



# CITY OF MCKINNEY, TEXAS

## Agenda City Council Special Meeting

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Monday, June 19, 2017

5:30 PM

Council Chambers  
222 N. Tennessee Street  
McKinney, Texas 75069

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### AMENDED

#### CALL TO ORDER

**17-617**      [Consider/Discuss/Act on an Ordinance of the City Council of the City of McKinney, Texas, Certifying the Election Results for the June 10, 2017 Run Off Election](#)

**Attachments:**    [Canvass Ordinance](#)

**17-618**      [Comments from Outgoing City Council Members](#)

**17-619**      [City Council and City Manager Comments](#)

**17-620**      [Presentation to Council member Day and Mayor Pro Tem Ussery](#)

**17-621**      [Certificates of Election and Oath of Office for Council member District 1, Council member District 3, and Council member At Large](#)

**17-622**      [Comments from Incoming Council members](#)

#### DISCUSS REGULAR MEETING AGENDA ITEMS

#### WORK SESSION ITEMS

**17-623**      [McKinney Citizen Survey Results Presentation by National Citizen Survey](#)

**Attachments:**    [Presentation](#)

**17-624**      [Presentation by Johnson Development Pursuant to Request for Second Amendment to Consent Agreements Regarding](#)

Bond Authority for Two (2) Existing Municipal Utility Districts:  
Municipal Utility District No. 1 and Municipal Utility District  
No. 2 - Trinity Falls

**Attachments:** Presentation

**17-625** Consider and Discuss Amending the Fiscal Year 2016-2017  
Budget Mid-Year to Fund Additional Improvements, Projects  
and Increased Contractual Obligations

**Attachments:** Draft Ordinance  
FY17 Mid Year Requests  
Presentation

**17-626** Consider and Discuss the Development Fees for the  
McKinney Independent School District (MISD)

**Attachments:** Presentation

**17-627** Discuss Board and Commission Interview Committee and  
Liaison Assignments

**Attachments:** 2017 Board and Commission Policy

#### **COUNCIL LIAISON UPDATES**

#### **EXECUTIVE SESSION**

In Accordance with the Texas Government Code:

- A. Section 551.087 – Discuss Economic Development Matters
- Project A146 – Project Frost
  - Project A151 – Project Cuisine
  - Project A171 – Project Skywalker
  - Project A176 – Project MMD

#### **ACTION ON EXECUTIVE SESSION ITEMS**

#### **ADJOURN**

Posted in accordance with the Texas Government Code, Chapter 551, on the 16th day of June, 2017 at or before 5:00 p.m.

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Sandy Hart, TRMC, MMC  
City Secretary

In accordance with the Americans with Disabilities Act, it is the policy of the City of McKinney to offer its public programs, services, and meetings in a manner that is readily accessible to everyone, including individuals with disabilities. If you are a person with a disability and require information or materials in an appropriate alternative format; or if you require any other accommodation, please contact the ADA Coordinator at least 48 hours in advance of the event. Phone 972-547-2694 or email [contact-adacompliance@mckinneytexas.org](mailto:contact-adacompliance@mckinneytexas.org). Advance notification within this guideline will enable the City to make reasonable arrangements to ensure accessibility. ADA grievances may also be directed to the ADA Coordinator or filed online at <http://www.mckinneytexas.org/ada>.



17-617

**TITLE:** Consider/Discuss/Act on an Ordinance of the City Council of the City of McKinney, Texas, Certifying the Election Results for the June 10, 2017 Run Off Election

**COUNCIL GOAL:** Operational Excellence

**MEETING DATE:** June 19, 2017

**DEPARTMENT:** City Secretary

**CONTACT:** Sandy Hart, City Secretary

**RECOMMENDED CITY COUNCIL ACTION:** Approve Ordinance certifying the Election Results for the June 10, 2017 Run Off Election.

**ITEM SUMMARY:**

- An election was held on May 6, 2017 for qualified resident voters of the City to vote for City Council members: Mayor, District 1, District 3, and one At-Large.
- Of the five candidates for the Council member At-Large, no single candidate received over fifty percent of the votes.
- Of the three candidates for the Council member District 1, no single candidate received over fifty percent of the votes.
- Of the five candidates for the Council member District 3, no single candidate received over fifty percent of the votes.
- A Run Off Election was held on June 10, 2017 to elect the Council member At-Large, Council member District 1, and Council member District 3.
- In the At Large race, Derek V. Baker received 1,700 votes or 34.86% against Charlie Philips who received 3,177 votes or 65.14%.
- In the District 1 race, La'Shadion Anthony Shemwell received 662 votes or 57.27% against Dusttin Pearson who received 494 votes or 42.73%.
- In the District 3 race, Margaret Harsch received 831 votes or 44.11% against Scott Elliott who received 1,053 votes or 55.89%.

**BACKGROUND INFORMATION:** The official election results contained in the Ordinance are the final results.



**SPECIAL CONSIDERATIONS:** N/A

**FINANCIAL SUMMARY:** N/A

**BOARD OR COMMISSION RECOMMENDATION:** N/A

**SUPPORTING MATERIALS:**

[Canvass Ordinance](#)

ORDINANCE NO. 2017-06-\_\_\_\_

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MCKINNEY, TEXAS, CERTIFYING THE ELECTION RESULTS FOR THE JUNE 10, 2017 RUN-OFF ELECTION; DECLARING THE RESULTS; PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING FOR AN EFFECTIVE DATE

**WHEREAS,** pursuant to Ordinance No. 2017-02-018 of the City of McKinney, Texas, adopted on the 7<sup>th</sup> day of February, 2017, an election was duly held on the 6<sup>th</sup> day of May, 2017, for the purpose of voting on a Mayor, Council member At-large, Council member for District 1, and Council member for District 3; and

**WHEREAS,** said election was held with the solemnities and formalities necessary to make it a valid election, all notices having been posted in the manner and for the length of time required by law; and

**WHEREAS,** only duly qualified resident voters of the City of McKinney, Texas, voted at the Run-Off Election called and held on June 10, 2017; and

**WHEREAS,** Section 67.003 of the Texas Election Code, as amended, generally provides that each local canvassing authority shall convene not later than the eleventh (11<sup>th</sup>) day after the Run-off election date for the purpose of canvassing the election results; and

**WHEREAS,** Section 67.004(a) of the Texas Election Code, as amended, establishes the quorum level required to canvass election results; and

**WHEREAS,** a quorum of the City Council met on Monday, June 19, 2017, and duly canvassed the election returns of the above mentioned election, hereby attached as **Exhibit A**.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF MCKINNEY, TEXAS, THAT:

- Section 1. The findings set forth above are incorporated into the body of this Ordinance as if fully set forth herein.
- Section 2. The City Council officially finds and determines an election was duly ordered to be held in the City of McKinney, Texas on the 10<sup>th</sup> day of June, 2017, for the purpose of electing a Council Member At-Large, a Council member District 1, and a Council member District 3 to four (4) year terms of office, and that proper notice of said election was duly given; that proper election officers were duly appointed prior to said election; that said election has been made and delivered; and that the City Council has duly canvassed said returns all in accordance with law.
- Section 3. The City Council officially finds and determines that only qualified resident voters of the City were allowed to vote at said election, and following votes were cast at said election, and that the canvass of the votes cast in said election and returns thereof, which is attached hereto as **Exhibit A**, were made in accordance with the law.

Derek V. Baker Charlie Philips	1700 3177	34.86% 65.14%	Council Member At-Large
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<b>La'Shadian Anthony Shemwell</b>	<b>662</b>	<b>57.27%</b>	<b>Council Member District 1</b>
<b>Dusttin Pearson</b>	<b>494</b>	<b>42.73%</b>	

<b>Margaret Harsch</b>	<b>831</b>	<b>44.11%</b>	<b>Council Member District 3</b>
<b>Scott Elliott</b>	<b>1053</b>	<b>55.89%</b>	

Section 4. Pursuant to the applicable provisions of the Texas Local Government Code, Texas Election Code, and the City of McKinney, Texas Home-Rule Charter, the City Council officially finds and determines and declares the results of said election to be that:

Charlie Philips is elected Council member At-Large to a four (4) year term of office by majority vote of the voters;

La'Shadian Anthony Shemwell is elected Council member District 1 to a four (4) year term of office by majority vote of the voters;

Scott Elliott is elected Council member District 3 to a four (4) year term of office by majority vote of the voters;

Section 5. It is hereby declared to be the intention of the City Council that the phrases, clauses, sentences, paragraphs and sections of this Ordinance are severable, and if any phrase, clause, sentence, paragraph or section of this Ordinance shall be declared unconstitutional by the valid judgment or decree of any court of competent jurisdiction, such unconstitutionality shall not affect any of the remaining phrases, clauses, sentences, paragraphs and sections of this Ordinance, since the same would have been enacted by the City Council without the incorporation of this Ordinance of any such unconstitutional phrase, clause, sentence, paragraph or section.

Section 6. This Ordinance shall be effective immediately upon its passage.

**DULY PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF MCKINNEY, TEXAS ON THIS THE 19<sup>th</sup> DAY OF JUNE, 2017.**

GEORGE C. FULLER  
 Mayor

CORRECTLY ENROLLED:

SANDY HART, TRMC, MMC  
 City Secretary  
 DENISE VICE, TRMC  
 Assistant City Secretary

DATE: \_\_\_\_\_

APPROVED AS TO FORM:

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MARK S. HOUSER  
City Attorney

## EXHIBIT A

STATE OF TEXAS

§

CANVASS OF THE  
CITY OF MCKINNEY  
ELECTION

COUNTY OF COLLIN

§

JUNE 10, 2017

I, Bruce Sherbet, the undersigned Elections Administrator of Collin County, do hereby certify that I have made an actual check and comparison of all the ballots tabulated as voted with the Return Sheets, and the unused ballots as recorded on the Register of Official Ballots. I, therefore, make the following report of my findings from the June 10, 2017, City of McKinney Election that was held in Collin County, Texas.

I hereby certify the results to be a full, true and correct tabulation, audit and count of the votes cast in the said election.

WITNESS, my hand on this the 16th day of June 2017.

