tuck under space or within a courtyard. Mr. Roeder stated that commercial/mixed use would be facing Bloomdale Road as well as Highway 75 with multi-family to the rear. Mr. Opiela stated that the applicant by right can build up to 12 stories in height for non-residential for this high rise district. Mayor Loughmiller called for public comment and there was none.

Council unanimously approved the motion by Mayor Pro-Tem Ussery, seconded by Council member Kever, to close the public hearing. Council unanimously approved the motion by Council member Harris, seconded by Council member Day, to approve an Ordinance rezoning fewer than 42 acres from "C" - Planned Center District and "CC" - Corridor Commercial Overlay District to "PD" - Planned Development District and "CC" - Corridor Commercial Overlay District, generally to modify the Development Standards, located on the southwest corner of Bloomdale Road and U.S. Highway 75 (Central Expressway), with the following special Ordinance provision: the subject property shall conform to the attached development regulations. Caption reads as follows:

ORDINANCE NO. 2013-10-099

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 41.64 ACRE PROPERTY IS REZONED FROM "C" – PLANNED CENTER DISTRICT AND "CC" – CORRIDOR COMMERCIAL OVERLAY DISTRICT TO "PD" – PLANNED DEVELOPMENT DISTRICT AND "CC" – CORRIDOR COMMERCIAL OVERLAY DISTRICT, GENERALLY TO MODIFY THE DEVELOPMENT STANDARDS, LOCATED ON THE SOUTHWEST CORNER OF BLOOMDALE ROAD AND U.S. HIGHWAY 75 (CENTRAL EXPRESSWAY); 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

13-1108 Mayor Loughmiller called for Consideration/Discussion/Action on an Appointment to the Historic Preservation Advisory Board. Mayor Loughmiller stated that one of the recently appointed members is unable to serve. Council unanimously approved the motion by Mayor Pro-Tem Ussery, seconded by Council member Harris, to appoint Shannon Burton to serve a two year term on the Historic Preservation Advisory Board starting October 15, 2013 and ending September 30, 2015.

13-1087 Mayor Loughmiller called for Consideration/Discussion/Action on a Request for Approval of a Project to Construct an Indoor, Youth

Multisport Facility by Plano Sports Authority (PSA) and Funding of an Equity Loan in the Amount of \$3,200,000 by McKinney Community Development Corporation, to Facilitate the Project. McKinney Community Development (MCDC) Executive Director Cindy Schneible stated that they are seeking approval for a project that was unanimously approved by the MCDC board at the September 25, 2013 meeting. stated The board voted to construct a multi-sport facility by PSA McKinney at Gabe Nesbit Park that would consist of approximately 90,000 square feet with eight indoor courts, an indoor arena, and conference room. Ms. Schneible stated that the estimated cost for the project is up to \$9.7 million and part of that amount, MCDC will provide a loan in the amount of up to \$3.2 million and to be repaid within 4 years. The interest on the loan would be calculated at the same rate as the bank loan to secure the balance needed for the project and no interest would be charged if the loan is paid within years 1-3. The MCDC board is recommending that they move forward on this project and modeled after the Plano facilities that would provide for a long term ground lease. While under the lease, the improvements would be owned and operated by PSA and then would be returned to the City of McKinney. Mr. Don Blackwood, PSA General Manager, 4557 Tuscany Drive, Plano, stated that PSA is interested in locating in McKinney is due to interest that McKinney's community has shown. Mr. Blackwood stated that construction would begin in January 2014 and would be completed by November 2014. Mr. Blackwood stated that they would use the Parks and Recreation department's fields and pay them for the use. Ms. Schneible stated that they are proposing the same thing as they have in Plano and Murphy which includes a 30 year initial term with the option to renew to 10 year terms. City Manager Jason Gray stated that it would only be a ground lease and the improvements would actually be owned by PSA. Council unanimously approved the motion by Council member Ricchi, seconded by Mayor Pro-Tem Ussery,

to approve a project to construct an indoor, youth multisport facility by Plano Sports Authority (PSA) and funding of an Equity Loan in the amount of \$3,200,000 by McKinney Community Development Corporation, to facilitate the project.

