

CITY COUNCIL REGULAR MEETING

SEPTEMBER 3, 2013

The City Council of the City of McKinney, Texas met in regular session in the Council Chambers of the Municipal Building on September 3, 2013 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: City Manager Jason Gray; Deputy City Manager Jose Madrigal; City Attorney Mark Houser; City Secretary Sandy Hart; Chief Financial Officer Rodney Rhoades; Executive Director of Development Services Barry Shelton; Director of Planning Michael Quint; McKinney Economic Development Corporation President Jim Wehmeier; Chief of Police Joe Williams; Fire Chief Danny Kistner; Assistant Fire Chief Neil Howard; Assistant Director of Engineering Michael Hebert; Assistant to the City Manager Darrek Ferrell; McKinney Community Development Corporation Director Cindy Schneible; Transportation Engineering Manager Gary Graham; Airport Executive Director Ken Wiegand; Human Resources Director Tadd Phillips; CIP Manager Matt Richardson; Police Officer Vince Roberts; and Communications and Marketing - CoCo Good and Anna Clark.

There were 30 guests present.

Mayor Loughmiller called the meeting to order at 6:05 p.m. after determining a quorum was present. Invocation was given by Pastor Rock Carpenter of Living Hope Church. Mayor Loughmiller led the Pledge of Allegiance.

Mayor Loughmiller called for Citizen Comments

Ms. Virginia Griggs, 10205 Old Eagle Rim, McKinney, spoke about the lack of utility service at her new subdivision.

Ms. Juanita Horne, 3400 Craig Drive #1827, McKinney, spoke about financing of school education.

Mr. Jeremiah Hammer, 502 N. College Street, McKinney, spoke about agenda item 13-902 regarding the purchase of the assets at the Collin County Regional Airport.

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

- 13-889** Minutes of the City Council Work Session of August 19, 2013
- 13-890** Minutes of the City Council Regular Meeting of August 20, 2013
- 13-891** Minutes of the City Council Special Meeting of August 26, 2013
- 13-832** Minutes of the Library Advisory Board Meeting of June 20, 2013
- 13-796** Minutes of the Planning and Zoning Commission Regular Meeting of July 23, 2013
- 13-798** Minutes of the Reinvestment Zone Number One Meeting of June 18, 2013
- 13-805** Minutes of the Reinvestment Zone Number Two Meeting of March 19, 2013
- 13-895** Consider/Discuss/Act on a Resolution Authorizing the City Manager to Execute an Interlocal Agreement with Collin County for Funding for the FM 543 Realignment at US 75. Caption reads as follows:

RESOLUTION NO. 2013-09-142 (R)

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
McKINNEY, TEXAS, AUTHORIZING THE CITY MANAGER TO
EXECUTE AN INTERLOCAL AGREEMENT WITH COLLIN
COUNTY FOR FUNDING THE FM 543 REALIGNMENT AT US 75

END OF CONSENT

- 13-892** Mayor Loughmiller called for Consideration/Discussion/Action on an Ordinance Designating Three-Hour Parking for the Spaces along Virginia Street between Johnson Street and SH 5 and between Church Street and Wood Street and Along Louisiana Street from Church Street to Wood Street and Along Kentucky Street between Cloyd Street and Davis Street and the Removal of Loading Zones on Virginia Street East of Tennessee Street and on Kentucky Street North of Virginia Street. Transportation Engineer Manager Gary Graham stated that this item is to extend the three hour parking restrictions and remove several loading zones. He stated that the reason this was brought forward is because of the construction along Virginia Street and with the construction that will start

on Kentucky Street early next year. He stated that staff met with business owners as well as Main Street Director Ty Lake to see what was needed to support the businesses. Mr. Graham stated that they received unanimous support from the property owners to remove the loading zones and extend the parking spaces. Council unanimously approved the motion by Council member Pogue, seconded by Council member Kever, to approve an Ordinance designating three-Hour Parking for the spaces along Virginia Street between Johnson Street and SH 5 and between Church Street and Wood Street and along Louisiana Street from Church Street to Wood Street and along Kentucky Street between Cloyd Street and Davis Street and the removal of Loading Zones on Virginia Street east of Tennessee Street and on Kentucky Street north of Virginia Street. Caption reads as follows:

ORDINANCE NO. 2013-09-080

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MCKINNEY, TEXAS DESIGNATING THREE-HOUR PARKING FOR THE SPACES ALONG VIRGINIA STREET BETWEEN JOHNSON STREET AND SH 5 AND BETWEEN CHURCH STREET AND WOOD STREET AND ALONG LOUISIANA STREET FROM CHURCH STREET TO WOOD STREET AND ALONG KENTUCKY STREET BETWEEN CLOYD STREET AND DAVIS STREET AND THE REMOVAL OF LOADING ZONES ON VIRGINIA STREET EAST OF TENNESSEE STREET

