

CITY COUNCIL REGULAR MEETING

JANUARY 15, 2019

The City Council of the City of McKinney, Texas met in regular session in the Council Chambers at McKinney City Hall, 222 N. Tennessee Street, McKinney, Texas, on January 15, 2019 at 6 p.m.

Council Present: Mayor George C. Fuller, Mayor Pro Tem Tracy Rath, and Council Members Charlie Philips, Scott Elliott, Rainey Rogers, and La'Shadion Shemwell.

Council Member Chuck Branch arrived shortly after the start of the meeting at 6:05 p.m. Council Member Shemwell briefly stepped away from the meeting at 6:36 p.m., returning at 6:40 p.m. Council Member Branch briefly stepped away from the meeting at 6:42 p.m., returning at 6:44 p.m.

City of McKinney Staff Present: City Manager Paul Grimes, Deputy City Manager Jose Madrigal, Assistant City Manager Barry Shelton, Assistant City Manager Steve Tilton, City Attorney Mark Houser, Executive Director of Development Services Michael Quint, Director of Planning Jennifer Arnold, Director of Engineering Gary Graham, Assistant Director of Engineering Michael Hebert, Director of Public Works David Brown, Facilities Construction Manager Patricia Jackson, Police Chief Greg Conley, Police Officer on Duty Sergeant Jonathan Meyer, Fire Chief Danny Kistner, Chief Financial Officer Mark Holloway, Finance Director Trudy Mathis, Affordable Housing Administrator Cristel Todd, Video Technician Joey Barr, City Secretary Intern Cayla Simpson, and City Secretary Empress Drane.

There were 29 guests present.

Mayor Fuller called the meeting to order at 6:00 p.m. after determining a quorum of the Council was present.

Mayor Fuller called for the Invocation and recital of the Pledge of Allegiance.

The Invocation was given by Pastor Cynthia Allen of Believers' Tabernacle, and Mayor Fuller led the Pledge of Allegiance.

Mayor Fuller called for Citizen Comments.

The following individuals spoke in support of the 2019 Bond Election and the Bond Committee Recommendations:

Lisa Hermes, 2000 Surrey Lane, McKinney 75072

Stephanie O'Dell, 2722 Sylvan Way, McKinney 75072

Jimmy Teeling, 3704 Landsdowne Drive, McKinney 75072

Jon Dell Antonia, 8609 Grand Haven Lane, McKinney 75071

Geralyn Kever, 2409 Clublake Trail, McKinney 75072

The following individuals did not to speak but requested to record their support of the recommendations of the 2019 Bond Committee:

Jackie Brewer, 2705 Stonepointe, McKinney 75072

Jeff Frison, 8609 Falcon Crest Drive, McKinney 75072

Mike Giles, 3213 Gillespie Road, McKinney 75070

Betty Petkovsek, 1101 W. Louisiana Street, McKinney 75069

Mayor Fuller called for action on the Consent Agenda. Council unanimously approved the motion by Mayor Pro Tem Rath, seconded by Council Member Rogers, to approve the following Consent Agenda:

MINUTES

18-1034 Minutes of the Board of Adjustment Meeting on November 14, 2018

18-1017 Minutes from the Building and Standards Commission Meeting on November 12, 2018

19-0014 Minutes of the City Council Regular Meeting of November 6, 2018

19-0015 Minutes of the City Council Special Meeting of November 19, 2018

19-0016 Minutes of the City Council Work Session of December 17, 2018

18-908 Minutes of the McKinney Economic Development Corporation Meeting of August 21, 2018

18-1073 Minutes of the McKinney Economic Development Corporation Meeting of October 22, 2018

18-1074 Minutes of the McKinney Economic Development Corporation Meeting of November 20, 2018

Mayor Fuller called for the following Regular Agenda and Public Hearing items:

19-0017 Consider/Discuss the 2019 Citizen Bond Committee's Recommendations for a May 2019 Bond Election. City Manager Paul Grimes spoke in the

absence of Assistant to the City Manager Trevor Minyard (Bond Committee Coordinator) stating the Committee consisting of a diverse group of citizens met on four different occasions to discuss and ask questions concerning staff-proposed projects to be built over the next 5-10 years. The purpose of the Bond Committee was to share differing perspectives, provide financial oversight and submit recommendations to Council. Mr. Grimes stated the Committee members contributed a collective 250 volunteer hours.

