

CITY COUNCIL REGULAR MEETING

MARCH 17, 2015

The City Council of the City of McKinney, Texas met in regular session in the Council Chambers of the Municipal Building on March 17, 2015 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; Assistant City Manager Barry Shelton; City Attorney Mark Houser; City Secretary Sandy Hart; Assistant to the City Manager Darrek Ferrell; Chief Financial Officer Rodney Rhoades; Assistant Director of Development Services Rick Leisner; Director of Planning Michael Quint; Director of Engineering Mark Hines; McKinney Economic Development Corporation President Jim Wehmeier; Director of Parks, Recreation, and Open Space Rhoda Savage; Fire Chief Danny Kistner; IT Service Desk David Linson; Assistant Director of Parks, Recreation, and Open Space Ryan Mullins; Emergency Management Karen Adkins, Randall Guerney, and Meredith Nurge; Assistant Chief of Police Joe Ellenburg; Interim Chief of Police David James; Deputy Chief of Police Scott Brewer; Police Officer Cody Webb; Assistant Fire Chief Chris Lowry; Parks Superintendent Tony Nielsen; and Accounting Manager Trudy Mathis.

There were approximately 75 guests present.

Mayor Loughmiller called the meeting to order at 6:00 p.m. after determining a quorum present. Invocation was given by Campus Discipleship Pastor John Stamper, First Baptist McKinney. Mayor Loughmiller led the Pledge of Allegiance.

- 15-247** Multiple Myeloma Awareness Month Proclamation. Mayor Loughmiller presented the Multiple Myeloma Proclamation to Mr. Yelak Bira.
- 15-248** Presentation of the Texas Municipal Library Directors (TMLDA) "2014 Achievement of Library Excellence". Interim Library Director Beth Borman presented the Texas Municipal Library Directors (TMLDA) "2014 Achievement of Library Excellence" award to the Mayor and Council.
- 15-246** Recognition to the McKinney Ice Hockey Varsity Team. Mayor Loughmiller presented Certificates of Recognition to the McKinney Ice

Hockey Varsity Team for winning the State Championship and qualifying for the Toyota/USA Hockey High School Nationals Tournament.

Mayor Loughmiller called for Citizen Comments.

Mr. Peter Bailey, 2003 Skyline Drive, McKinney spoke about Preparedness Month.

Mr. Jay Ray, 1601 Timber Edge Drive, McKinney, President of Ice Hockey Team, thanked the City Council for recognizing the team today.

The following individuals spoke in favor of agenda item 15-254 relating to amending the Ordinance governing noise in downtown McKinney:

Ms. Gretchen Gayowski, 603 Foote Street, McKinney

Ms. Nancy Powell, 401 West Hunt, McKinney

Mr. Rudy Littrell, 405 W. Hunt Street, McKinney

The following individual spoke in opposition of agenda item 15-254 relating to amending the Ordinance governing noise in downtown McKinney:

Mr. Alberto Sequi, 107 S. Church Street, McKinney

Mr. Craig Deputy, 9717 Nina Drive, McKinney spoke about the promise of a neighborhood park in the Westridge area.

Pastor Tanya Fisher, 808 Maples Avenue, McKinney spoke about the lack of safety in McKinney. Ms. Fisher invited the Mayor and public to attend the last night of a revival on Wednesday at 901 Hamilton Street at 7:00 p.m.

Ms. Juanita Horne, 3400 Craig Drive, McKinney spoke about the crime in McKinney and in favor of the previous citizen comment regarding a park in the Westridge area.