13-1088 Mayor Loughmiller called for Consideration/Discussion/Action on Approval of a Resolution Authorizing the City Manager to Execute Closing Documents Pursuant to the Asset Purchase Agreement Previously Approved Under Resolution No. 2013-09-144 (R), Providing for the Further Authorization of the City Manager to Execute Certain Contracts, Leases, Subleases and Agreements to Operate the Assets to be Acquired, Such Agreements to be Effective Only Upon Closing. City Manager Gray stated that the adoption of the proposed Resolution would satisfy the requirements of Section 6.2 of the Asset Purchase Agreement by authorizing the closing of the purchase of the assets and authorizing and appointing the City Manager to consummate the closing. Council approved the motion by Council member Harris, seconded by Council member Day, to approve a Resolution authorizing the City Manager to execute closing documents pursuant to the Asset Purchase Agreement previously approved under Resolution No. 2013-09-144 (R), providing for the further authorization of the City Manager to execute certain contracts, leases, subleases and agreements to operate the assets to be acquired, such agreements to be effective only upon closing with a vote of 6-1-0, Council member Ricchi voting against. Caption reads as follows:

RESOLUTION NO. 2013-10-168 (R)

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MCKINNEY, TEXAS, AUTHORIZING THE CITY MANAGER TO EXECUTE CLOSING DOCUMENTS PURSUANT TO THE ASSET PURCHASE AGREEMENT PREVIOUSLY APPROVED UNDER RESOLUTION NO. 2013-09-144(R); PROVIDING FOR THE FURTHER AUTHORIZATION OF THE CITY MANAGER TO EXECUTE CERTAIN CONTRACTS, LEASES, SUBLEASES AND AGREEMENTS TO OPERATE THE ASSETS TO BE ACQUIRED, TO BE EFFECTIVE ONLY UPON CLOSING; AND PROVIDING AN EFFECTIVE DATE

13-1089 Mayor Loughmiller called for Consideration/Discussion/Action on an

Ordinance Amending the Airport Budget to Reflect Changes in Revenues and Expenditures Resulting from the Purchase of the Assets at the Airport. City Manager Gray presented the proposed budget that includes estimated fund balance at the end of the fiscal year of \$354,254. There will be a total of 22 employees (19 full time and 3 part-time). Mr. Gray stated that they project revenues of \$5,737,113 and expenditures of \$8,843,569. Debt service is \$5,457,106 with anticipated hangar sale or refinance of \$5,000,000. In addition, there is an estimated \$3,918,086 in depreciation which results in a cash positive of \$354,254. Revenues are comprised of 56.34% - fuel sales, 26.17%-rents and royalties, 9.85%-transfers from General Fund, 2.81%-miscellaneous fees, 1.91%-land lease, and 2.92%-other revenues. Expenditures are comprised of 10.18%-personnel, 15.07%-supplies (includes \$2,027,270 for purchase of fuel for resale), 1.34%-maintenance, 5.82%-services/sundry, and 67.59%-non-departmental (includes one-time debt service payment of \$5,457,106). Council approved the motion by Council member Kever, seconded by Council member Harris, to approve an Ordinance amending the Airport Budget to reflect changes in Revenues and Expenditures resulting from the purchase of the Assets at the Airport, with a vote of 6-1-0, Council member Ricchi voting against. Caption reads as follows:

ORDINANCE NO. 2013-10-100

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MCKINNEY, TEXAS AUTHORIZING AMENDMENTS TO THE FISCAL YEAR 2013-2014 ANNUAL BUDGET PERTAINING TO THE FUNDING OF AIRPORT OPERATIONS; AND PROVIDING FOR AN EFFECTIVE DATE HEREOF

- 13-1090** Mayor Loughmiller called for Consideration/Discussion/Action on an Ordinance Amending Appendix A, Schedule of Fees Regarding Chapter 30, Section 30-86, Section 30-175, and Section 30-205 Relating to the

Airport. City Manager Jason Gray stated that this is the fee schedule that was discussed last night during the Work Session and is incorporated as part of the budget presentation you saw on the previous agenda item. Mr. Gray stated that the miscellaneous fees category does not generate a large amount of revenue but the fuel and rentals account for the majority of the revenues. Mr. Gray stated that the typographical error that was discussed last relating to the office space lease has been corrected. Council approved the motion by Council member Roger Harris, seconded by Council member Don Day, to Approved 13-1090 Consider/Discuss/Act on an Ordinance Amending Appendix A, Schedule of Fees Regarding Chapter 30, Section 30-86, Section 30-175, and Section 30-205 Relating to the Airport with a vote of 6-1-0, Council member Ricchi voting against. Caption reads as follows:

ORDINANCE NO. 2013-10-101

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MCKINNEY, TEXAS, AMENDING THE CODE OF ORDINANCES OF THE CITY OF MCKINNEY, TEXAS, RELATING TO FEES, BY AMENDING CHAPTER 30. AVIATION, SECTION 30-86, SECTION 30-175, AND SECTION 30-205; PROVIDING A SEVERABILITY CLAUSE; PROVIDING A REPEALER CLAUSE; AND PROVIDING FOR AN EFFECTIVE DATE HEREOF

Mayor Loughmiller called for Citizen Comments and there were none.