  
Bruce Sherbet  
Elections Administrator  
Collin County

Election Summary Report  
Collin County, Texas  
Runoff Elections  
June 10, 2017  
Summary For Jurisdiction Wide, All Counters, McKinney City  
Early Voting and Election Day Combined Accumulated Totals.  
22 of 22 Vote Centers Reporting

Date:06/15/17  
Time:12:45:00  
Page:1 of 1

Registered Voters 375368 - Cards Cast 5126    1.37%

Num. Report Precinct 136 - Num. Reporting 136    100.00%

McKinney City Council D1	(200)	
	Total	
Number of Precincts	10	
Precincts Reporting	10	100.0 %
Vote For	1	
Times Counted	1175/14964	7.9 %
Total Votes	1156	
Times Blank Voted	19	
Times Over Voted	0	
Number Of Under Votes	0	
<b>La'Shadian Shemwell</b>	662	57.27%
Dusttin Pearson	494	42.73%

McKinney City Council D3	(210)	
	Total	
Number of Precincts	11	
Precincts Reporting	11	100.0 %
Vote For	1	
Times Counted	1940/24737	7.8 %
Total Votes	1884	
Times Blank Voted	55	
Times Over Voted	1	
Number Of Under Votes	0	
Margaret Harsch	831	44.11%
<b>Scott Elliott</b>	1053	55.89%

McKinney City Council at Large	(220)	
	Total	
Number of Precincts	38	
Precincts Reporting	38	100.0 %
Vote For	1	
Times Counted	5126/94610	5.4 %
Total Votes	4877	
Times Blank Voted	249	
Times Over Voted	0	
Number Of Under Votes	0	
Derek V. Baker	1700	34.86%
<b>Charlie Philips</b>	3177	65.14%

**17-618**



**TITLE:** Comments from Outgoing City Council Members

**SUPPORTING MATERIALS:**

**17-619**



**TITLE:** City Council and City Manager Comments

**SUPPORTING MATERIALS:**



**17-620**



**TITLE:** Presentation to Council member Day and Mayor Pro Tem Ussery

**SUPPORTING MATERIALS:**

17-621



**TITLE:** Certificates of Election and Oath of Office for Council member District 1, Council member District 3, and Council member At Large

**SUPPORTING MATERIALS:**

17-622



**TITLE:** Comments from Incoming Council members

**SUPPORTING MATERIALS:**



17-623

**TITLE:** McKinney Citizen Survey Results Presentation by National Citizen Survey

**COUNCIL GOAL:** Operational Excellence

**MEETING DATE:** June 19, 2017

**DEPARTMENT:** Communications & Marketing  
City Manager's Office

**CONTACT:** CoCo Good, Director of Communications & Marketing  
Paul Grimes, City Manager

**RECOMMENDED CITY COUNCIL ACTION:** Receive Presentation from Ashly Perez de Tejada / NCS Survey Consultant

**ITEM SUMMARY:**

- This is the first citizen survey conducted by the National Citizen Survey and includes a statistically valid sampling as well as provides comparisons to national benchmarks.

**BACKGROUND INFORMATION:**

- The National Citizen Survey is a collaborative effort between National Research Center Inc. (NRC) and the International City/County Management Association (ICMA).
- The survey and its administration are standardized to ensure high quality research methods and directly comparable results across the NCS communities.

**FINANCIAL SUMMARY:** N/A

**BOARD OR COMMISSION RECOMMENDATION:** N/A

**SUPPORTING MATERIALS:**

[Presentation](#)



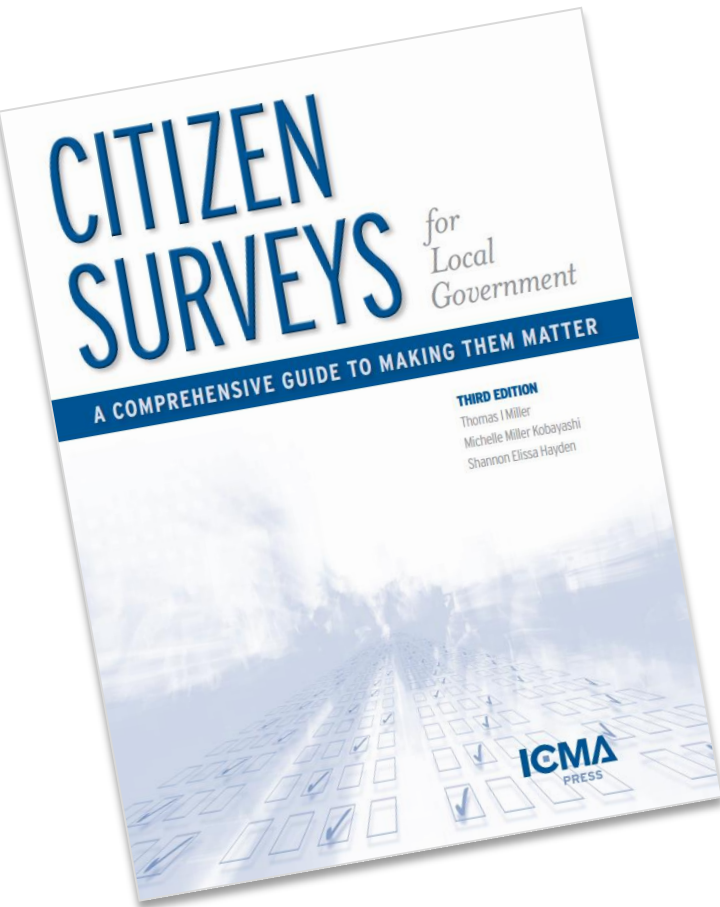
# McKinney, TX

## Key Findings 2017

The NCS is presented by NRC in collaboration with ICMA



# About NRC



- 20 years conducting survey research for local government
- Wrote the books on citizen surveying
- Industry pioneers
- Long-term partnerships with ICMA and NLC
- Charter members of AAPOR Transparency Initiative

# About The NCS

- Community Livability
  - Community Characteristics
  - Governance
  - Participation



# Facets of Community Livability

Safety

Mobility

Economy

Recreation  
and Wellness

Quality of  
Community  
Overall

Natural  
Environment

Built  
Environment

Education  
and  
Enrichment

Community  
Engagement



# The NCS & McKinney

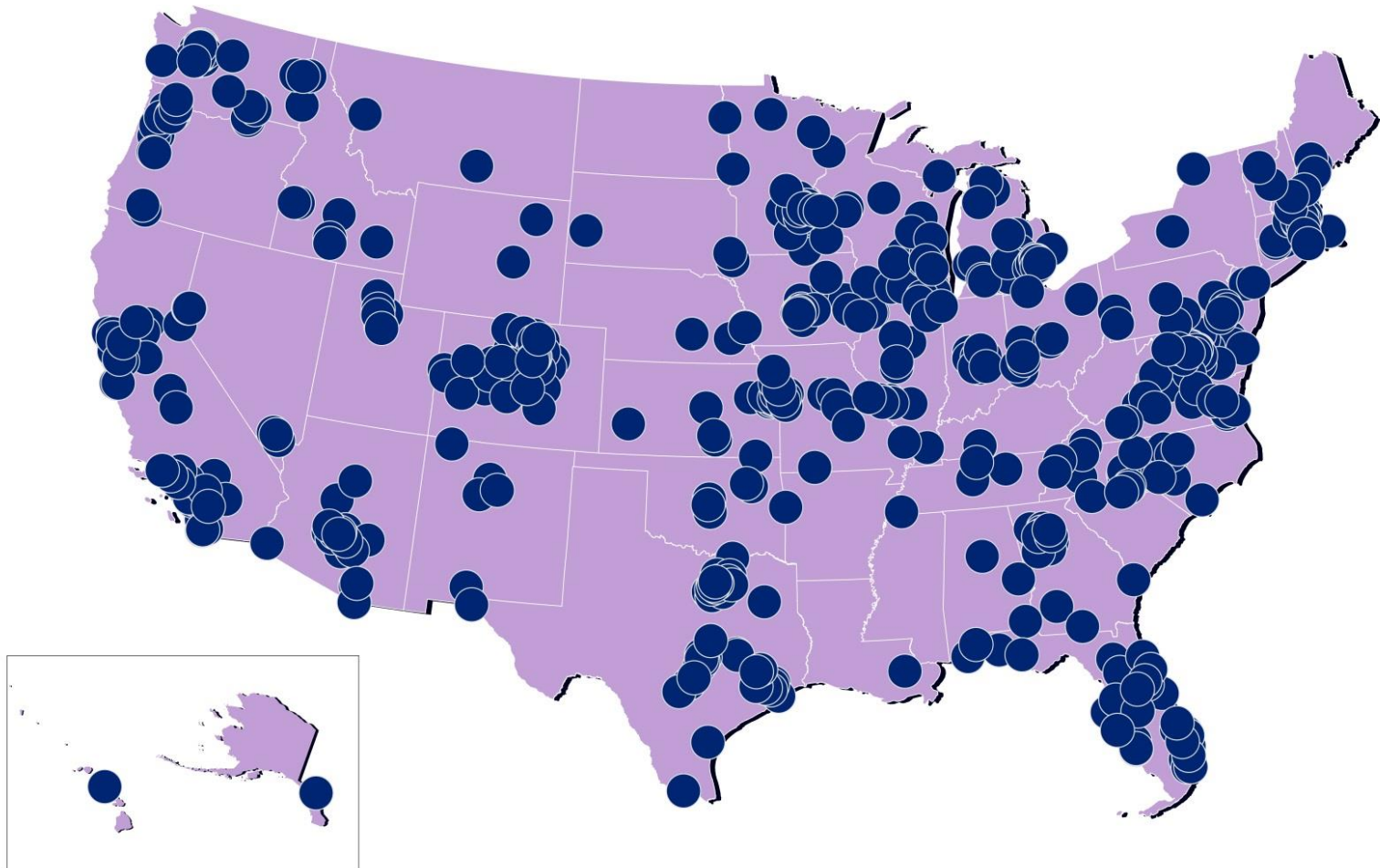
- First year conducting The NCS
- Scientific sample of 1,800 households
  - 296 returned surveys; 17% response rate
  - $\pm 6\%$  margin of error

Expanded  
sample

Online option

Geographic  
comparisons

# National Benchmark Comparisons



# 2017 National Benchmark Comparisons

**25**

received  
**higher**  
ratings

**105**

received **similar**  
ratings

**1**

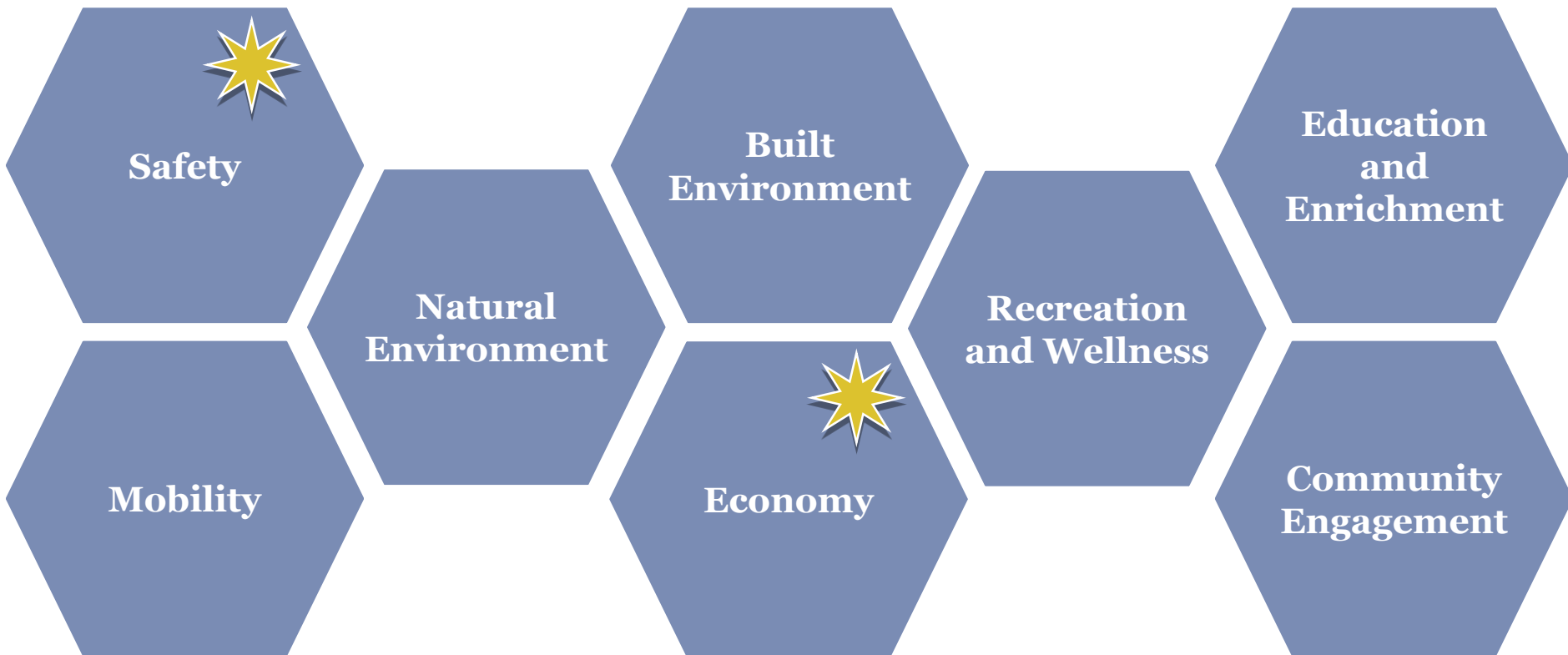
received  
**lower**  
ratings

# Key Focus Areas

## Legend

- Higher than national benchmark
- Similar to national benchmark
- Lower than national benchmark