Council unanimously approved the motion by Council member Pogue, seconded by Council member Harris, to approve the following consent items:

15-249 Minutes of the City Council Special Meeting of March 2, 2015

15-250 Minutes of the City Council Regular Meeting of March 3, 2015

15-197 Minutes of the McKinney Community Development Corporation Meeting of February 3, 2015

- 15-196** Minutes of the McKinney Community Development Corporation Meeting of January 22, 2015
- 15-195** Minutes of the McKinney Community Development Corporation Finance Committee Meeting of January 14, 2015
- 15-251** Minutes of the McKinney Housing Authority Meeting of January 27, 2015
- 15-206** Minutes of the Planning and Zoning Commission Regular Meeting of February 10, 2015
- 15-252** Consider/Discuss/Act on an Ordinance Amending the Fiscal Year 2014-2015 Annual Budget and Amending the 2015-2019 Capital Improvements Program, to Provide Additional Funds for ST9158 US 380 from Custer Road to Lake Forest Drive. Caption reads as follows:

ORDINANCE NO. 2015-03-010

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MCKINNEY, TEXAS AUTHORIZING A CERTAIN BUDGET AMENDMENT PERTAINING TO THE FISCAL YEAR 2014-2015 BUDGET AND THE 2015-2019 CAPITAL IMPROVEMENTS PROGRAM TO PROVIDE ADDITIONAL FUNDING FOR US380 FROM CUSTER ROAD TO LAKE FOREST DRIVE (ST9158); AND PROVIDING FOR AN EFFECTIVE DATE HEREOF

- 15-253** Consider/Discuss/Act on an Ordinance Amending the Fiscal Year 2015 Annual Budget and Amending the 2015-2019 Capital Improvements Program, to Provide Additional Funding for the Kings Lake Bank Stabilization Project (DR1205). Caption reads as follows:

ORDINANCE NO. 2015-03-011

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MCKINNEY, TEXAS AUTHORIZING A CERTAIN BUDGET AMENDMENT PERTAINING TO THE FISCAL YEAR 2014-2015 BUDGET AND THE 2015-2019 CAPITAL IMPROVEMENTS PROGRAM TO PROVIDE ADDITIONAL FUNDING FOR KINGS LAKE BANK STABILIZATION PROJECT (DR1205); AND PROVIDING FOR AN EFFECTIVE DATE HEREOF

- 15-254** Consider/Discuss/Act on an Amendment to the Ordinance Governing Noise in Downtown McKinney. Caption reads as follows:

ORDINANCE NO. 2015-03-012

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MCKINNEY, TEXAS, AMENDING CHAPTER 70, ARTICLE V, SECTION 70-120 OF THE CODE OF ORDINANCES

PERTAINING TO THE PROHIBITION OF THE USE OF SOUND EMITTING DEVICES IN HISTORIC DOWNTOWN MCKINNEY; REPEALING ALL CONFLICTING ORDINANCES, PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING AN EFFECTIVE DATE HEREOF

- 15-256** Consider/Discuss/Act on a Resolution Authorizing the Interim City Manager to Execute a Contract with Gateway Planning Group, Inc. - A Vialta Group Partner for Professional Services to be Provided in Support of Phase II of the Northwest Sector Study Initiative. Caption reads as follows:

RESOLUTION NO. 2015-03-029 (R)

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MCKINNEY, TEXAS, AUTHORIZING THE INTERIM CITY MANAGER TO EXECUTE A CONTRACT WITH GATEWAY PLANNING GROUP, INC. – A VIALTA GROUP PARTNER FOR PROFESSIONAL SERVICES IN ASSOCIATION WITH PHASE II OF THE NORTHWEST SECTOR STUDY INITIATIVE; PROVIDING AN EFFECTIVE DATE

- 15-257** Consider/Discuss/Act on a Resolution Authorizing the Interim City Manager to Execute an Amended Valuation Services Proposal in the Amount of \$75,000 with Steven J. Kunkel & Associates, Inc. to Provide Additional Appraisal Valuation Services for the Acquisition of Right-of-Way and Easements Associated with the Virginia Parkway Lanes 5 and 6 Widening Project from Bellegrove Drive to US 75. Caption reads as follows:

RESOLUTION NO. 2015-03-030 (R)

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MCKINNEY, TEXAS, AUTHORIZING THE INTERIM CITY MANAGER TO EXECUTE AN AMENDED VALUATION SERVICES PROPOSAL WITH STEVEN J. KUNKEL & ASSOCIATES, INC. FOR APPRAISAL SERVICES FOR THE VIRGINIA PARKWAY LANES 5 AND 6 WIDENING PROJECT FROM BELLEGROVE DRIVE TO US 75 IN AN AMOUNT NOT TO EXCEED \$75,000

END OF CONSENT

Council member Pogue stepped down from the dais for the following item.

- 15-258** Mayor Loughmiller called for Consideration/Discussion/Action on a

Resolution Authorizing the Interim City Manager to Execute Development Agreements Associated with the City of McKinney's Pending Annexation Proceedings at the Intersection of Laud Howell Parkway (F.M. 543 Connector), Trinity Falls Parkway (F.M. 543), and Central Expressway (U.S. Highway 75). Council approved the motion made by Council member Harris, seconded by Mayor Pro Tem Ussery, to approve a Resolution authorizing the Interim City Manager to Execute Development Agreements associated with the City of McKinney's pending annexation proceedings at the intersection of Laud Howell Parkway (F.M. 543 Connector), Trinity Falls Parkway (F.M. 543), and Central Expressway (U.S. Highway 75) with a vote of 6-0-1, Council member Pogue abstaining. Caption reads as follows:

RESOLUTION NO. 2015-03-031 (R)

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MCKINNEY, TEXAS, AUTHORIZING THE INTERIM CITY MANAGER TO EXECUTE DEVELOPMENT AGREEMENTS ASSOCIATED WITH THE CITY OF MCKINNEY'S ANNEXATION OF PROPERTY GENERALLY LOCATED AT AND AROUND THE INTERSECTION OF LAUD HOWELL PARKWAY (F.M. 543 CONNECTOR), TRINITY FALLS PARKWAY (F.M. 543), AND CENTRAL EXPRESSWAY (U.S. HIGHWAY 75)

Council member Pogue returned to the dais.

- 15-259** Mayor Loughmiller called for Consideration/Discussion/Action on a Resolution Adopting the City of McKinney Hazard Mitigation Plan. Council member Ricchi stated that he pulled this item down to recognize Fire Chief Danny Kistner, Assistant Chief Lowry, and Emergency Management Coordinator Karen Adkins. Council member Ricchi requested this item be pulled from the Consent Agenda in order to recognize Chief Kistner, Assistant Chief Lowery, and Emergency Management Coordinator Karen Adkins for their hard work over the past year on the City of McKinney Hazard Mitigation Plan. Ms. Adkins thanked Council for their support of the plan. Ms. Adkins noted that City Council's approval of this plan will make the City of McKinney eligible for

pre-disaster and post-disaster funding. Ms. Adkins introduced the Emergency Management staff and thanked all of the city departments for their support and input in creating the Hazard Mitigation Plan. Council member Harris noted that Ms. Adkins is recognized on the state level for her expertise and contributions relating to emergency preparedness in the North Texas area. Council unanimously approved the motion by Council member Ricchi, seconded by Council member Harris, to approve a Resolution adopting the City of McKinney Hazard Mitigation Plan. Caption reads as follows:

RESOLUTION NO. 2015-03-032 (R)

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MCKINNEY, TEXAS, ADOPTING THE HAZARD MITIGATION PLAN AS REQUIRED BY THE FEDERAL EMERGENCY MANAGEMENT AGENCY FOR FINAL PLAN APPROVAL