Former Mayor Brian Loughmiller, 6305 Wildwood Drive, McKinney 75072 spoke representative of the Bond Committee providing an overview of improvement needs of the City across different areas valued at \$350 million: Public Works Facility (\$34 million), Public Safety (\$75 million), Municipal Community Complex (\$50 million), Parks Facilities (\$91 million), and Transportation (\$100 million). Mr. Loughmiller stated the City must respond to a growing population and aging facilities and actual infrastructure needs for future development exceed the final recommendations – the initial project list totaled \$450 million; however, the recommendations would allow to City to prioritize and make significant accomplishments without increasing taxes and will allow additional future debt capacity; and cited opportunities for funding partnerships with non-City agencies on some projects. Mr. Loughmiller thanked the participants of the Committee members and Trevor Minyard for his work in support of the Committee.

City Manager Grimes identified important action dates on the Bond Election timeline:

- February 5 – City Council will make final determination of Bond propositions and totals, and call for May 2019 Bond Election
- February through May – Community meetings, advocacy and media engagement to broaden awareness of Bond
- May 4 – Election Day

- 18-** Conduct a Public Hearing to Consider/Discuss/Act on a Specific Use
0013SUP2 Permit (SUP) Request for a Car Wash and Automotive Repair Facility, Located Approximately 600 Feet South of Virginia Parkway and on the West Side of Custer Road; and Accompanying Ordinance. Director Planning Jennifer Arnold stated in addition to the Car Wash and Automotive Repair Facility SUP, the applicant also requested to use living plant screens in lieu of masonry wall screening to hide the facility bay doors from public rights-of-way view. The request for the 2-acre site received a favorable recommendation from City Staff and the Planning and Zoning Commission in December 2018.

Applicant Binson Ly, 8716 Denstone Drive, McKinney 75070, thanked Council for consideration of the requesting, stating he and his family are small business owners and residents of McKinney seeking to invest and be part of the community through the operation of their business as well as possible fund raising and charity initiatives to give back to the community. Vincent Jarrard, architect for the project was present in support of the item but did not speak. Council unanimously approved the motion by Council Member Elliott, seconded by Council Member Rogers, to close the Public Hearing and approved the Specific Use Permit Request for a Car Wash and Automotive Repair Facility, Located Approximately 600 Feet South of Virginia Parkway and on the West Side of Custer Road; and Accompanying Ordinance. Ordinance caption reads as follows:

ORDINANCE NO. 2019-01-002

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MCKINNEY, TEXAS, AMENDING THE ZONING MAP OF THE CITY OF MCKINNEY, TEXAS; PROVIDING FOR A SPECIFIC USE PERMIT FOR A CAR WASH AND AUTOMOTIVE REPAIR FACILITY, LOCATED APPROXIMATELY 600 FEET SOUTH OF VIRGINIA PARKWAY AND ON THE WEST SIDE OF CUSTER ROAD; PROVIDING REGULATIONS; 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.**

- 18-** Conduct a Public Hearing to Consider/Discuss/Act on a Specific Use
0018SUP2 Permit Request for a Restaurant with Drive-Through Window (Virginia Heights), Located Approximately 200 Feet North of Virginia Parkway and on the East Side of Coit Road and Accompanying Ordinance. Director of Planning Jennifer Arnold stated the concept plan presented July 2018 for the 2.5-acre property provided for several different uses including a restaurant with a drive-through window. The SUP was considered and received favorable recommendation from City Staff and the Planning and Zoning Commission in December 2018.

Julian Castillo, 1919 S. Shiloh Road, Garland, TX 75042, civil engineer for the project stated the restaurant occupant for the drive-through site has not yet been determined and retail and/or restaurants are being considered for the site in addition to the drive-through. Council unanimously approved the motion by Mayor Pro Tem Rath, seconded by Council Member Elliott, to close the Public Hearing and approve the Specific Use Permit Request for a Restaurant with Drive-Through Window (Virginia Heights), Located Approximately 200 Feet North of Virginia Parkway and on the East Side of Coit Road and Accompanying Ordinance. Ordinance caption reads as follows:

ORDINANCE NO. 2019-01-003

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MCKINNEY, TEXAS, AMENDING THE ZONING MAP OF THE CITY OF MCKINNEY, TEXAS; PROVIDING FOR A SPECIFIC USE PERMIT FOR A RESTAURANT WITH DRIVE-THROUGH WINDOW, LOCATED APPROXIMATELY 200 FEET NORTH OF VIRGINIA PARKWAY AND ON THE EAST SIDE OF COIT ROAD; 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

- 18-0086Z3** Conduct a Public Hearing to Consider/Discuss/Act on a Request to Rezone the Subject Property from "AG" - Agriculture District to "LI" - Light

Industrial District, Located at the Northeast Corner of Couch Drive and FM 546 (Harry McKillop Boulevard), and Accompanying Ordinance. Director of Planning Jennifer Arnold stated City Staff and the Planning and Zoning Commission support the rezoning based on recent construction on Harry McKillop Boulevard and future land use plan for the location.

