

CITY COUNCIL REGULAR MEETING

AUGUST 15, 2023

The City Council of the City of McKinney, Texas met in regular session in the City Hall Council Chambers, 222 N. Tennessee Street, McKinney, Texas, on Tuesday, August 15, 2023 at 6:00 p.m.

The meeting was broadcast live on cable television Spectrum Channel 16 and AT&T U-Verse Channel 99; and online at <https://mckinneytx.new.swagit.com/views/130>. A video recording of the meeting is available to members of the public through the City of McKinney meeting archive.

Mayor George C. Fuller called the meeting to order at 6:00 p.m. upon determining a quorum consisting of himself and the following City Council members were present: Mayor Pro Tem Charlie Philips, and Council members Justin Beller, Patrick Cloutier, Geré Feltus, Rick Franklin, and Michael Jones.

These city staff were present: City Manager Paul Grimes, Assistant City Manager Kim Flom, Assistant City Manager Barry Shelton, Assistant City Manager Steve Tilton, City Attorney Mark Houser, City Secretary Empress Drane, Deputy City Secretary Tenitrus Bethel, Director of Strategic Services Trevor Minyard, Director of Organizational Development & Performance Management Joe Mazzola, Director of Public Safety Greg Conley, Director of Public Works Ryan Gillingham, Assistant Director of Public Works Paul Sparkman, Environmental Services Manager Eric Hopes, Police Sergeant Tony Spano, Information Technology Service Technician Matt Record, Development Review Planning Manager Caitlin Strickland, Chief Financial Officer Mark Holloway, and Director of Engineering Gary Graham.

There were approximately forty-five (45) members of the public in the audience including these city boards and commissions members: Capital Improvement Advisory Committee (CIAC) member Steve Wilson, McKinney Economic Development Corporation (MEDC) member Mohammed Kacem, and McKinney Housing Authority member Ada Simmons.

Mayor Fuller called for the Invocation given by Greg Conley, followed by the group recital of the Pledge of Allegiance.

Mayor Fuller called for Public Comments.

Steve Berry, 7138 S Airport Dr, McKinney TX 75069, spoke regarding agenda item #23-0668 (Collection of Solid Waste and Recycling)

Bernistine Williams, 6551 McKinney Ranch #3405, McKinney TX 75070, spoke regarding affordable housing needs within the city.

Benet Embry, 7905 Boulder River Trl, McKinney TX 75070, requested the use of a city Emergency vehicle for his filming project in the city.

Mayor Fuller called for the Consent Agenda.

Council unanimously approved the motion by Mayor Pro Tem Charlie Philips, seconded by Council member Geré Feltus, approve the Consent Agenda as follows:

- 23-0655** Minutes of the City Council Work Session of June 20, 2023
- 23-0656** Minutes of the City Council Regular Meeting of June 20, 2023
- 23-0657** Minutes of the Work Session of July 18, 2023
- 23-0658** Minutes of the Regular Meeting of July 18, 2023
- 23-0659** Minutes of the City Council Work Session of August 1, 2023
- 23-0570** Minutes of the Library Advisory Board Meeting of June 15, 2023
- TMP23-0582** Minutes of the McKinney Community Development Corporation Meeting of June 22, 2023
- 23-0632** Minutes of the Planning and Zoning Commission Regular Meeting of July 25, 2023
- 23-0660** Consider/Discuss/Act on an Ordinance Amending Chapter 110 "Utilities" of the Code of Ordinances to Establish Water and Wastewater Design Standards and Require Permitting for All Extensions of the City of McKinney Water and Wastewater Systems

Ordinance caption reads as follows:

ORDINANCE NO. 2023-08-051

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MCKINNEY, TEXAS, AMENDING CHAPTER 110, ENTITLED "UTILITIES," OF THE CODE OF ORDINANCES OF THE CITY OF MCKINNEY, TEXAS, THROUGH THE AMENDMENT OF EXISTING ARTICLE I, ENTITLED "IN GENERAL," BY AMENDING SECTION 110-1, THROUGH THE AMENDMENT OF EXISTING ARTICLE II, ENTITLED "WATER AND SEWER CONNECTIONS," BY AMENDING SECTIONS 110-21, 110-22, 110-23, AND 110-51 AS SET FORTH HEREIN BELOW; REPEALING ALL CONFLICTING ORDINANCES; RESERVING ALL EXISTING RIGHTS AND REMEDIES; PROVIDING FOR IMMUNITY; PROVIDING FOR INJUNCTIONS;