14-271Z3 Mayor Loughmiller called for a Public Hearing to Consider/Discuss/Act on a Request to Rezone the Subject Properties from "PD" - Planned Development District to "PD" - Planned Development District, Generally to Modify the Development Standards, Located on the Southwest Corner of Park Hill Lane and Harmony Lane (800 Harmony Lane) and on the Southwest Corner of Dorman Lane and Hermitage Lane (900 Hermitage Lane), and Accompanying Ordinance. Director of Planning Michael Quint stated the applicant is requesting to rezone the property to modify the side yard and corner setbacks for two lots, 800 Harmony Lane and 900 Hermitage Lane. The existing side yard and corner setback is 10 feet. The applicant is requesting 7.5 feet setback on Hermitage Lane and 7 feet setback on Harmony Lane. Staff is recommending denial because the applicant has not indicated why these requests are necessary. Staff has concerns over consistency in the neighborhood and increasing the setbacks sets a shaky precedence. The Planning and Zoning Commission denied this request which forces a super majority vote by Council in order for approval. Mr. Scott Roberts, Creative Architects, 1026 Creekwood, Garland, stated that the applicant is trying to get a 30

foot buildable width on the lot, as was intended in the Chapel Hill neighborhood. The applicant was told by City Council that a more appropriate way to request the variance would be to the Board of Adjustment. Mayor Loughmiller called for public comment and there was none. Council unanimously approved the motion by Council member Keever, seconded by Mayor Pro Tem Ussery, to close the public hearing. Mr. Quint stated that the applicant acquired the lots after they were platted and is not responsible for the two smaller lots, so the hardship was not created by the applicant. If the rezoning is denied, the applicant can immediately go to the next Board of Adjustment for consideration. Council approved the motion by Council member Keever, seconded by Mayor Pro Tem Ussery, to deny the request and recommend the applicant take the request before the Board of Adjustment. The motion passed 6-1, with Council member Day voting against.

14-166Z6 Mayor Loughmiller called for a Public Hearing to Consider/Discuss/Act on a Request to Rezone the Subject Property from "PD" - Planned Development District, "REC" - Regional Employment Center Overlay District and "CC" - Corridor Commercial Overlay District to "PD" - Planned Development District, "REC" - Regional Employment Center Overlay District and "CC" - Corridor Commercial Overlay District, Generally to Allow for Townhome Uses, Located on the Southwest Corner of McKinney Place Drive and Collin McKinney Parkway, and Accompanying Ordinance. Director of Planning Michael Quint stated that the applicant has requested that the item be tabled. The Council will need to hold the public hearing and then close the public hearing and table the item indefinitely. 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 table this item indefinitely.

15-018M2 Mayor Loughmiller called for a Public Hearing to Consider/Discuss/Act on a Request by the City of McKinney to Amend Section 146-101 ("CC" - Corridor Commercial Overlay District) and Section 146-139 (Architectural and Site Standards) of the Zoning Ordinance (Chapter 146 of the Code of Ordinances), and Accompanying Ordinance. Director of Planning Michael Quint stated that in July 2014 Council directed staff to review the architectural and site standards. This project has actually been in progress since 2009. Staff has received a multitude of feedback and has incorporated it into the proposed architectural and site standards. Mr. Quint stated the highlights: the non-residential point system is eliminated; staff will look at architectural design on a per elevation basis rather than a per wall basis; minor modifications were made to the multi-family standard, essentially reducing the masonry percentages from 85% per wall to 50% per elevation; and tripartite design is optional for developers. In the event a developer presents a building elevation to staff and staff states it does not meet the architectural standards, staff will make recommendations on how to make the design meet the standards. If the developer does not agree to the changes, the building elevations submitted would be sent to the Planning and Zoning Commission as a façade plan appeal. The proposed façade plan appeal process should be quicker than the meritorious exception process currently in place. Staff recommends approval of the proposed amendments to the architectural and site standards. If the proposed amendments pass Council vote tonight, the changes will take effect March 23, 2015. Council member Kever stated she would like to see the tripartite design in the standards and not an optional standard. Council member Harris asked how this would impact current buildings if they want to renovate or expand. Mr. Quint stated it will be easier. Currently, the rule is if you get to a 50% threshold when you expand you have to meet the current standard. Under the proposed scenario, the current standard is gone