Mayor Loughmiller called for Council and Manager Comments

Council member Ricchi did not have any comments.

Council member Day did not have any comments.

Council member Keever stated that she was at an event in Houston where she met the CEO of the contracting company who built the new Emerson building in McKinney. Ms. Keever stated that he commented that it was a pleasure to deal with the City of McKinney. He also expressed his appreciation on of the staff as they worked on the project.

Council member Pogue thanked Officer Donnie Williams and Officer Rene Fernandez for being great ambassadors for the City of McKinney.

Council member Harris stated that both Officer Fernandez and Officer Williams have demonstrated skills beyond normal human beings but to do that and not do it for

their personal credit but for the reputation and on behalf of the City demonstrates a culture that is indicative of the City Manager's staff and what he has been able to do in the time he has been with the City. The culture that we have created on the City staff is remarkable and just an indication on what they are building.

Mayor Pro-Tem Ussery thanked staff from top to bottom for what they do day in and day out. You are soldiers in the dark that do work that makes McKinney proud. The two Police officers that were recognized tonight are certainly evidence of the public safety specter that does a tremendous job that we don't recognize often enough. Mr. Ussery recognized Assistant Fire Chief Neil Howard who will be leaving us soon to take on his new role as Fire Chief for the City of Rowlett. The lives he has touched positively during his 31 years with McKinney will remain with us for many years to come.

Mayor Loughmiller recognized Officers Donnie Williams and Rene Fernandez for what they have done. He stated that we have an excellent Police and Fire departments. We have excellent public safety individuals that work for the City. Mr. Loughmiller stated that the motorcycle patrol provides great public relations for not only the Police Department but for the City. They are in attendance at numerous events, parades, races, out in the community when we have National night out, and when we had the open house at the public safety building, the children flocked to the motorcycles. They provide a positive influence to the kids of McKinney. They are a great unit to have as these officers not only write tickets but they provide great public relations. Mr. Loughmiller stated that as you look at all the projects that are going on in McKinney as it relates to the Airport, the Gateway Hotel/Conference Center, the Craig Ranch Corporate, a Natatorium, and now tonight with PSA, you can see that there is a lot happening. In trying to keep track and stand by our policies and principles of looking at return on investments and how we manage the budget of those projects and doing so in a fiscally responsible manner, sometimes it is difficult to capture all of that. Mr. Loughmiller wanted the public to be aware that it seems that all these projects are happening at one time, this is a culmination of work over the last 4-8 years. This Council started in 2010 with a Strategic Planning Retreat to identify our key priorities to bring and enhance economic development to the City of McKinney. Those key priorities were resolving the Gateway Hotel issue, resolving and coming up with development plan for

the airport, and coming up with a development for a corporate center in McKinney. We are at a point now of seeing the beginning of tangible development on those issues. I do appreciate the concerns and comments of the Council regarding budgets and making sure we are getting those returns. Mr. Loughmiller stated that he believes we are moving in the right direction as he looks at the projects as a whole rather than parts of projects as we move forward. Mr. Loughmiller stated that he, Mayor Pro-Tem Ussery, and City Manager Gray met today with the representatives of Beck Development and Champ Hospitality to relay the interests and concerns of the Council that this project stay on time, that it stays on point, and that the deadlines set forth in our Resolution are met. We discussed making sure we had an open dialogue between the development team and the Council. We discussed setting up a meeting with Council member Pogue and the architects to discuss further the articulations of the site and the architecture that may not have been picked up on the two dimensional elevation drawing. They heard the concerns about that aspect of the project given that this is the Gateway of our Community. It is not just a matter of who is going to stay at this hotel but also how the development of the rest of the 90 acre site that comes in behind this project and how their architecture will have to blend in and be dependent on what the rest of the site will look like. They are willing to work to make sure that we are proud of the end product that is on that site. The key to a successful project on this site is to continue to communicate to them any concerns in a timely basis so they can stay on track.

City Manager Gray did not have any comments.

Council member Pogue left the meeting at 8:45 p.m.

Mayor Loughmiller recessed the meeting into executive session at 8:30 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 551.071 (1) (A). Litigation / Anticipated Litigation, Section 551.074 Personnel Matters, Section 551.072 Discuss Real Property, and Section 551.087 Discuss Economic Development Matter as listed on the posted agenda. Mayor Loughmiller recessed to the open session at 8:53 p.m.

Council unanimously approved the motion by Mayor Pro-Tem Ussery, seconded by Council member Kever, to Adjourn. Mayor Loughmiller adjourned the meeting at 8:55 p.m.

BRIAN LOUGHMILLER
Mayor

ATTEST:

SANDY HART, TRMC, MMC
City Secretary