★ Most important

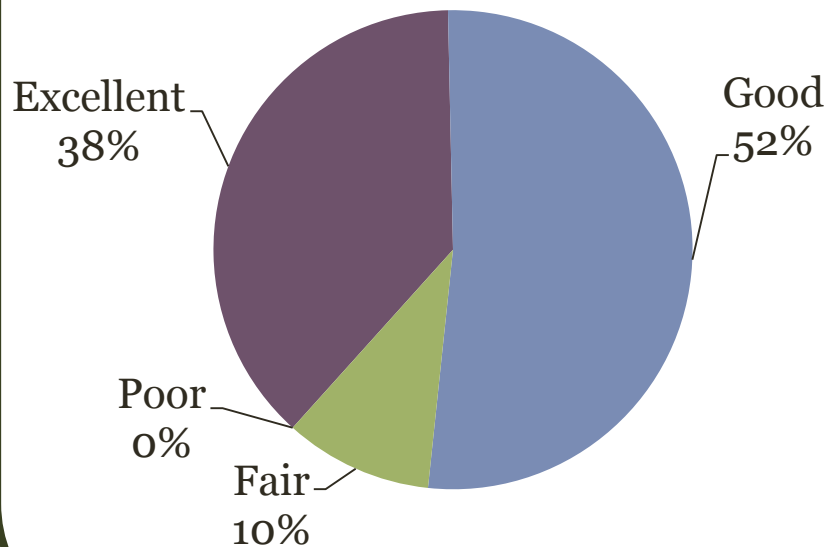


Key  
Finding  
#1

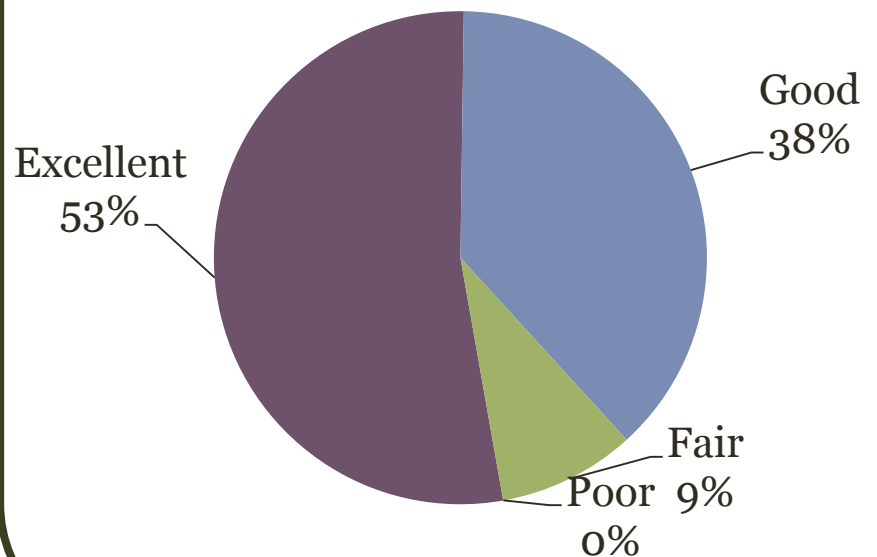
**McKinney residents enjoy a  
high quality of life**

# Quality of Life in McKinney

## Quality of Life



## Place to Live



# Aspects of Community Quality



Place to raise  
children



Overall image



Neighborhoods



Overall  
appearance

9 in 10

*excellent or good*



*Higher than national benchmark*

# Priorities for Improving Quality of Life



#  
**1**

**Creating/  
preserving  
open lands**  
**92%**



#  
**2**

**Retail,  
restaurant and  
entertainment  
options**  
**90%**



#  
**3**

**Recreation  
centers**  
**88%**



#  
**4**

**Outdoor  
entertainment  
venue**  
**85%**



#  
**5**

**Expanded hike  
and bike trail  
system**  
**83%**

*high or medium priority*



**Safety is a top community  
priority**

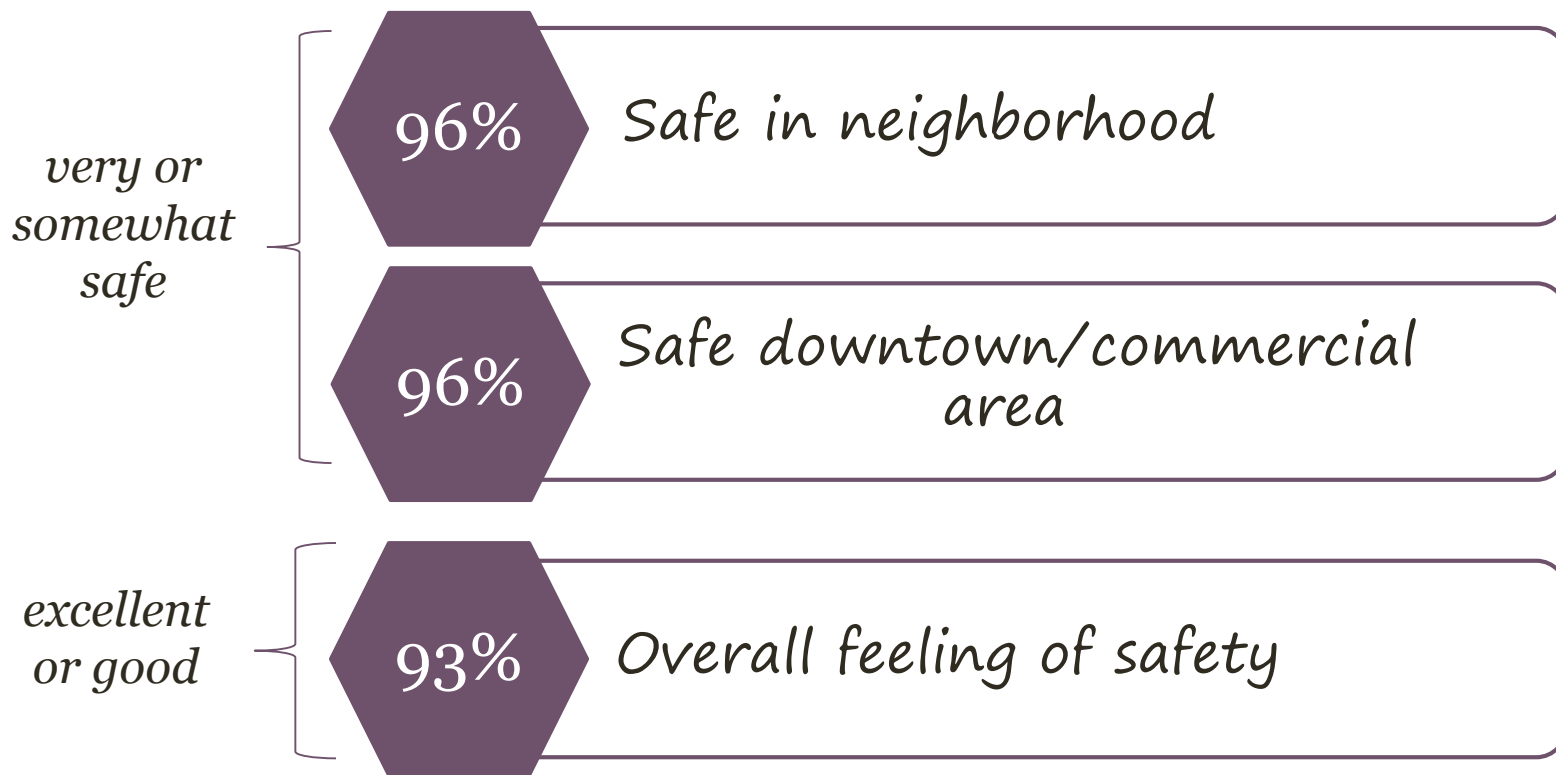
# Resident Loyalty



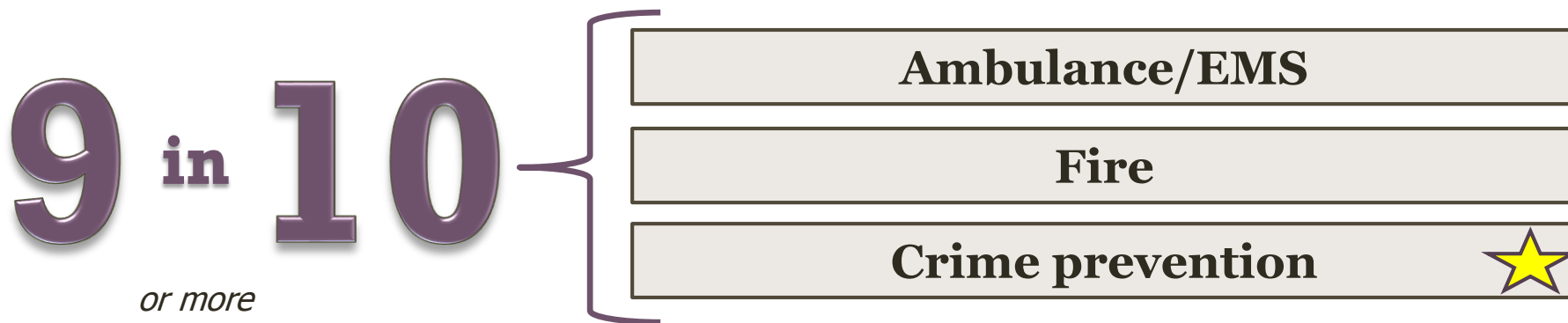
**90%** would *recommend living* in McKinney and  
**85%** *plan on remaining* in the City