and you cannot use lesser materials. As long as the builder is using consistent material or material that does not reduce the quality beyond what is on the building, it would be allowed by right. Mayor Loughmiller called for public comment and there was none. Council unanimously approved the motion by Council member Pogue, seconded by Council member Keever, to close the public hearing. Council approved the motion by Council member Harris, seconded by Council member Pogue, to approve an Ordinance amending Section 146-101 ("CC" - Corridor Commercial Overlay District) and Section 146-139 (Architectural and Site Standards) of the Zoning Ordinance (Chapter 146 of the Code of Ordinances), with a vote of 6-1-0, Council member Keever voting against. Caption reads as follows:

ORDINANCE NO. 2015-03-013

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MCKINNEY, TEXAS, AMENDING SECTION 146-101 ("CC" – CORRIDOR COMMERCIAL OVERLAY DISTRICT) AND SECTION 146-139 (ARCHITECTURAL AND SITE STANDARDS) OF THE ZONING ORDINANCE (CHAPTER 146 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

- 15-036M2** Mayor Loughmiller called for a Public Hearing to Consider/Discuss/Act on a Request by the City of McKinney to Amend Section 146-45 (Site Plan Approval) of the Code of Ordinances Pertaining to Appeals to the City Council, and Accompanying Ordinance. Director of Planning Michael Quint stated that staff is proposing to modify Section 146-45 of the Zoning Ordinance to clarify who can appeal Planning & Zoning's action on a site plan to the City Council. The current ordinance allows for both the applicant and city staff to appeal to the City Council. Staff wants to make sure that is clearly outlined for either the applicant or staff to appeal. Staff is recommending approval. Mayor Loughmiller called for public comment and there was none. Council unanimously approved the motion by Council member Keever, seconded by Council member

Harris, to close the public hearing and approve an Ordinance amending Section 146-45 (Site Plan Approval) of the Code of Ordinances Pertaining to Appeals to the City Council. Caption reads as follows:

ORDINANCE NO. 2015-03-014

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MCKINNEY, TEXAS, AMENDING SECTION 146-45 (SITE PLAN APPROVAL) OF THE CODE OF ORDINANCES PERTAINING TO APPEALS TO THE CITY COUNCIL; 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

- 15-260** Mayor Loughmiller called for Consideration/Discussion/Action on an Ordinance Amending Chapter 122 (Construction Regulations) of the Code of Ordinances Pertaining to Permitting within McKinney's Corporate Limits and its Extraterritorial Jurisdiction (ETJ). Director of Planning Michael Quint stated that staff is proposing to modify Chapter 122, Construction Regulations, of the Code of Ordinances to make it clear that the city has permitting authority in its ETJ and making it clear that the city's building and fire code are extended into the city's ETJ. Staff is recommending approval. Council unanimously approved the motion by Council member Kever, seconded by Mayor Pro Tem Ussery, to approve an Ordinance Amending Chapter 122 (Construction Regulations) of the Code of Ordinances pertaining to permitting within McKinney's Corporate Limits and its Extraterritorial Jurisdiction (ETJ). Caption reads as follows:

ORDINANCE NO. 2015-03-015

AN ORDINANCE OF THE CITY OF MCKINNEY, TEXAS, AMENDING CHAPTER 122 OF THE CODE OF ORDINANCES OF THE CITY OF MCKINNEY BY ADOPTING NEW SECTION 122-4, ENTITLED "PERMITS WITHIN CITY LIMITS AND EXTRATERRITORIAL JURISDICTION"; PROVIDING FOR THE REPEAL OF CONFLICTING ORDINANCES; PROVIDING FOR SEVERABILITY; AND PROVIDING AN EFFECTIVE DATE