Patrick Magliaro, on behalf of developer Sentinel Capital (Houston, TX), stated this is the second of two planned phases of development in the vicinity. Phase one construction began January 14, 2019. Phases one and two are planned to connect the entire property as an industrial business park. Council unanimously approved the motion by Council Member Branch, seconded by Council Member Shemwell, to close the Public Hearing and approve the Request to Rezone the Subject Property from "AG" - Agriculture District to "LI" - Light Industrial District, Located at the Northeast Corner of Couch Drive and FM 546 (Harry McKillop Boulevard), and Accompanying Ordinance. Ordinance caption reads as follows:

ORDINANCE NO. 2019-01-004

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 35.98 ACRE PROPERTY, LOCATED AT THE NORTHEAST CORNER OF COUCH DRIVE AND FM 546 (HARRY MCKILLOP BOULEVARD), IS REZONED FROM "AG" – AGRICULTURAL DISTRICT TO "LI" – LIGHT INDUSTRIAL 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

- 18-0134Z2** Conduct a Public Hearing to Consider/Discuss/Act on a Request to Rezone the Subject Property from "AG" - Agricultural District to "SF7.2" - Single Family Residential District, Located Approximately 1,300 Feet North of Virginia Parkway and on the West Side of St. Gabriel Way and Accompanying Ordinance. Director of Planning Jennifer Arnold stated the approximately 6-acre tract is one of the last remaining undeveloped tracts

part of the master planned area. City Staff and Planning and Zoning Commission support approval of the item. Council unanimously approved the motion by Council Member Branch, seconded by Council Member Shemwell, to close the Public Hearing and approve the Request to Rezone the Subject Property from "AG" - Agricultural District to "SF7.2" - Single Family Residential District, Located Approximately 1,300 Feet North of Virginia Parkway and on the West Side of St. Gabriel Way and Accompanying Ordinance. Ordinance caption reads as follows:

ORDINANCE NO. 2019-01-005

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 6.00 ACRE PROPERTY, LOCATED APPROXIMATELY 1,300 FEET NORTH OF VIRGINIA PARKWAY AND ON THE WEST SIDE OF ST. GABRIEL WAY, IS REZONED FROM "AG" - AGRICULTURAL DISTRICT TO "SF7.2" - SINGLE FAMILY RESIDENTIAL 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

- 19-0018** Consider/Discuss/Act on All Matters Incident and Related to the Issuance and Sale of "City of McKinney, Texas, Tax and Limited Pledge Waterworks and Sewer System Revenue Certificates of Obligation, Taxable Series 2019", Including the Adoption of an Ordinance Authorizing the Issuance of Such Certificates of Obligation, Establishing Parameters for the Sale and Issuance of Such Certificates of Obligation. Chief Financial Officer Mark Holloway requested Council to approve the sale of approximately \$7.5 million in Certificates of Obligation to fund the expansion of the McKinney Dr. Pepper StarCenter. Mr. Holloway thanked the Financial Services department, financial advisors, and bond counsel for the time and work involved. Bank of Texas was selected for the placement of the 10-year notes for favorable interest rate (3.9%) on the taxable notes. The principal and interest payments will be funded by the

lease payments on the facility. Council unanimously approved the motion by Council Member Branch, seconded by Council Member Elliott, to approve All Matters Incident and Related to the Issuance and Sale of "City of McKinney, Texas, Tax and Limited Pledge Waterworks and Sewer System Revenue Certificates of Obligation, Taxable Series 2019", Including the Adoption of an Ordinance Authorizing the Issuance of Such Certificates of Obligation, Establishing Parameters for the Sale and Issuance of Such Certificates of Obligation. Ordinance reads as follows:

ORDINANCE NO. 2019-01-001

AN ORDINANCE AUTHORIZING THE ISSUANCE OF "CITY OF MCKINNEY, TEXAS, TAX AND LIMITED PLEDGE WATERWORKS AND SEWER SYSTEM REVENUE CERTIFICATES OF OBLIGATION, TAXABLE SERIES 2019," 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 WATERWORKS AND SEWER SYSTEM; PROVIDING THE TERMS AND CONDITIONS OF SUCH CERTIFICATES OF OBLIGATION AND RESOLVING OTHER MATTERS INCIDENT AND RELATING TO THE ISSUANCE, PAYMENT, SECURITY, SALE, AND DELIVERY OF SAID CERTIFICATES OF OBLIGATION, INCLUDING THE APPROVAL AND EXECUTION OF A PAYING AGENT/REGISTRAR AGREEMENT AND A PURCHASE LETTER; AND PROVIDING AN EFFECTIVE DATE.