PROVIDING A PENALTY; PROVIDING FOR THE PUBLICATION OF THE CAPTION OF THIS ORDINANCE; AND PROVIDING FOR AN EFFECTIVE DATE

23-0661 Consider/Discuss/Act on a Resolution Approving Qualified Firms to Provide On Call Capital Project Grant Support Services, and Authorizing the City Manager to Execute Agreements for Professional Services

Resolution caption reads as follows:

RESOLUTION NO. 2023-08-102 (R)

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MCKINNEY, TEXAS, APPROVING QUALIFIED FIRMS TO PROVIDE ON CALL CAPITAL PROJECT GRANT SUPPORT SERVICES AND AUTHORIZING THE CITY MANAGER TO EXECUTE AGREEMENTS FOR PROFESSIONAL SERVICES

23-0662 Consider/Discuss/Act on a Resolution Authorizing the City Manager to Execute a Contract with Circle Health Partners, Inc. dba Circle Wellness, Inc. for Employee Wellness Program Services

Resolution caption reads as follows:

RESOLUTION NO. 2023-08-103 (R)

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MCKINNEY, TEXAS, AUTHORIZING THE CITY MANAGER TO EXECUTE A CONTRACT WITH CIRCLE HEALTH PARTNERS, INC. DBA CIRCLE WELLNESS, INC. FOR EMPLOYEE WELLNESS PROGRAM SERVICES

23-0663 Consider/Discuss/Act on a Resolution of the City Council of the City of McKinney, Texas, Approving a Negotiated Settlement Between the Atmos Cities Steering Committee ("ACSC") and Atmos Energy Corp., Mid-Tex Division Regarding the Company's 2023 Rate Review Mechanism Filing; Declaring Existing Rates to Be Unreasonable; Adopting Tariffs That Reflect Rate Adjustments Consistent With the Negotiated Settlement; Finding the Rates to Be Set by the Attached Settlement Tariffs to Be Just and Reasonable and in the Public Interest; Approving an Attachment Establishing a Benchmark for Pensions and Retiree Medical Benefits; Requiring the Company to Reimburse ACSC's Reasonable Ratemaking Expenses; Determining That This Resolution Was Passed in Accordance With the Requirements of the Texas Open Meetings Act; Adopting a Savings Clause; Declaring an Effective Date; and Requiring Delivery of This Resolution to the Company and the ACSC's Legal Counsel

Resolution caption reads as follows:

RESOLUTION NO. 2023-08-104 (R)

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MCKINNEY, TEXAS, APPROVING A NEGOTIATED SETTLEMENT BETWEEN THE ATMOS CITIES STEERING COMMITTEE (“ACSC”) AND ATMOS ENERGY CORP., MID-TEX DIVISION REGARDING THE COMPANY’S 2023 RATE REVIEW MECHANISM FILING; DECLARING EXISTING RATES TO BE UNREASONABLE; ADOPTING TARIFFS THAT REFLECT RATE ADJUSTMENTS CONSISTENT WITH THE NEGOTIATED SETTLEMENT; FINDING THE RATES TO BE SET BY THE ATTACHED SETTLEMENT TARIFFS TO BE JUST AND REASONABLE AND IN THE PUBLIC INTEREST; APPROVING AN ATTACHMENT ESTABLISHING A BENCHMARK FOR PENSIONS AND RETIREE MEDICAL BENEFITS; REQUIRING THE COMPANY TO REIMBURSE ACSC’S REASONABLE RATEMAKING EXPENSES; DETERMINING THAT THIS RESOLUTION WAS PASSED IN ACCORDANCE WITH THE REQUIREMENTS OF THE TEXAS OPEN MEETINGS ACT; ADOPTING A SAVINGS CLAUSE; DECLARING AN EFFECTIVE DATE; AND REQUIRING DELIVERY OF THIS RESOLUTION TO THE COMPANY AND THE ACSC’S LEGAL COUNSEL

23-0664 Consider/Discuss/Act on a Resolution of the City of McKinney, Texas Suspending the September 1, 2023 Effective Date of CoServ Gas, Ltd.'s Requested Rate Change to Permit the City Time to Study the Request and to Establish Reasonable Rates; Approving Cooperation With Other Cities in the CoServ Service Area, to Hire Legal and Consulting Services and to Negotiate With the Company and Direct Any Necessary Litigation and Appeals; Requiring Reimbursement of the Steering Committee of Cities Served by CoServ Gas' Rate Case Expenses; Finding That the Meeting at Which This Resolution Is Passed Is Open to the Public as Required by Law; Requiring Notice of This Resolution to the Company and Legal Counsel.