*very or somewhat likely*

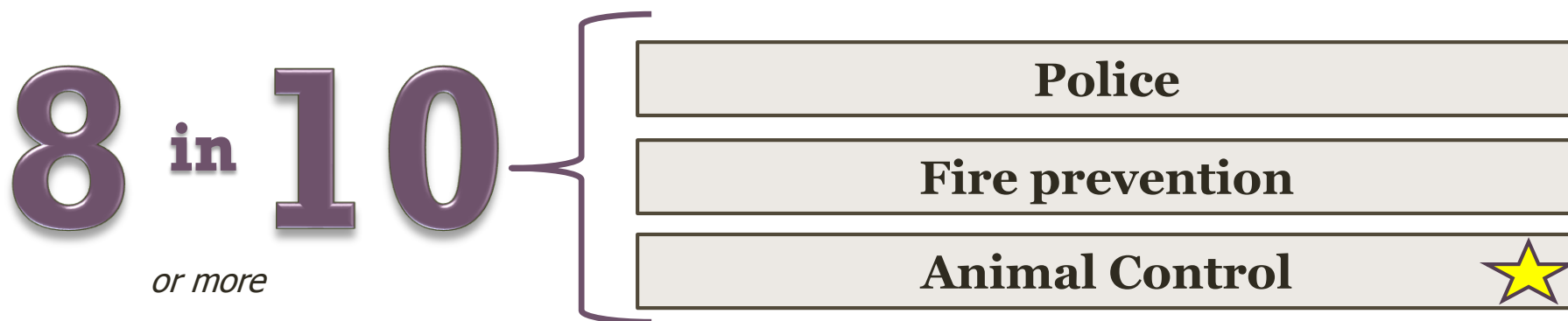
# Feelings of Safety



# Safety Services



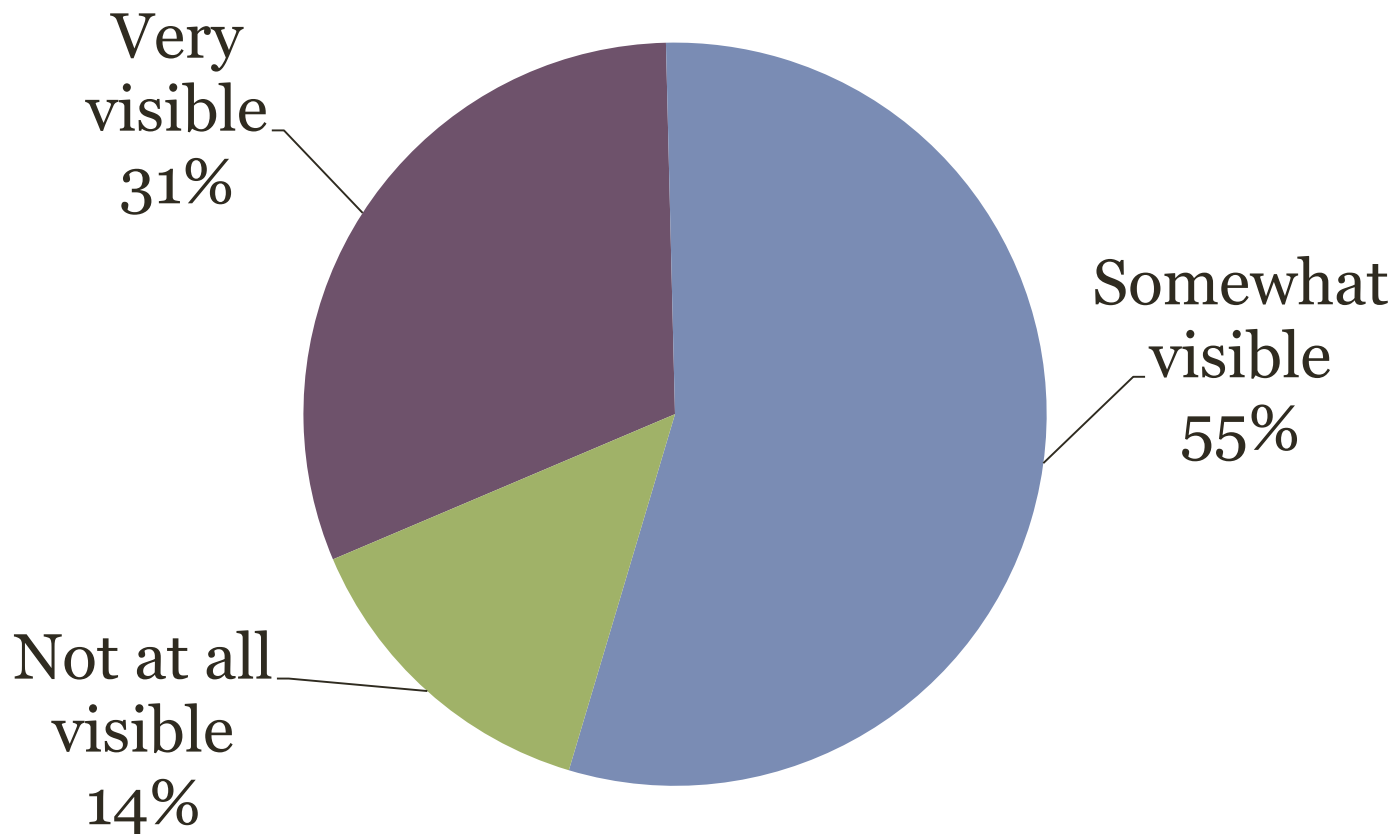
*excellent or good*



 *Higher than national benchmark*

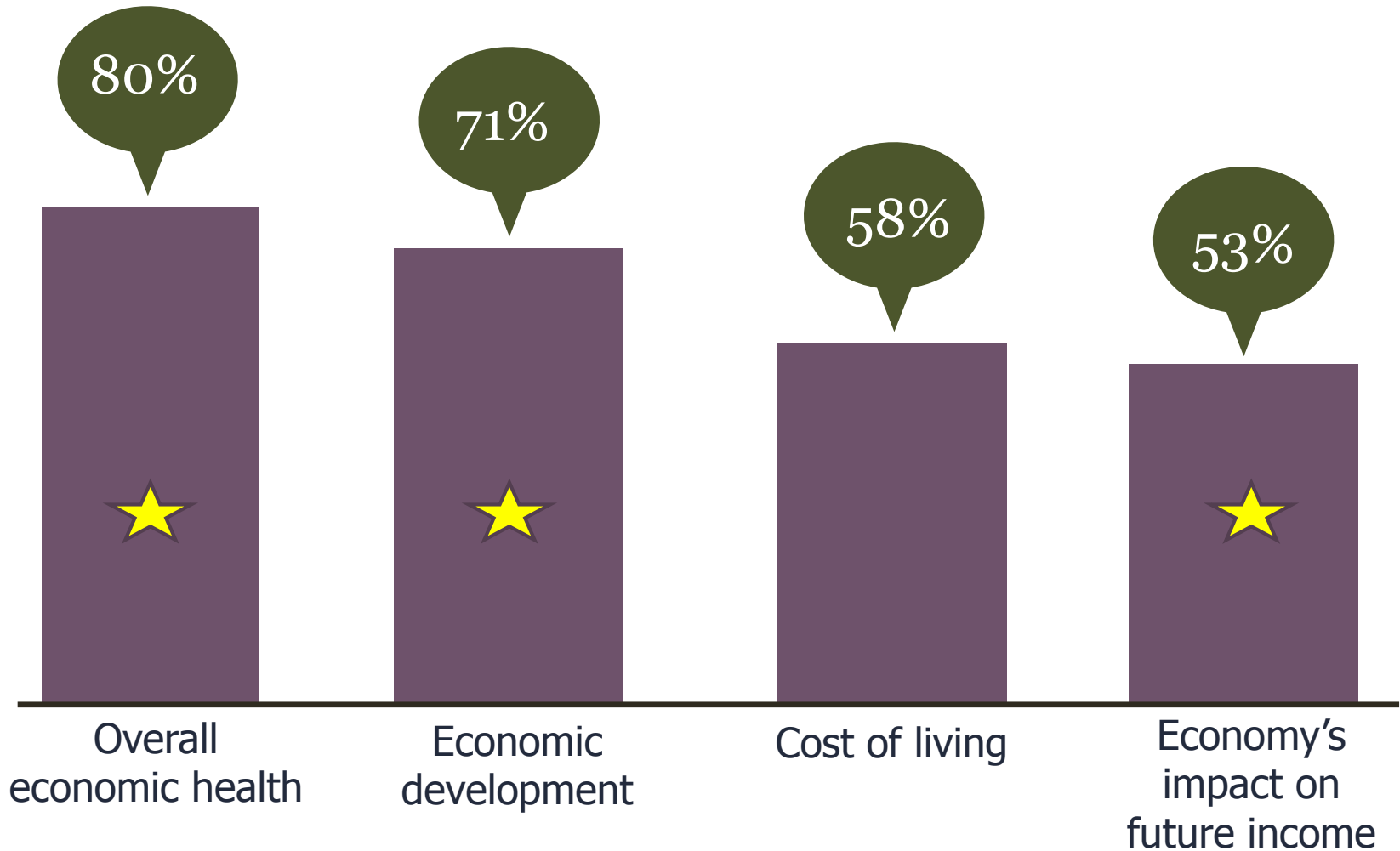
# McKinney Police Visibility

How visible is the McKinney Police Department in your neighborhood and throughout the City (marked cars, foot, bike or mounted patrols)?