- 15-261** Mayor Loughmiller called for Consideration/Discussion/Action on an Ordinance Amending the Fiscal Year 2014-2015 Annual CIP Budget and Amending the 2015-2019 Capital Improvements Program to Provide

Funds for the Sonntag Neighborhood/School Park Project. Director of Parks, Recreation, and Open Space Rhoda Savage stated that the Parks Department is requesting approval from City Council to transfer funding from Park Dedication Fees Zone 3 in the amount of \$140,000 into the project for Sonntag Neighborhood Park. These funds will allow awarding the bid in an amount that will fund both base bid items and the bid alternates and will allow approximately \$100,000 in project contingencies. Council unanimously approved the motion by Council member Harris, seconded by Council member Ricchi, to approve an Ordinance amending the Fiscal Year 2014-2015 Annual CIP Budget and amending the 2015-2019 Capital Improvements Program to Provide Funds for the Sonntag Neighborhood/School Park Project. Caption reads as follows:

ORDINANCE NO. 2015-03-016

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MCKINNEY, TEXAS AUTHORIZING A CERTAIN BUDGET AMENDMENT PERTAINING TO THE FISCAL YEAR 2014-2015 BUDGET AND THE 2015-2019 CAPITAL IMPROVEMENTS PROGRAM TO PROVIDE FUNDS FOR THE SONNTAG NEIGHBORHOOD/SCHOOL PARK PROJECT; AND PROVIDING FOR AN EFFECTIVE DATE HEREOF

15-262 Mayor Loughmiller called for Consideration/Discussion/Action on a Resolution Authorizing the Interim City Manager to Execute a Contract with North Rock Construction, LLC of Denton, Texas for the Construction of Sonntag Neighborhood/School Park Project. Director of Parks, Recreation, and Open Space Rhoda Savage stated that this is the contract for the Sonntag Neighborhood/School Park Project and is requesting the Council's approval. Council unanimously approved the motion by Council member Kever, seconded by Council member Pogue, to approve a Resolution authorizing the Interim City Manager to execute a contract with North Rock Construction, LLC of Denton, Texas for the construction of Sonntag Neighborhood/School Park Project. Caption reads as follows:

RESOLUTION NO. 2015-03-033 (R)

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF

McKINNEY, TEXAS, AUTHORIZING THE INTERIM CITY MANAGER TO EXECUTE A CONTRACT WITH NORTH ROCK CONSTRUCTION, LLC OF DENTON, TEXAS FOR THE CONSTRUCTION OF THE SONNTAG NEIGHBORHOOD/SCHOOL PARK PROJECT

- 15-263** Mayor Loughmiller called for Consideration/Discussion/Action on Revised Chapter 380 Economic Development Agreements between the City of McKinney and Landon Homes, LP, and between the City of McKinney and Pulte Homes of Texas, LP. Assistant City Manager Barry Shelton stated that in September 2014 Council approved two Chapter 380 Agreements. As part of the motion to approve the agreements, Council added that the agreement would not apply if purchases were made from any vendors that have McKinney locations. Since that time, staff has worked with the applicant to reach an agreement as to the language that will accomplish the standard requested in the motion. Staff, along with the City Attorney's office, has drafted an agreement that the applicant does not agree with and, as a result, two different versions of the agreement are presented tonight for Council's consideration. Staff is requesting that Council approve the language it wishes to use and recommends approval of the City's version of the agreement. Mr. Doug Duffey, CPA representing Landon Homes and Pulte Homes of Texas, stated that this agreement assures that tax dollars paid on materials purchased for building a home in McKinney stays in McKinney. Landon Homes and Pulte Homes could not comply with the provisions added in Sections 4.01 and 5.06 of the agreement approved on September 16, 2014 because the retailers did not have outlets in McKinney, therefore McKinney would not get any sales tax dollars associated with those purchases. Mr. Duffey suggested adding the wording "if there is a sales outlet in McKinney and items ship from that location". The concern is materials may be obtained from an outlet outside of McKinney, but because they have one outlet located in McKinney, even though the materials do not come from the one outlet in McKinney, it is excluded.