- 13-893** Mayor Loughmiller called for Consideration/Discussion/Action on an Ordinance Amending the Fiscal Year 2012 - 2013 Annual Budget and Amending the 2013-2017 Capital Improvements Program, to Provide Funds for the Median Landscape and Irrigation of Medians along Virginia Parkway between Aero Country Road and Peregrine Drive, Lake Forest Drive between Virginia Parkway and Wilmeth Road and Hardin Boulevard between Eldorado Parkway and McKinney Ranch Parkway. Executive Director of Development Services Barry Shelton stated that this is a transfer of funds from a revenue account to a Capital Improvement Project (CIP) account to allow the use for median landscaping. Mr. Shelton stated that as development occurs along a

median, developers have the option of either landscaping the medians to the standards of the subdivision ordinance or paying a fee in lieu of that construction. Mr. Shelton stated that the city's landscape architect has taken a couple of actions to look for a more coordinated effort in prioritizing landscaping of medians and they don't want to landscape the median until it is constructed on both sides. Council member Pogue commented that the landscaping on Eldorado and Stonebridge prohibited the expansion of lanes from 2 to 3 in each direction because of the way the prior plantings occurred. He requested that these be put in a specific location to allow for future expansion so that those lanes can be expanded in the future. Council unanimously approved the motion by Council member Kever, seconded by Council member Pogue, to approve an Ordinance amending the Fiscal Year 2012 - 2013 Annual Budget and amending the 2013-2017 Capital Improvements Program, to provide funds for landscaping and irrigation of medians along Virginia Parkway between Aero Country Road and Peregrine Drive, Lake Forest Drive between Virginia Parkway and Wilmeth Road and Hardin Boulevard between Eldorado Parkway and McKinney Ranch Parkway. Caption reads as follows:

ORDINANCE NO. 2013-09-081

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MCKINNEY, TEXAS AUTHORIZING CERTAIN BUDGET AMENDMENTS PERTAINING TO THE FISCAL YEAR 2012-2013 BUDGET AND THE 2013-2017 CAPITAL IMPROVEMENTS PROGRAM AND PROVIDING FOR AN EFFECTIVE DATE HEREOF

- 13-894** Mayor Loughmiller called for Consideration/Discussion/Action on a Resolution Authorizing the City Manager to Execute a Contract with Rich Leidl, P.C. for Federal Legislative Services. City Manager Jason Gray stated that this item is a request for lobbying services with Rich Leidl and asked that this item be tabled to allow the Council time to review the agreement that was not attached into the agenda packet. Mr. Gray stated that Mr. Leidl performs legislative lobbying services for the City as

well as legal specific consulting on items regarding the FAA and the airport. Mr. Leidl is based in Washington D.C. and serves in that capacity at a federal level and has been very effective with the contract tower program funding restoration. Mr. Gray stated that this is the annual renewal of his contract. Council unanimously approved the motion by Council member Harris, seconded by Council member Pogue, to table this item until the September 17, 2013 meeting.

13-128PFR Mayor Loughmiller called for a Public Hearing to Consider/Discuss/Act on the Request by Engineering Concepts & Design, L.P., on Behalf of Creekview Landing Development, Inc., for Approval of a Preliminary-Final Replat for Lot 11, Block B, of the Creekview Landing Addition, Being Fewer than 4 Acres, Located on the North Side of Creekview Landing Drive and Approximately 175 Feet East of C.R. 1827 (New Hope Road) (REQUEST TO BE TABLED). Planning Director Michael Quint stated that staff recommends closing the public hearing and tabling the item indefinitely as no variances are necessary and the item will be scheduled for the Planning and Zoning Commission meeting on September 10, 2013. Mayor Loughmiller called for public comment and there was none. Council unanimously approved the motion by Mayor Pro-Tem Ussery, seconded by Council member Pogue, to close the public hearing and table this item indefinitely.