**The Economy is an  
important and positive  
community feature**

# Economy



Higher than national benchmark

\*Percent excellent or good or percent very or somewhat positive

# Working in McKinney



McKinney as a place to work

70%

*excellent or good*



Employment opportunities

50%

*excellent or good*



*Higher than national benchmark*



# Businesses, Services and Downtown

Purchased goods  
or services  
**98%**



*Always, usually, or sometimes*

Quality of businesses  
and services  
**75%**



*excellent or good*

Vibrancy of downtown ★

**82%**

*excellent or good*



Place to visit  
**70%**



*excellent or good*

Shopping  
opportunities  
**61%**



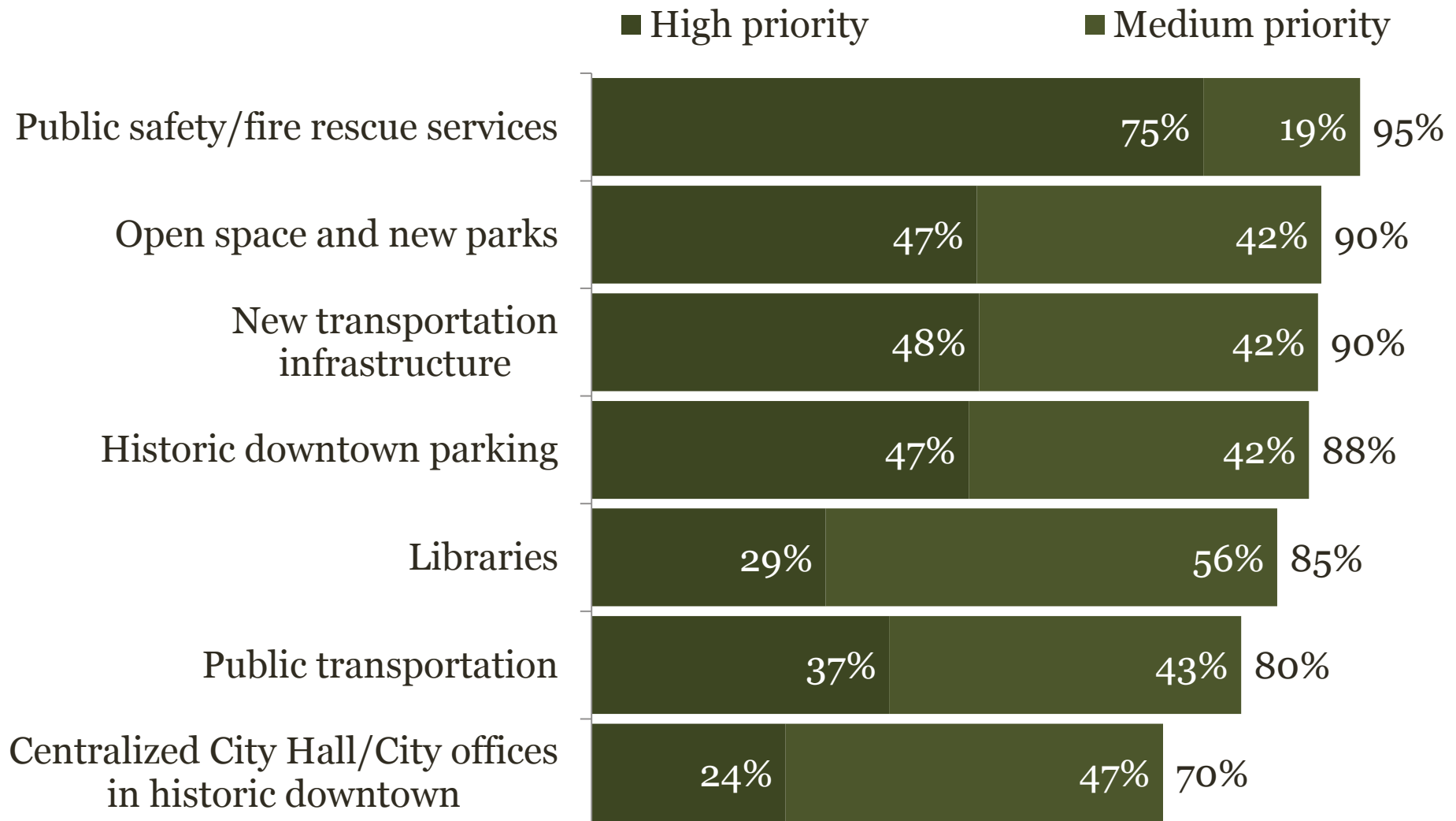
*excellent or good*



*Higher than national benchmark*

# Special Topics

# City Priorities



# Sources of Information

Most  
used  
sources

- *City website*
- *Word-of-mouth*
- *City electronic newsletter*
- *City communications via social media*



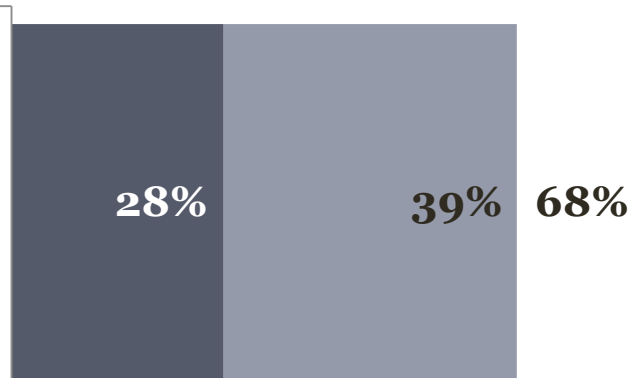
Least  
used  
sources

- *Local newspapers*
- *City Council or other public meetings*
- *Talking with City officials*

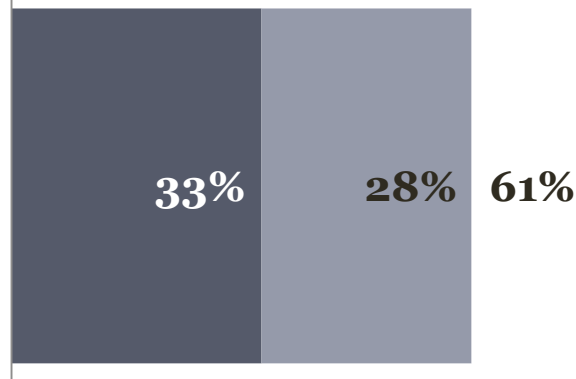
# Airport Development Options

■ Prefer a lot   ■ Somewhat prefer

**Continue to develop as a general  
and corporate aviation airport**



**Pursue future commercial  
aviation options in addition to  
corporate and general aviation**



# Conclusions



*Safety is an  
important community  
feature*

*McKinney is a great  
place to live*

*The Economy in  
McKinney is strong*

# Using Survey Results



**Monitor trends in resident opinion**



**Measure government performance**



**Inform budget, land use, strategic planning decisions**



**Benchmark service ratings**

**Questions?**





# Thank you!

**Ashly Perez de Tejada**  
**Survey Consultant – Presenter**

**Audrey Silliman**  
**Survey Specialist – Project Manager**

**National Research Center, Inc.**  
2955 Valmont Road Suite 300  
Boulder, CO 80301  
303-444-7863 • [nrc@n-r-c.com](mailto:nrc@n-r-c.com)  
[www.n-r-c.com](http://www.n-r-c.com)





17-624

**TITLE:** Presentation by Johnson Development Pursuant to Request for Second Amendment to Consent Agreements Regarding Bond Authority for Two (2) Existing Municipal Utility Districts: Municipal Utility District No. 1 and Municipal Utility District No. 2 - Trinity Falls

**SUPPORTING MATERIALS:**

[Presentation](#)



# Trinity Falls

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# Taxpayer Protections

Texas special districts are the most highly regulated political subdivisions in the State, with multiple levels of oversight including:

- Texas Commission on Environmental Quality (“TCEQ”)
  - Primary agency responsible for all aspects of special districts operations
- The City
  - Cities must consent to creation of special districts within their city limits or extraterritorial jurisdiction (“ETJ”)
  - Level of oversight is dependent on agreements between the City and the district
- Attorney General of Texas
  - Approves all bonds issued by governmental entities within the State
  - Reviews all bond issues to confirm the legality of the issue
  - Establishes rules designed to limit the amount of road bonds that may be issued by a special district

The TCEQ is the State agency that is primarily responsible for overseeing the operations of special districts, including the issuance of debt

- TCEQ has established rules under the Texas Water Code outlining the requirements that must be met for a special district to issue bonds for water, sewer and drainage projects
- The TCEQ's rules establish that the District is strictly a reimbursement vehicle with specific limitations
  - The District cannot pre-finance developer projects
  - Developers only receive reimbursement when enough value has been created to support the issuance of debt
  - The District must receive TCEQ approval of a bond application prior to the issuance of bonds for water, sewer and drainage projects

# The City of McKinney

The logo for BAIRD is a blue parallelogram with the word "BAIRD" in white, uppercase, sans-serif font.

Through an existing Consent Agreement and Development Agreement, the City exercises authority over the standards of the public infrastructure and general development standards.

- The District is financing the construction of the **City's utility system**
  - The City owns and operates all facilities within the District, therefore the City makes all decisions regarding which facilities are constructed
  - The residents of the District pay water and sewer rates to the City
  - The residents of the District pay the City for fire protection
  - The residents of the District will pay the City for police protection
  - The City receives tap connection fees as homes are built
- The District and developer follow the same public bidding requirements as the City for infrastructure projects
- Furthermore, the TCEQ rules require that the District must sell bonds issued for reimbursement through a competitive bidding process

# Tax Rate of the District

McKinney MUD No. 1 (the “District”) levies a total tax rate of \$1.05 per \$100 of assessed valuation.

- The components of the tax rate are as follows:
  - Maintenance and Operation– Pays for the day-to-day operations of the District and includes \$0.02 for the City’s park fee.
  - Water, Sewer & Drainage Debt Service– Pays the principal and interest on the bonds issued for water, sewer and drainage projects
  - Road Debt Service– Pays the principal and interest on the bonds issued for roadway projects

	2016 Tax Year (Current)
M&O Tax Rate	\$0.39
WS&D DS Tax Rate	\$0.38
Roads DS Tax Rate	\$0.28

# Background

In July, 2016, the City approved amendments to the Consent Agreement, which created a single bond cap for the Trinity Falls development and raised the cap to \$262,800,000 with an 3% annual inflation rate.

Since that time, the developer has pursued the annexation of approximately 272 acres into Trinity Falls (the “Frazier Tract”). The districts request that the base bond cap be raised to \$318,000,000 to reflect the additional infrastructure costs associated with the annexed land.



# Eligible Projects

The District may only sell bonds to reimburse the developer for certain projects, as specified in the TCEQ Rules (for water, sewer and drainage projects) and the Texas Constitution (for road projects)

## Eligible Projects

- Water, sewer & drainage facilities
- Creation costs
- Impact fees
- Connection charges
- Elevated storage
- Off-site water & sewer lines
- Road costs\*
- Traffic signals and signage
- Engineering

## Non-Eligible Projects

- Parks and recreational facilities
- Land cost of lots
- Dry utilities
- Swimming pools
- Golf courses
- Enclosed air-conditioned spaces
- Taxes paid by developer

\*Road costs include additional design requirements of the City, such as screening and other design features

# Expenditures

BAIRD

Below is a breakdown of the previously reimbursed, outstanding and projected eligible expenditures to develop Trinity Falls. The amounts listed below **do not include inflation**.

Eligible Expenditures Spent & Reimbursed:

WS&D Projects	\$	16,556,643
Road Projects	\$	5,802,121
	\$	22,358,764

Eligible Expenditures Spent but Unreimbursed:

WS&D Projects	\$	40,292,260
Road Projects	\$	21,025,332
	\$	61,317,592

Projected Future Eligible Expenditures:

WS&D Projects	\$	83,678,582
Road Projects	\$	88,927,274
	\$	172,605,856

Total Eligible Expenditures	\$	256,282,212
Bond Issue Soft Costs	\$	85,427,404
<b>Necessary Bond Issue Requirement</b>	<b>\$</b>	<b>341,709,616</b>

**Requested Cap:  
\$318,000,000**

In today's dollars, the proposed bond cap of \$318,000,000 is over \$23.5 million less than the projected bonding requirements of Trinity Falls.



17-625

**TITLE:** Consider and Discuss Amending the Fiscal Year 2016-2017 Budget Mid-Year to Fund Additional Improvements, Projects and Increased Contractual Obligations

**COUNCIL GOAL:** Financially Sound Government

**MEETING DATE:** June 19, 2017

**DEPARTMENT:** Budget

**CONTACT:** Mark Holloway, Chief Financial Officer

**RECOMMENDED CITY COUNCIL ACTION:**

- Consider and discuss FY17 budget amendment recommendations.