Mr. Duffey stated that he would add “that if they have a sales outlet within the City and they ship items from that location” is the only thing he would add to both Section 4.01 and Section 5.06 of the agreement. Mayor Loughmiller stated that in the language provided by the City, “if the supplier has an outlet in McKinney, even if the product is not purchased in McKinney, the City of McKinney would still get the sales tax revenue because of the point of sale.” Mr. Shelton confirmed and stated that the intent is to have a provision in the agreement so that if they have a point of sale in McKinney they would source the taxes at that point. The point of the City’s language was to encourage the builder to make purchases in McKinney rather than elsewhere. Mr. Shelton noted the applicant’s proposed language in the staff report states that any purchases from suppliers or vendors having a sales tax outlet situated in the City’s corporate limits shall not be eligible for consideration of the calculation of the grant payment. If they made a purchase from any vendor who has a location in McKinney we would accept the use tax from the home builder at the point of use. We would not generate the grant payment back to them for those purchases. Mr. Duffey is adding in language that says if they have a sales tax outlet situated within the City’s corporate limits and they ship from that location, which is different from the proposal in the staff report. Mr. Shelton stated that a concern with the City’s version is if it included the language about the location it shipped from, potentially a home builder could arrange for purchases to be made outside of McKinney specifically to avoid losing that grant payment. Staff did not want to enter into a Chapter 380 agreement that incentivized one to use vendors outside of McKinney if there were locations inside of McKinney. Council member Harris stated that if the City’s wording that was approved in September 2014 is used, the City would pick up additional revenues that the City would not get if the proposed wording is used. Council approved the motion made by Council member Harris, seconded

by Council member Pogue, to approve a revised Chapter 380 Economic Development Agreements between the City of McKinney and Landon Homes, LP, and between the City of McKinney and Pulte Homes of Texas, LP. with the City's language for the agreement, with a vote of 5-0-2, Mayor Pro Tem Ussery and Council member Kever abstaining.

- 15-264** Mayor Loughmiller called for Consideration/Discussion/Action on a Resolution Adopting the City Council Goals and Strategies. Interim City Manager Tom Muehlenbeck stated that the six goals which Council has established have been outlined and staff has created strategies to meet the goals. The goals and strategies are presented in the Resolution for adoption. Council unanimously approved the motion by Mayor Pro Tem Ussery, seconded by Council member Kever, to approve the Resolution adopting McKinney First goals and strategies. Caption reads as follows:

RESOLUTION NO. 2015-03-034 (R)

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
McKINNEY, TEXAS, APPROVING THE COUNCIL'S 2015
STRATEGIC PLAN

- 15-255** Mayor Loughmiller called for Consideration/Discussion/Action on a Resolution Adopting the Budget Policies and Guidelines for Fiscal Year 2015-16. Chief Financial Officer Rodney Rhoades stated that this item was discussed at the Work Session on March 2nd and is before Council tonight for adoption. Council unanimously approved the motion by Council member Ricchi, seconded by Council member Harris, to approve a Resolution Adopting the Budget Policies and Guidelines for Fiscal Year 2015-16. Caption reads as follows:

RESOLUTION NO. 2015-03-028 (R)

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
McKINNEY, TEXAS, AUTHORIZING THE ADOPTION OF
BUDGET GUIDELINES FOR FISCAL YEAR 2015-16

- 15-222** Mayor Loughmiller called for Consideration/Discussion/Action on Appointment of Members and Providing Direction and Charge to the