- 19-0019** Consider/Discuss/Act on a Resolution Authorizing the City Manager to Execute a Contract and All Necessary Change Orders with Blue Star Utilities, LLC for the construction of the WW4213 - Stover Creek Sanitary Sewer Project. Assistant Director of Engineering Michael Hebert stated the project is a partnership between the City of McKinney and developer HRC WCP Partners, LP to build infrastructure to serve over 1,600 acres of land within the City limits. Blue Star Utilities was the lowest bidder for the project and selected December 2018. The City's contribution to the project is capped at \$1.24 million. The developer is assisting with the management of the project and will manage any change orders. Council unanimously approved the motion by Mayor Pro Tem Rath, seconded by Council Member Elliott, to approve the Resolution Authorizing the City

Manager to Execute a Contract and All Necessary Change Orders with Blue Star Utilities, LLC for the construction of the WW4213 - Stover Creek Sanitary Sewer Project. Resolution caption reads as follows:

RESOLUTION NO. 2019-01-001 (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 \$2,330,158 WITH BLUE STAR UTILITIES, LLC FOR THE STOVER CREEK SANITARY SEWER PROJECT AND AUTHORIZING ALL NECESSARY CHANGE ORDERS UNDER SAID CONTRACT UP TO AN AGGREGATE CONTRACT AMOUNT, INCLUSIVE OF ANY CHANGE ORDERS, NOT TO EXCEED \$2,912,697

- 19-0020** Consider/Discuss/Act on the Appointment of a New Member to the Planning & Zoning Commission. Council Member Philips and Mayor Fuller, Council liaisons to the Planning & Zoning Commission, recommended current Alternate member Rick Franklin be appointed to the permanent seat vacated by Pamela Smith. The appointment for Mr. Franklin will expire September 30, 2020. Council Member Branch recommended Bry Taylor to fill the Alternate seat with the term expiring September 30, 2019. Council unanimously approved the motion by Council Member Philips, seconded by Council Member Branch, to Appointment of New Members Rick Franklin and Bry Taylor (Alternate) to the Planning & Zoning Commission.

Mayor Fuller called again for Citizen Comments at which time there were no requests to speak.

Mayor Fuller called for Council and Manager Comments.

Council Member Philips thanked the members of the Bond Committee members for their service, noting the community involvement is a good reflection on the City and everyone he invited to participate did so with eagerness to help.

Council Member Rogers announced his intent to run for re-election for District 2 City Council, noting the decision came after careful consideration and discussion with his wife and reflection on the enjoyment of service on the Council as well as the good direction of the Council and leadership of Mayor Fuller.

Council Member Shemwell also thanked the volunteers of the Bond Committee noting everyone he invited accepted the invitation; wished everyone a Happy New Year.

City Manager Grimes made the following announcements: The General Election will be held May 4; information regarding the Election and Council candidate application (for Council Districts 2, 4 and At Large) is available on the City webpage and at City Hall; the City of McKinney will be closed Monday, January 21 in honor of Martin Luther King, Jr Day; trash and recycling pick-up will continue on the regular schedule; The McKinney Urban Transit District (MUTD) board meeting will be held January 16, 2019 at 6 p.m. in Council Chambers.

Mayor Fuller thanked the Bond Committee members and announced he, Mayor Pro Tem Rath and other Council members will plan various town hall meetings in partnership with the Chamber of Commerce to meet with and educate the public, show support and emphasize the importance of the Bond contents and approval. Mayor Fuller also stated his support for Council Member Rogers' re-election campaign.

Mayor Pro Tem Rath, and Council Members Elliott and Branch had no comments.

There was no Executive Session

Council unanimously approved the motion by Council Member Shemwell, seconded by Council Member Branch, to adjourn. Mayor Fuller adjourned the meeting at 7:08 p.m.

GEORGE C. FULLER
Mayor

ATTEST:

EMPRESS DRANE
City Secretary