**ITEM SUMMARY:**

- A mid-year budget amendment is recommended to fund additional improvements, projects and increased contractual obligations with excess reserve funds.
- The recommended amendments to the FY2016-17 budget are as follows:

**SUMMARY**

FUND	Total
Total General Fund	\$ 6,414,700
Other Funds	
003-Water Wastewater Fund	4,775,000
007-Solid Waste Fund	20,000
010-Hotel/Motel Fund	20,000
015-Risk Fund	300,000
018-Library Gift Fund	70,000
031-Technology Improvement Fund	845,000
032-Capital Equipment Replacement Fund	1,500,000
054-MPAC Fund	3,566
Total Other Funds	\$ 7,533,566

**BACKGROUND INFORMATION:**

- N/A

**FINANCIAL SUMMARY:**

- Total appropriation increases will be offset by overall forecasted revenue increases and decreases in other appropriated expenditures.

**BOARD OR COMMISSION RECOMMENDATION:**   None

**SUPPORTING MATERIALS:**

[Draft Ordinance](#)  
[FY17 Mid Year Requests](#)  
[Presentation](#)

**ORDINANCE NO. 2017-06-\_\_\_\_**

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF  
McKINNEY, TEXAS AUTHORIZING CERTAIN BUDGET AMENDMENT  
PERTAINING TO THE FISCAL YEAR 2016-2017 BUDGET; AND  
PROVIDING FOR AN EFFECTIVE DATE HEREOF**

**WHEREAS**, as required by the City Charter, the City Manager has prepared an amendment to certain appropriations and expenditures / expenses in the 2016-2017 Budget and submitted same to the City Council for its approval and a true and correct copy is attached.

**NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF  
McKINNEY, TEXAS, THAT:**

- Section 1. Pursuant to the City Charter requirements of the City of McKinney, Texas, a Budget Amendment pertaining to the Fiscal Year 2016–2017 Annual Budget is hereby authorized and approved.
- Section 2. The budget shall be amended by appropriating \$6,414,700 in the General fund to fund additional improvements, projects and increased contractual obligations.
- Section 3. The budget shall be amended by appropriating \$7,533,566 in various other funds to fund additional improvements, projects and increased contractual obligations.
- Section 4. This Ordinance shall become effective from and after its adoption and is so ordained.

**DULY PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF  
McKINNEY, TEXAS ON THE 20<sup>TH</sup> DAY OF JUNE, 2017.**

CITY OF McKINNEY, TEXAS

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GEORGE C. FULLER  
Mayor

CORRECTLY ENROLLED:

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SANDY HART, TRMC, MMC  
City Secretary  
DENISE VICE, TRMC  
Assistant City Secretary

DATE: \_\_\_\_\_

APPROVED AS TO FORM:

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MARK S. HOUSER  
City Attorney

SUMMARY

FUND	Total
Total General Fund	\$ 6,414,700
Other Funds	
003-Water Wastewater Fund	4,775,000
007-Solid Waste Fund	20,000
010-Hotel/Motel Fund	20,000
015-Risk Fund	300,000
018-Library Gift Fund	70,000
031-Technology Improvement Fund	845,000
032-Capital Equipment Replacement Fund	1,500,000
054-MPAC Fund	3,566
Total Other Funds	\$ 7,533,566

AMENDMENT # 71706					
FY2016-17 Mid-Year Budget Amendment					
Account No.	Project Number	Account Description	Current Budget (Project)	Proposed Budget (Project)	Increase/ (Decrease)
<b>Revenues</b>					
015-0000-385-1102		Departmental Charges	\$ -	\$ 300,000	\$ 300,000
032-0000-391-0100		Transfers In / General Fund	\$ -	\$ 1,500,000	\$ 1,500,000
<b>Expenditures</b>					
001-xxxx-xxx-xxxx		General Fund / Various Accounts	\$ -	\$ 6,414,700	\$ 6,414,700
003-xxxx-xxx-xxxx		Water Fund / Various Accounts	\$ -	\$ 4,775,000	\$ 4,775,000
007-4505-503-8516		Solid Waste / Professional Services	\$ -	\$ 20,000	\$ 20,000
010-9999-453-8560		Hotel Motel / Legal Fees	\$ -	\$ 20,000	\$ 20,000
015-2111-413-8552		Risk Fund / Property & Liability Claims	\$ -	\$ 300,000	\$ 300,000
018-8701-456-9204		Library Gift Fund / Motor Vehicles	\$ -	\$ 70,000	\$ 70,000
031-2119-416-9230		Tech Improvements / I.T. Projects	\$ -	\$ 845,000	\$ 845,000
032-xxxx-xxx-xxxx		Capital Replc Fund / Maintenance	\$ -	\$ 1,500,000	\$ 1,500,000
054-1270-453-8140		MPAC / Computer Hardware/Software	\$ -	\$ 3,566	\$ 3,566
<b>Net Effect on Fund Balance</b>					
Fund 001 - General Fund					\$ (6,414,700)
Fund 003 - Water Fund					\$ (4,775,000)
Fund 007 - Solid Waste Fund					\$ (20,000)
Fund 010 - Hotel/Motel Fund					\$ (20,000)
Fund 015 - Risk & Insurance Fund					\$ -
Fund 018 - Library Gift Fund					\$ (70,000)
Fund 031 - Technology Improvement Fund					\$ (845,000)
Fund 032 - Capital Equipment Replacement Fund					\$ -
Fund 054 - MPAC Fund					\$ (3,566)
Total Net Effect					\$ (12,148,266)

## FY2017 Mid-Year Budget Amendments

### GENERAL FUND

Department	Description of Budget Amendment	Amount	Account Number	Account Name
City Manager's Office	DCM Computer	1,800	001-1201-413-8140	Computer Hardware/Software
Municipal Court	e-Ticket Writers	26,000	001-1238-413-9230	Computer Hardware/Software
Development Services	ESRI ARC GIS Software	9,900	001-1240-413-8140	Computer Hardware/Software
Engineering	Plotter	21,000	001-4103-436-9230	Computer Hardware/Software
Police	Body Cameras	500,000	001-3119-423-8106	Minor Tools/Equipment
Facility Maintenance	Janitorial Contract	120,000	001-4117-433-8516	Professional Services
Non-Departmental	Columbus Realty (9 acre site)	3,936,000	001-9999-403-8660	Economic Incentive Payments (380 Agreements)
Non-Departmental	Transfer to Fund 15 - Property Claims	300,000	001-9999-403-8815	Transfer - Risk Fund
Non-Departmental	Transfer to Fund 32 - Parks & Streets Maintenance	1,500,000	001-9999-403-8832	Transfer - Capital Equipment Replacement Fund
<b>Total General Fund</b>		<b>6,414,700</b>		

### OTHER FUNDS

Fund/Department	Description of Budget Amendment	Amount	Account Number	Account Name
Water/Meter Services	New Meters	275,000	003-8134-503-8311	Meters/Meter Boxes
Water/Non-Departmental	Revenue Bond Interest	4,500,000	003-9999-503-8840	Transfer to Revenue Bond I&S Fund
Solid Waste Fund	Contract Waste Removal from Public Works	20,000	007-4505-503-8516	Professional Services
Hotel/Motel Fund	Legal Fees	20,000	010-9999-453-8560	Legal Fees
Risk Fund	Risk Fund - Property Claims	300,000	015-2111-413-8552	Property & Liability Claims
Library Gift Fund	Book Mobile	70,000	018-8701-456-9204	Motor Vehicles
Technology Improvement Fund	ERP - Consultant for RFP (IT1007)	125,000	031-2119-416-9230	I.T. Projects / Computer Hardware/Software
Technology Improvement Fund	Muni Court Software (IT1009)	640,000	031-2119-416-9230	I.T. Projects / Computer Hardware/Software
Technology Improvement Fund	Citywide Conference Room A/V Upgrade	80,000	031-2119-413-8140	Computer Hardware/Software
Capital Equipment Rplc Fund	Parks & Streets Maintenance	1,500,000	032-xxxx-xxx-xxxx	Parks & Streets Maintenance
MPAC	Thermal Printer	3,566	054-1270-453-8140	Computer Hardware/Software
<b>Total Other Funds</b>		<b>7,533,566</b>		

### SUMMARY

FUND	Total
<b>Total General Fund</b>	<b>\$ 6,414,700</b>
<b>Other Funds</b>	
003-Water Wastewater Fund	4,775,000
007-Solid Waste Fund	20,000
010-Hotel/Motel Fund	20,000
015-Risk Fund	300,000
018-Library Gift Fund	70,000
031-Technology Improvement Fund	845,000
032-Capital Equipment Replacement Fund	1,500,000
054-MPAC Fund	3,566
<b>Total Other Funds</b>	<b>\$ 7,533,566</b>

# 2016-17 Mid-Year Budget Update





# GENERAL FUND REVENUES



# Mid-Year Revenue Update

REVENUES	Revised Budget FY 16-17	YTD Actual 5/31/2017	% of Budget Collected
Taxes	92,007,655	85,897,710	93%
Franchise Fees	14,292,000	9,860,952	69%
Licenses & Permits	8,693,500	9,327,210	107%
Charges and Fines	6,982,800	3,491,588	50%
Other Revenues *	2,293,097	10,543,658	460%
Transfers	2,751,968	1,834,645	67%
<b>Total Revenues and Transfers</b>	<b>\$127,021,020</b>	<b>\$120,955,763</b>	<b>95%</b>

*\* Received lawsuit settlement funds (\$9M)*



# Mid-Year Revenue Update

## Significant Increases

- Delinquent Property Tax - \$155,000
- Sales Tax - \$750,000
- Time Warner Cable Franchise - \$100,000
- Water/Wastewater Franchise - \$300,000
- Building Permits-\$2,000,000
- Engineering Inspections-\$100,000
- Fire Plan Reviews - \$100,000
- Ambulance Service - \$100,000

**Net Increase in Revenue \$3,600,000**



# Mid-Year Revenue Update

## Other Notes

- Property Tax on target
- Sales Tax tracking above expectations
- Building Permits tracking above expectations
- We will be watching Sales Tax, Engineering Inspections, and Building Permits carefully
  - Large amounts
  - Indicators of local conditions and future growth



# GENERAL FUND EXPENDITURES



# Mid-Year Expenditure Update

<b>EXPENDITURES</b>	<b>Revised Budget FY 16-17</b>	<b>YTD Actual 5/31/2017</b>	<b>% of Budget Spent</b>
General Government	23,847,865	18,569,811	78%
Public Safety	58,966,096	36,828,010	62%
Development Services	10,896,342	6,354,846	58%
Public Works	11,995,391	6,639,102	55%
Parks and Library	12,586,136	7,808,372	62%
Transfers	10,382,113	9,006,965	87%
<b>Total Expenditures &amp; Transfers</b>	<b>\$128,673,943</b>	<b>\$85,207,106</b>	<b>66%</b>



# Mid-Year Expenditure Update

## Significant Changes

- Salary Savings - \$1,650,000
- Increased Water for Parks - \$165,000
- Increased Electric for Street Lights - \$150,000

**Net Decrease in Expenditures \$1,335,000**



# Mid-Year Expenditure Update

- Operating Contingency \$379,178 for FY17
- All Expenditures must be approved by City Managers Office
  - Capital Outlay - \$40,000
  - Maintenance - \$19,000
  - Computer Hardware/Software - \$27,500
  - Internship - \$6,500
  - New Office Lease - \$59,000