2015 Bond Election Committee. Interim City Manager Tom Muehlenbeck presented a revised timeline as a result of City Council's direction and awaits Council's appointment of members to the Bond Committee. Mayor Loughmiller read the list of potential members: Bill Cox, Mark Messer, Kevin McGraw, Scott Peek, Jon Dell'Antonia, Roger Harris, Mike Puhl, Don Dozier, Mike Giles, Dan Hoff, Larry Robinson, Pete Samsury, Mary Patrick, David Brooks, Cissy Oldner, Pete Huff, Don Thoes, Michael McEntire, Barbara Tomes, Michael Henke, Rick Glenn, Larry Horner, Miles Prestemon, and Brandon Johnson. Mayor Loughmiller added Robert Ray, Louis Dean, Sarah Marshall, Mark Turman and Bill Powers to the list. Council member Harris added Justin Beller and Kevin Griffin to the list. Mr. Muehlenbeck suggested there be three places reserved for each of the new Council members to be elected in May. Mayor Loughmiller stated that Council should discuss the Mission Statement and direction Council gives the committee. A major function of this committee will be to help Council educate the community of 155,000 people as to why the City is having a bond election and the projects included. Mayor Loughmiller added Wanda Keyton to complete the list at 35 members. Council unanimously approved the motion by Council member Harris, seconded by Council member Pogue, to approve the list of names submitted thus far to be appointed to the 2015 Bond Committee plus three names to be added when the new Council members are seated.

Mayor Loughmiller called for Citizen Comments and there were none.

Mayor Loughmiller called for Council and Manager Comments.

Council member Ricchi noted that the City of McKinney lost a longtime resident and former firefighter Jimmy Gotcher last Friday. Mr. Gotcher served the McKinney Fire Department for 32 years before retiring from the fire service. Mr. Ricchi thanked Interim Police Chief James for his time here in McKinney as the Interim Police Chief.

Council member Day also thanked Mr. Muehlenbeck and Chief James for their work in the search for a new police chief.

Council member Kever thanked staff and the Planning and Zoning Commission for their hard work at the Joint Meeting on March 16th unpacking and digging down the disconnect between Staff's recommendations and denial and the P&Z recommendations.

Council member Pogue congratulated the McKinney Ice Hockey team on their success. He also thanked Emergency Management Coordinator Karen Adkins and her staff for the excellent work on the Hazard Mitigation Plan.

Council member Harris commended the Mayor and the community for the Proclamation for Multiple Myeloma Awareness. Mr. Harris recognized his twin sons who were in attendance at the meeting. He stated that it is rare to have them both in town at the same time. Mr. Harris also thanked Mr. Muehlenbeck and city staff for their hard work.

Mayor Pro Tem Travis Ussery recognized Mr. Gotcher's service to the McKinney Fire Department as well. He also thanked staff for their dedication and work. Mr. Ussery announced that Molly Ringwald will be performing this weekend at MPAC.

Mayor Loughmiller stated that he and Mr. Muehlenbeck had the honor of attending the Collin County League of Women Voters Celebration of Collin County Women in Public Administration this past Saturday where City Secretary, Ms. Sandy Hart, was recognized for her service in public administration. There were eight honorees from neighboring cities but Ms. Hart gave by far the most outstanding speech about the role of the City Secretary.

Interim City Manager Tom Muehlenbeck stated that there will be an Executive Session with no action necessary. Mr. Muehlenbeck announced the hiring of Greg Conley as the new McKinney Police Chief. Mr. Conley will start in McKinney no later than April 15th.

Mayor Loughmiller recessed the meeting into executive session at 8:20 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 551.074 Personnel Matters, and Section 551.087 Discuss Economic Development Matters as listed on the posted agenda. Mayor Loughmiller recessed to the open session at 8:43 p.m.

Council unanimously approved the motion by Mayor Pro Tem Ussery, seconded by Council member Pogue, to adjourn. Mayor Loughmiller adjourned the meeting at 8:45 p.m.

BRIAN LOUGHMILLER
Mayor

ATTEST:

SANDY HART, TRMC, MMC
City Secretary