Resolution caption reads as follows:

RESOLUTION NO. 2023-08-105 (R)

RESOLUTION OF THE CITY OF MCKINNEY, TEXAS SUSPENDING THE SEPTEMBER 1, 2023 EFFECTIVE DATE OF COSERV GAS, LTD.’S REQUESTED RATE CHANGE TO PERMIT THE CITY TIME TO STUDY THE REQUEST AND TO ESTABLISH REASONABLE RATES; APPROVING COOPERATION WITH OTHER CITIES IN THE COSERV SERVICE AREA, TO HIRE LEGAL AND CONSULTING SERVICES AND TO NEGOTIATE WITH THE COMPANY AND DIRECT ANY NECESSARY LITIGATION AND APPEALS; REQUIRING REIMBURSEMENT OF THE STEERING COMMITTEE OF CITIES SERVED BY COSERV GAS’ RATE CASE EXPENSES; FINDING THAT THE MEETING AT WHICH THIS RESOLUTION IS PASSED IS OPEN TO THE PUBLIC AS REQUIRED BY LAW; REQUIRING NOTICE OF THIS RESOLUTION TO THE COMPANY AND LEGAL COUNSEL

23-0665 Consider/Discuss/Act on A Resolution of the City of McKinney, Texas

Finding That Oncor Electric Delivery Company LLC's Application to Amend Its Distribution Cost Recovery Factor and Update Generation Riders to Increase Distribution Rates Within the City Should Be Denied; Authorizing Participation With the Steering Committee of Cities Served by Oncor; Authorizing Hiring of Legal Counsel; Finding That the City's Reasonable Rate Case Expenses Shall Be Reimbursed by the Company; Finding That the Meeting at Which This Resolution Is Passed Is Open to the Public as Required by Law; Requiring Notice of This Resolution to the Company and Legal Counsel

Resolution caption reads as follows:

RESOLUTION NO. 2023-08-106 (R)

A RESOLUTION OF THE CITY OF MCKINNEY, TEXAS FINDING THAT ONCOR ELECTRIC DELIVERY COMPANY LLC'S APPLICATION TO AMEND ITS DISTRIBUTION COST RECOVERY FACTOR AND UPDATE GENERATION RIDERS TO INCREASE DISTRIBUTION RATES WITHIN THE CITY SHOULD BE DENIED; AUTHORIZING PARTICIPATION WITH THE STEERING COMMITTEE OF CITIES SERVED BY ONCOR; AUTHORIZING HIRING OF LEGAL COUNSEL; FINDING THAT THE CITY'S REASONABLE RATE CASE EXPENSES SHALL BE REIMBURSED BY THE COMPANY; FINDING THAT THE MEETING AT WHICH THIS RESOLUTION IS PASSED IS OPEN TO THE PUBLIC AS REQUIRED BY LAW; REQUIRING NOTICE OF THIS RESOLUTION TO THE COMPANY AND LEGAL COUNSEL

Mayor Fuller called for Plat Consideration under Chapter 212 of the Texas Local Government Code:

23-0150PP Consider/Discuss/Act on a Preliminary Plat for Pecan Hill, Located approximately 1,200 Feet South of Fieldcrest Drive and on the West Side of Lake Forest Drive

Council unanimously approved the motion by Council member Geré Feltus, seconded by Council member Michael Jones, to approve the preliminary plat with conditions as recommended in the staff report.

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

23-0666 Citizen Input on the FY 2023-24 Budget

There were no requests to make Citizen Comments and no action taken by the Council regarding the item.

23-0667 Consider/Discuss/Act on Adoption of a Resolution Determining a Public

Necessity to Acquire Property Easement Rights for Public Use by Eminent Domain for a Temporary Construction Easement associated with the SH 5 Utility Relocation Project (WA1633 & WW1633) which Property is Located at the Southeast Corner of State Highway 5 and McMakin Street and Authorizing the City Manager to Establish Procedures for Acquiring the Easement on Said Property, and Take All Steps Necessary to Acquire the Needed Property Rights in Compliance with all Applicable Laws and Resolutions

Council unanimously approved by roll call vote the motion by Mayor Pro Tem Charlie Philips, seconded by Council member Patrick Cloutier, "that the City of McKinney, Texas, City Council approve this item as written and adopt the Resolution described in this agenda item and authorize the use of the power of eminent domain to acquire for public use all necessary property interests from Chun H. Lam, identified as owner of record by the Collin Central Appraisal District, and any other persons or entities claiming an interest to the property depicted on and described by metes and bounds attached to said Resolution, said depictions and descriptions being incorporated in their entirety into this motion for all purposes including the construction, access and maintenance of infrastructure improvements on State Highway 5 at its intersection with McMakin Street associated with the SH 5 Utility Relocation Project (WA1633 & WW1633)."