# Mid-Year Expenditure Update

## Proposed Appropriation Revisions

- Computer Hardware/Software - \$58,700
- Police Body Cameras - \$500,000
- Janitorial Contract Increase - \$120,000
  - Changed contractor
- Transfer to Capital Equipment Replacement/Facility Maintenance Fund
  - Parks / Street Maintenance - \$1,500,000
- Transfer to Risk Fund – Property Claims - \$300,000
- Columbus Realty (9 acre site) - \$3,936,000



# OTHER FUNDS



# Mid-Year Expenditure Update

## Proposed Appropriation Revisions

- Water/Wastewater
  - New Meters - \$275,000
  - Revenue Bond Interest - \$4,500,000
- Solid Waste Fund
  - Contract Waste Removal - \$20,000
- Hotel/Motel Fund
  - Collection Lawsuit - \$20,000
- Risk Fund
  - Property Claims - \$300,000



# Mid-Year Expenditure Update

## Proposed Appropriation Revisions (Cont.)

- Library Gift Fund
  - Book Mobile - \$70,000
- Technology Improvement Fund
  - ERP RFP Consultant - \$125,000
  - Municipal Court Software Project - \$640,000
  - Citywide Conference Room A/V Upgrade - \$80,000
- Capital Equipment Replacement Replacement/Facility Maint Fund
  - Parks / Street Maintenance - \$1,500,000
- MPAC
  - Thermal Printer - \$3,566



# FY18 PREVIEW



# General Fund Revenue Projections

- Conservative Estimates
- 10.6% Property Valuation Growth
  - 5.9% Existing Value
  - 4.6% New Growth
- 3.39% Sales Tax Growth over Year End FY17
- 3% Franchise Fee Growth
- Building Permit and Engineering Inspections increase
- Will refine over next 2 months



# Preliminary Taxable Valuation

- **2016 Total Certified Value - \$17.28 Billion**
- **Existing Valuation**
  - Preliminary Increase of 5.9% on Current Property
    - Aggregate estimate – further breakdown to come from CCAD by July 25<sup>th</sup>
- **New Construction**
  - Preliminary Addition of 4.6% in New Property
    - Total Preliminary Value of New Construction – \$793 Million
    - Aggregate estimate – further breakdown to come from CCAD by July 25<sup>th</sup>
- **2017 Average Homestead Market Value**
  - Preliminary Average of \$319,000



# New Sales Tax Projection Index

Composite Index of Local Economic Indicators	
Fed Median GDP Projection	10-Year Rolling Average
5-Year Rolling Average	10-Year Dallas Fed PCE
Average of Composite Index: 3.39%	





# General Fund Expenditure Projections

- 3% Merit Pool Increase
- 6%-7% Health Insurance Increase
  - Without plan change, could be 10%
- Continued funding of depreciation
- Funding of new office leases
  - 210 Tennessee & 115 Industrial
- Increased funding for various street projects
- Will address staffing needs
- Will refine over next 2 months



## Other Fund Projections

- 10% Increase of Water Costs from NTMWD to be passed through
- Water/Wastewater Rate Study Ongoing
  - Results in August/September
- All operations funds projected to be balanced



# Important Dates Ahead

- June 19<sup>th</sup> – 2017 Mid-Year Budget Update
- June 20<sup>th</sup> – 2017 Mid-Year Budget Amendment
- July 25<sup>th</sup> – Receive Certified Tax Roll
- July 31<sup>st</sup> – Tax Rate Record Vote
- ***August 4<sup>th</sup> – Budget Work Session***
- ***August 15<sup>th</sup> – 1<sup>st</sup> Public Hearing on Tax Rate***
- ***September 5<sup>th</sup>***
  - 1<sup>st</sup> Public Hearing on Budget
  - 2<sup>nd</sup> Public Hearing on Tax Rate
- ***September 19<sup>th</sup>***
  - 2<sup>nd</sup> Public Hearing on Budget & Final Budget Adoption
  - Ratification of Property Tax Revenue Increase
  - Tax Rate Adoption
  - Fee/Rate Change Adoption



# Questions





17-626

**TITLE:** Consider and Discuss the Development Fees for the McKinney Independent School District (MISD)

**COUNCIL GOAL:** Direction for Strategic and Economic Growth

**MEETING DATE:** June 19, 2017

**DEPARTMENT:** Development Services Division

**CONTACT:** Michael Quint, Executive Director of Development Services  
Barry Shelton, AICP, Assistant City Manager  
Paul Grimes, City Manager

**RECOMMENDED CITY COUNCIL ACTION:**

- Consider and discuss development fees for the McKinney Independent School District (MISD).

**ITEM SUMMARY:**

- Staff was recently approached by representatives from the McKinney Independent School District (MISD) with a request that development fees be waived for future school projects. These waived fees would include permit fees, application fees, and inspection fees. Impact fees are not paid by school districts.
- Staff is seeking direction from the City Council regarding if these fees should be waived and the mechanism in which to waive them if the fees are to be waived.
- If the City Council sees fit to do so, fees could be waived via a policy document and would apply to all school districts with boundaries in McKinney or an Interlocal Agreement could be executed with MISD or any other ISD seeking development fee waivers.

**SUPPORTING MATERIALS:**

[Presentation](#)

# MISD Development Fee Waivers

June 19, 2017 City Council Work Session



# Background

- Representatives of MISD recently approached the City Manager's Office with the request that all development fees for MISD projects be waived.
  - Development fees would include permit fees, application fees, and inspection fees
  - Impact fees are not collected from ISDs
- Over the last 5 years, McKinney has collected approximately \$550,000 in permit fees from MISD



# Requested City Council Direction

*Should development fees be waived?*

*If yes, then:*

- Should development fees be waived for all school districts via a policy document?

*OR*

- Should development fees be waived through an Interlocal Agreement with the requesting school district wherein the City can negotiate some benefit?







17-627

**TITLE:** Discuss Board and Commission Interview Committee and Liaison Assignments

**COUNCIL GOAL:** Operational Excellence

**MEETING DATE:** June 19, 2017

**DEPARTMENT:** City Council  
City Secretary

**CONTACT:** George Fuller, Mayor  
Sandy Hart, TRMC, MMC

**RECOMMENDED CITY COUNCIL ACTION:** Receive Mayor's Assignments

**ITEM SUMMARY:**

- The policy on Board and Commission Appointment and Eligibility that was amended on February 7, 2017, states:

"On or before June 30<sup>th</sup> of each year, the Mayor shall designate interview committees comprised of two (2) City Council members that will thereafter interview candidates for designated Boards or Commissions. The City Council shall set interview dates and times upon such designation. All Board and Commission interviews shall be held in an open public meeting with a posted agenda. Meeting agendas shall contain information stating that there may be a potential quorum of the City Council in attendance at each particular interview session, and any City Council member may attend; however such City Council members shall not participate as an interview committee member. A make-up interview meeting will be scheduled for any applicants that wish to attend and all City Council members may attend and participate in the interview meeting.

The Mayor shall establish liaison assignments consisting of two (2) City Council members for each of the following Boards or Commissions: MEDC, MCDC, MCVB, Main Street, McKinney Housing Authority, and Planning and Zoning. City Council liaison assignments shall be of varying length, as the Mayor shall determine, rotating in accordance with a matrix or other method determined by

the Mayor. “

- Mayor Fuller will present the liaison and interview committee assignments at the meeting.
- Candidate information will be provided to the Council during the week of July 10<sup>th</sup>.
- Board and Commission Interviews will be conducted beginning the week of July 17<sup>th</sup>.
- The scheduled date for Council consideration of committee recommendations will be at a Special Meeting to be held at 5:30 p.m. on August 28, 2017.

**SUPPORTING MATERIALS:**

[2017 Board and Commission Policy](#)

**RESOLUTION NO. 2017-02-028 (R)**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MCKINNEY, TEXAS, AMENDING ITS POLICY FOR BOARD AND COMMISSION MEMBER APPOINTMENTS AND ELIGIBILITY; AND PROVIDING FOR AN EFFECTIVE DATE**

**WHEREAS**, the City Council of the City of McKinney, Texas, appoints citizens to the various boards and commissions each year; and

**WHEREAS**, on September 20, 2016, the City Council by motion amended its policy regarding terms and maximum number of years of service; and

**WHEREAS**, the City Council of the City of McKinney, Texas, desires to make amendments to the formal policy relative to the appointment process and service on boards and commissions, and desires to incorporate amendments regarding the addition of a make-up interview session to be scheduled and further finds and determines that it is in the best interest of the City to amend its policy relative thereto.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MCKINNEY, TEXAS, AS FOLLOWS:**

Section 1. That the foregoing recitals are hereby found to be true and correct legislative findings of the City of McKinney, Texas, and are fully incorporated into the body of this resolution.

Section 2. That the City Council of the City of McKinney, Texas, does hereby amend the City of McKinney Policy on Board and Commission Member Appointment and Eligibility, a copy of which amended Policy is attached hereto as Exhibit A.

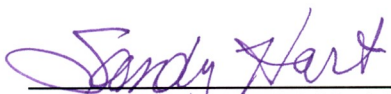
Section 3. That this Resolution shall become effective from and after its passage.

**DULY PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF MCKINNEY, TEXAS, ON THIS 7<sup>th</sup> DAY OF FEBRUARY, 2017.**

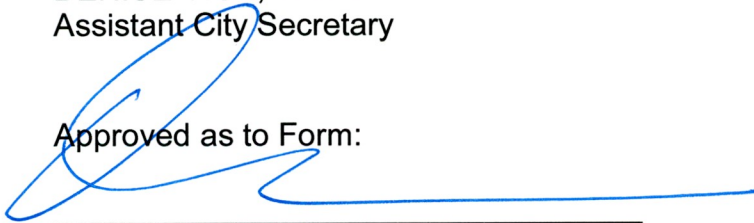
CITY OF MCKINNEY, TEXAS

  
BRIAN LOUGHMILLER  
Mayor

ATTEST:

  
SANDY HART, TRMC, MMC  
City Secretary  
DENISE VICE, TRMC  
Assistant City Secretary

Approved as to Form:

  
MARK S. HOUSER  
City Attorney



## EXHIBIT A

### **CITY OF MCKINNEY POLICY ON BOARD AND COMMISSION MEMBER APPOINTMENT AND ELIGIBILITY (Amended February 7, 2017)**

#### **I. Overview.**

The City Council is very interested in citizens serving as members of City of McKinney boards or commissions. Citizens can provide an invaluable service to the City of McKinney through board membership and participation. Board and commission members volunteer many hours annually, sharing their time and expertise, and learning more about the City through their membership. Boards and commissions are established to offer citizens an extraordinary opportunity to participate in the City's governmental affairs and influence public policy in many areas. The City has several boards, commissions and committees that endeavor to reflect the varied interests of our City's citizenry.

Some of the City's boards and commissions are required and established by state statute, while others result from provisions of the City of McKinney Home-Rule Charter or from local ordinances. Where discrepancies exist between individual board and commission bylaws and this policy, this policy shall apply, subject however to any superseding state law. A number of the bodies exercise legal authority in some aspect of City government. Although many boards and commissions are advisory only, their influence and value can be significant. They make recommendations on a wide range of topics that eventually come before the City Council.