The roll call conducted by City Secretary Empress Drane resulted as follows:

Mayor George Fuller..... YES
Mayor Pro Tem Charlie Philips..... YES
Council Member Justin Beller..... YES
Council Member Patrick Cloutier YES
Council Member Geré Feltus..... YES
Council Member Rick Franklin..... YES
Council Member Michael Jones..... YES

Resolution caption reads as follows:

RESOLUTION NO. 2023-08-107 (R)

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MCKINNEY, TEXAS, DETERMINING A PUBLIC NECESSITY TO ACQUIRE PROPERTY EASEMENT RIGHTS FOR PUBLIC USE BY EMINENT DOMAIN FOR A TEMPORARY CONSTRUCTION EASEMENT ASSOCIATED WITH THE SH 5 UTILITY RELOCATION PROJECT (WA1633 & WW1633); AUTHORIZING THE CITY MANAGER TO ESTABLISH PROCEDURES FOR ACQUIRING SAID EASEMENT, AND TAKE ALL STEPS NECESSARY TO ACQUIRE THE NEEDED PROPERTY RIGHTS IN COMPLIANCE WITH ALL APPLICABLE LAWS AND RESOLUTIONS

23-0668 Consider/Discuss/Act on a Resolution Authorizing the City Manager to Execute a Contract with Frontier Texas Ventures I, LLC dba Frontier Waste Solutions for the Collection of Solid Waste and Recycling

Council unanimously approved the motion by Council member Patrick Cloutier, seconded by Council member Geré Feltus, to approve a resolution with the caption reading as follows:

RESOLUTION NO. 2023-08-108 (R)

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MCKINNEY, TEXAS, AUTHORIZING THE CITY MANAGER TO EXECUTE A CONTRACT WITH FRONTIER TEXAS VENTURES 1, LLC, DBA FRONTIER WASTE SOLUTIONS, OF DALLAS, TEXAS FOR SOLID WASTE AND RECYCLING COLLECTION SERVICES

23-0669 Consider/Discuss/Act on a Resolution Authorizing the City Manager to Execute a Contract with Balcones Recycling Dallas, LLC for Recycling Processing Services

Council unanimously approved the motion by Council member Geré Feltus, seconded by Council member Michael Jones, to approve a resolution with the caption reading as follows:

RESOLUTION NO. 2023-08-109 (R)

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MCKINNEY, TEXAS, AUTHORIZING THE CITY MANAGER TO EXECUTE A CONTRACT WITH BACLONES RECYCLING DALLAS, LLC OF AUSTIN, TEXAS FOR RECYCLING PROCESSING SERVICES

The presentation related to both items 23-0668 and 23-0669 not included on the meeting agenda is included in these minutes as *Appendix A: Solid Waste & Recycling Collection and Processing Services*.

23-0001SUP6 Conduct a Public Hearing to Consider/Discuss/Act on a Specific Use Permit Request to Allow for a Utility Substation (Oncor Bloomdale Switch Station), Located Approximately 1,300 Feet East of U.S. 75 and North of Shawnee Drive, and Accompanying Ordinance

Planning Manager Caitlyn Strickland stated though staff recommended approval, the Planning & Zoning recommended denial of the request on May 23, 2023. Subsequently, Council approval of the item requires a super majority (six of seven) affirmative vote.

The applicant was present but did not make comments.

Sam Striker, 1020 Evers Drive, McKinney TX 75071, spoke in opposition to the Specific Use Permit request.