#### **II. Appointment Process.**

City Council members shall actively recruit candidates for service on City boards and commissions. Recognizing the City has four City Council districts, the City Council will strive to have adequate representation from all geographic areas of the city in the overall appointment process. The City Council shall endeavor to appoint Board and Commission membership reflective of the City of McKinney's diversity of residents.

On or before June 30<sup>th</sup> of each year, the Mayor shall designate interview committees comprised of two (2) City Council members that will thereafter interview candidates for designated Boards or Commissions. The City Council shall set interview dates and times upon such designation. All Board and Commission interviews shall be held in an open public meeting with a posted agenda. Meeting agendas shall contain information stating that there may be a potential quorum of the City Council in attendance at each particular interview session, and any City Council member may attend; however such City Council members shall not participate as an interview committee member. A make-up interview meeting will be scheduled for any applicants that wish to attend and all City Council members may attend and participate in the interview meeting.

Council member interview committees are encouraged to confer upon and prepare a list of recommended nominees from the applicants/interviewees of their committees' respective Boards or Commissions. When there are sufficient numbers of qualified applicants, it is recommended that each interview committee propose to the entire City Council a nomination list of twice the number of openings on each particular board. After the interview process is complete for any or all Boards or Commissions, the entire City Council will consider the recommendations and nomination lists of the interview committees, as well as any other council member nominations for Eligible Applicants, during a posted public meeting in open session; however, the City Council may consider and confer upon any recommendation in a closed session under the Texas Open Meetings Act. The City Council shall make appointments through an "open preference procedure" wherein each City Council member's preferences are openly registered prior to the presiding officer's acceptance of any motion for approval of an



appointee(s) for an unfilled position(s). Council discussion regarding applicants during the preferencing process is limited to information contained on the applicant's application or resume. Orientation sessions for new board or commission members shall be held annually for new appointees.

The Mayor shall establish liaison assignments consisting of two (2) City Council members for each the following Boards or Commissions: MEDC, MCDC, MCVB, Main Street, McKinney Housing Authority, and Planning and Zoning. City Council liaison assignments shall be of varying length, as the Mayor shall determine, rotating in accordance with a matrix or other method determined by the Mayor.

The role of the liaisons is to attend meetings and report to the City Council any information related to action taken by the Board or Commission at said meeting. In the event the Board or Commission requests input from the City Council, the liaisons shall advise the Board or Commission that the City Council will be briefed on the issue and the position of the City Council will thereafter be relayed to the Board or Commission, by the liaisons or the entire City Council, as the case dictates. The liaisons shall use best efforts to not initiate communications during a Board or Commission meeting regarding a) his or her personal opinions regarding any issue before the Board or Commission; b) suggested actions to be taken by the Board or Commission; or c) opinions pertaining to actions previously or subsequently taken by the Board or Commission. The liaisons shall be responsible for communicating to the Board or Commission the position of the City Council only upon the City Council providing information or direction to the liaisons after the City Council has been fully-apprised of the issue. The liaisons shall also communicate to the Board or Commission any requests for information from the City Council and shall report back to the City Council the response to said requests based on the position of the entire Board or Commission and not of any single Board or Commission member.

Each Board or Commission having liaisons shall report in its respective minutes submitted for approval by the City Council any and all comments made by both Board or Commission members and City Council liaisons during any Board or Commission meeting.

All Board or Commission meetings shall be posted with a notice that a potential quorum of the Council may be attendance pursuant to Texas Open Meetings Act.

The provisions herein for communications between the Board or Commission members and the liaisons shall apply to all Council members attending a Board or Commission meeting.

### **III. Eligibility and Membership Criteria.**

- (a) Written Application/Eligible Applicant. A signed, current application is required for appointment for service on any board or commission. The City Council shall consider any person an "Eligible Applicant" who has satisfied the foregoing and the residency requirements of (b) below prior to being sworn-in to an appointive position on a board or commission. Applications are valid for one (1) year from receipt by the City Secretary's office. An Eligible Applicant may be appointed to any board or commission regardless of the applicant's stated preference; however, the City Council endeavors to duly consider the preferences of all applicants.
- (b) Residency. Unless the authorizing ordinance or law creating a Board or Commission specifically allows otherwise, all applicants and appointees must continuously reside within and be qualified voters of the City of McKinney, Texas. All applicants shall be responsible for establishing proof of residency to the City Secretary under this subsection, and the City Secretary shall make all determinations of residency hereunder. All applicants shall provide their voter registration number on the application, and all applicants and appointees shall be registered to vote in the City.



The City Secretary may request a current voter registration card as circumstances warrant. The residence address contained on an applicant's or appointee's voter registration or on a current voter registration card provided by an applicant to the City Secretary shall be determinative of residency. If a question of residency is presented to the City Secretary in writing, the affected board or commission member shall submit to the City Secretary any utility account statement in the name of the board or commission member for a residence address within the corporate limits along with a sworn statement (notary not required) that such residence address is the applicant's residence. The receipt of the foregoing by the City Secretary shall be conclusive proof of residency under this subsection. Board and commission members shall notify the City Secretary of any change in residency status at least two (2) weeks prior to such change. For board and commission positions which may be filled by non-residents, such applicants shall be qualified voters, registered to vote in the precinct in which they reside.

- (c) Term. All terms shall be one (1) year unless otherwise modified by the City Council, provided by State law, or ordinance. Notwithstanding the foregoing and subject to the provisions for immediate removal in (l) below, the City Council shall annually review the performance of all board and commission members during the Appointment Process. Subject to the provisions for immediate removal in (l) below, appropriate appointments and removals shall be considered in conjunction with such annual review.
- (d) Appointments. Appointments shall be made once a year, and are effective on October 1 unless the appointment is made for filling a vacancy in which case the appointment shall be for the remainder of the term filled.
- (e) Attendance. Subject to the provisions for immediate removal in (l) below, attendance shall be reviewed annually during the board appointment process. A board or commission member shall attend seventy-five percent (75%) of the board meetings to be considered for continuation of any current term and for reappointment to any subsequent term. Subject to the provisions for immediate removal in (l) below, failure to attend 75% of the meetings shall result in the board member not being reappointed by the City Council unless the City Council finds good cause for such reappointment based on special circumstances presented by the board member.
- (f) Alternate Member for Planning and Zoning Commission. The City Council shall appoint one (1) alternate member (the "Alternate") for the Planning and Zoning Commission. The Alternate shall serve in the place of a seated member only in the physical absence (i.e. not due to conflict or abstention) of a seated member. The Alternate is encouraged to attend all meetings; however, the Alternate shall not participate as a member in the deliberations (open session) or discussions (closed session) of the Planning and Zoning Commission unless he or she is sitting for an absent, seated member. The Alternate may participate during those portions of meetings when the public at large may participate. The Alternate shall serve for the same term length as seated members. Service of Alternate shall not count against any term limits under (g) below. Any Alternate appointed to any board or commission prior to August 3, 2015 shall continue to serve until September 30, 2016.
- (g) Term Limits. Effective for new members appointed in 2013 and in subsequent years, the limit for consecutive service on a board or commission is six (6) years. Members reappointed in 2013 or appointed prior to 2013, shall be limited to four years, regardless of term length.
- (h) Multiple Service. Board and commission members shall not serve concurrently on more than one board or commission.



- (j) Spousal Service and Nomination/Voting Procedures. Spouses may serve concurrently on separate boards or commissions; however no concurrent spousal service shall be permitted on any combination of the following boards and commissions: McKinney Economic Development Corporation, McKinney Community Development Corporation, Main Street Board, McKinney Housing Finance Corporation, and McKinney Convention and Visitors Bureau. Spouses may serve concurrently on any separate board or commission not listed herein. City Council members shall not knowingly participate in voting for or appointing any relative within the second degree of consanguinity or affinity to any board or commission<sup>1</sup>. In the event a relative of a City Council member is recommended for a board or commission position at the time of preferencing, the City Council member who is related shall step down from the vote for such board appointments. City Council members shall not knowingly nominate, appoint or vote to nominate or appoint any person who is a member or employee, whether compensated or non-compensated, of a business entity of which the City Council member is also a member or employee. "Business Entity" shall mean a sole proprietorship, partnership, limited partnership, firm, corporation, limited liability company, holding company, joint-stock company, receivership, trust, unincorporated association, or any other business entity recognized by law. Applicants shall disclose on the application any membership or employee status in a business entity involving the applicant and a City Council member.
- (k) Commitment. Board and commission members shall support the annual goals of the City of McKinney.
- (l) Removal. Notwithstanding any provision of Section III (a)-(m), the City Council may remove any board or commission member at any time, with or without cause, including but not limited to the failure to attend seventy-five percent (75%) of board meetings. Failure to adhere to any of the policies contained this Section III or in Section IV below may subject the member to immediate removal by the City Council.
- (m) Resignation Upon Filing for Elective Office. Any appointed member of any board or commission who files for any City Council, Independent School Board (located within the city limits) or Collin County elective office other than that which he or she is holding at the time of filing for elective office, shall resign from his or her appointive position concurrently with the filing for such elective office. If the board or commission member fails to resign, the appointive position shall be automatically vacated by the member as of the date of filing for elective office.

#### IV. Practices

- a) Disclosure of Vendor Relationships. All members of any board or commission shall complete the required annual disclosures under Texas Local Government Code Chapter 176 whenever they contract with or are otherwise doing business with the City under applicable sections of this state law.
- b) Disclosure of interests. A City Council member or a board or commission appointee shall not participate or vote on a matter involving any entity on whose board the City Council member or appointee serves in any capacity or for which he/she is employed.

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<sup>1</sup> Second Degree of Consanguinity and Affinity relatives: mother, father, son, daughter, brother, sister, grandmother, grandfather, grandson, granddaughter, husband, wife, father-in-law, mother-in-law, son-in-law, daughter-in-law, stepson, stepdaughter, sister-in-law, brother-in-law, spouse's grandmother, spouse's grandfather, spouse's granddaughter, spouse's grandson.



- c) Appointed board or commission members appearing before any board or commission. Board or commission members may not appear on behalf of a business, client, or other private or public interest before any City board or commission, save and except for an appearance concerning a business or property owned in whole or in part by such member, where approval by said board or commission is required for action by the business, client, private or public interest during their term on such board or commission.
- d) Appointed board or commission members doing business with the City. A board or commission member is prohibited from contracting or otherwise doing business with any board or commission during the member's term on any board or commission.
- e) Appointed board or commission member using board position status in public forum. Except while acting in a meeting on his/her appointed board or commission, a board or commission member shall not use his/her board title or position in communicating opinions or issues in a public forum, either written or oral. The purpose of this provision is to avoid confusion regarding the attribution of the member's statements, whether intended or not, to the member's board or to the City of McKinney. Upon receipt of notice of any member's communication contrary to this subsection, the City Manager shall place an item on the next available City Council agenda for consideration of removal of such member.

**V. Official Notification.**

- (a) A letter of appointment shall be sent to each member appointed to a board or commission.
- (b) A letter of gratitude shall be sent to each retiring member.