Council unanimously approved the motion by Mayor Pro Tem Charlie Philips, seconded by Council member Rick Franklin, to close the public hearing and approve the request, ordinance caption reading as follows:

ORDINANCE NO. 2023-08-052

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MCKINNEY, TEXAS, AMENDING THE ZONING MAP OF THE CITY OF MCKINNEY, TEXAS; PROVIDING FOR A SPECIFIC USE PERMIT FOR A UTILITY SUBSTATION (ONCOR BLOOMDALE SWITCH STATION), LOCATED APPROXIMATELY 1,300 FEET EAST OF U.S. HIGHWAY 75 (CENTRAL EXPRESSWAY) AND NORTH OF SHAWNEE DRIVE; PROVIDING REGULATIONS; PROVIDING FOR SEVERABILITY; PROVIDING FOR INJUNCTIVE RELIEF, PROVIDING FOR NO VESTED INTEREST; PROVIDING FOR THE PUBLICATION OF THE CAPTION OF THIS ORDINANCE; PROVIDING FOR A PENALTY FOR THE VIOLATION OF THIS ORDINANCE; AND PROVIDING FOR AN EFFECTIVE DATE HEREOF

Following various Council and Manager comments on matters of public interest the Council unanimously approved the motion by Council member Geré Feltus, seconded by Mayor Pro Tem Charlie Philips, to adjourn the meeting at 7:12 p.m.

The ordinance captions approved in this meeting were scheduled for publication in the Sunday, August 20, 2023, edition of the McKinney Courier-Gazette newspaper and the Monday, August 21, 2023, edition of the Celina Record newspaper.

These minutes were approved by the City Council on February 6, 2024.

SIGNED:

GEORGE C. FULLER, Mayor
CHARLIE PHILIPS, Mayor Pro Tem

ATTEST:

EMPRESS DRANE, City Secretary
TENITRUS BETHEL, Deputy City Secretary

City of McKinney, Texas

Refuse & Recycling Agreement Update

City Council Meeting
August 15, 2023

Agenda

- Review of previous City Council Discussion
- RFP Scoring Criteria
- Financial Analysis
- RFP Final Scoring
- Negotiation & Due Diligence Update
- Contract Highlights
- Questions & Discussion

Previous City Council Discussion

- Exclusive Negotiation Right for Frontier (Refuse) & Balcones (Recycling) Approved at 5/23/2023 City Council Special Meeting
- RFP Bids are good through August 15th
- Staff Requested to Complete Due Diligence

RFP Scoring Criteria

SCORING CRITERIA	POINTS
Minimum RFP Requirements	10 Points
Experience & Qualifications	10 Points
Proposed Approach	15 Points
Deviation & Compliance	5 Points
Financial & Litigation History	5 Points
Cost of Collection/Processing	55 Points
Total: 100 Points	

Financial Analysis

Service	Frontier	Republic	Waste Connections	Balcones (15-Year)	Balcones (7-Year)
	Collection Only	Collection & Processing		Processing Only	
Annual Cost					
Collection					
Residential	\$7,510,652	\$11,143,919	\$9,656,202	N/A	N/A
Commercial	\$6,660,722	\$9,424,837	\$7,422,280	N/A	N/A
Collection Total¹	\$14,171,374	\$20,568,756	\$17,078,483	N/A	N/A
Rank	1	3	2	N/A	N/A
Points (Maximum 55)	55.0	37.9	45.6	N/A	N/A
Processing Total²					
Rank	N/A	3	4	1	2
Points (Maximum 55)	N/A	45.7	41.9	55.0	52.9

- Includes downtown business district under commercial collection. Excludes residential and commercial cart purchase.
- Assumes low commodity price scenario (\$54 revenue per ton of recycling).

Collection Services

		Total
1	Frontier Waste Solutions	90.2
2	Waste Connections of Texas	82.8
3	Republic Services	76.1

RFP Final Scoring

Recycling Processing

		Total
1	Balcones Recycling, Inc.	94.8
2	Republic Services	85.7
3	Waste Connections of Texas	77.9

Negotiation & Due Diligence Update

- Staff and City Attorney's Office have successfully completed negotiation sessions
- Completed due diligence trips to Pearland, Tx (Frontier) and Austin, Tx (Balcones) on June 22nd and 23rd
- Financial review completed

Contract Highlights

- Service starts October 1, 2024 for both contracts
- Contract Term
 - Balcones: 15-year initial term & two (2) optional terms of five (5) years
 - Frontier: Seven (7) year initial term & optional renewal options of eight (8), five (5) & five (5) years
 - Both contracts have maximum total potential of 25 years
- Annual refuse cost escalators tied to Consumer Price Index (CPI) Garbage & Trash Collection but may not exceed five (5) percent per year
- Detailed transition plans for both contracts

Questions & Discussion