13-142PF Mayor Loughmiller called for Consideration/Discussion/Action on the Request by Sparr Surveys, on Behalf of Michelle Bowen Barr, for Approval of a Preliminary-Final Plat for Lots 1 and 2, of the Cross Creek Reserve Addition, Being Fewer than 18 Acres, Located on the East Side of County Road 165 (Future Ridge Road) and Approximately 2,000 Feet North of County Road 1461. Planning Director Michael Quint stated that the applicant is requesting to plat the subject property to subdivide it to 2 lots. This property is located within the city's ETJ and the comprehensive plan outlines when a development like this occurs, the

utilities should be extended in conformance to the comprehensive plan and subdivision ordinance. Some of the items include: water lines, sewer lines, storm, construction of streets, installation of sidewalks and street lights. He stated that the applicant is requesting several variances and stated that staff recommends denial of the variance requests due to the lack of conformance with the requirements of the subdivision ordinance. Council member Day stated that he believes that staff is recommending denial because of the way the Ordinance is written and it does not make a lot of sense. Mr. Quint stated that the Ordinance is drafted to prohibit or restrict what we call leap frog development. He stated that they have provided right-of-way dedication and easements necessary for future improvements. Council member Kever stated that one of her major concerns is the compromise that they are being asked to make regarding the fire code and she struggles with setting precedence. Council approved the motion by Council member Kever, seconded by Council member Pogue, to deny the request by Sparr Surveys, on behalf of Michelle Bowen Barr, for a Preliminary-Final Plat for Lots 1 and 2, of the Cross Creek Reserve Addition, being fewer than 18 acres, located on the east side of County Road 165 (Future Ridge Road) and approximately 2,000 feet north of County Road 1461 with a vote of 5-2-0, Mayor Pro-Tem Ussery and Council member Day voting against.

12-234Z9 Mayor Loughmiller called for a Public Hearing to Consider/Discuss/Act on the Request by Verizon Wireless, on Behalf of Roanoke Manor, L.L.C., for Approval of a Request to Rezone Fewer than 4 Acres 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, to Allow for a Support Tower for Cellular Communication Antennas, Located

Approximately 900 Feet East of Lake Forest Drive and on the South Side of Future Collin McKinney Parkway, and Accompanying Ordinance. Planning Director Michael Quint stated that the applicant is proposing to provide space for at least five cellular communication antennas (including space for three additional carriers) within a 110-foot tall, stealth tower as well as place an associated ground mounted equipment shelter (approximately 300 square feet) on the subject property. The support tower is proposed to be located approximately 230 feet south of future Collin McKinney Parkway (associated screening wall within 190 feet of the right-of-way), approximately 30 feet from the eastern property line, and approximately 1,500 feet from the western property line. Mr. Quint stated that the Planning and Zoning Commission recommended denial of the proposed rezoning request which will require a super majority vote of Council to approve the item. Applicant, Mr. Peter Cavanaugh, 1620 Hanley Drive, Dallas, stated that they are asking to install a 110 foot stealth tower that will be a low profile structure that will allow enough space for other carrier antennas. Mr. Cavanaugh stated that they are built to withstand high winds. Mr. Quint stated that the tower would be about 500 to 800 feet from the nearest residential area. Mr. Cavanaugh stated the reason it is closer to the edge of the property is to make the remaining property available for future development. Mayor Loughmiller called for public comment.

Ms. Virginia Griggs, 10205 Old Eagle Rim, McKinney, spoke in favor of the proposed rezoning request.

Council unanimously approved the motion by Council member Day, seconded by Council member Ricchi, to close the public hearing and approve an Ordinance rezoning fewer than 4 Acres 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, to allow for a support tower for cellular communication antennas, located approximately 900 feet east of Lake Forest Drive and on the south side of future Collin McKinney Parkway, with the following special ordinance provisions: The use and development of the subject property shall conform to the requirements of "PD" - Planned Development District Ordinance No. 2000-09-064, except as follows: a support tower for cellular communication antennas shall be an allowed use; the development of the subject property shall generally conform to the attached site plan exhibit; the support tower for cellular communication antennas shall be a maximum height of 110 feet and be located less than three times the height of the support structure from any property line as shown on the attached site plan exhibit; the masonry screening wall around the perimeter of the support tower for cellular communication antennas shall be ten feet in height as shown on the attached site plan exhibit; the support tower for cellular communication antennas shall be of stealth monopole design as shown on the attached site plan exhibit; and the support tower for cellular communication antennas shall be designed with canister spaces for three additional carriers. Caption reads as follows:

ORDINANCE NO. 2013-09-082

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MCKINNEY, TEXAS, AMENDING ORDINANCE NO. 2000-09-064 OF THE CITY OF MCKINNEY, TEXAS; SO THAT AN APPROXIMATELY 3.15 ACRE PROPERTY, LOCATED APPROXIMATELY 1,500 FEET EAST OF LAKE FOREST DRIVE AND ON THE SOUTH SIDE OF FUTURE COLLIN MCKINNEY PARKWAY, IS REZONED 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, TO ALLOW FOR A SUPPORT TOWER FOR CELLULAR COMMUNICATION ANTENNAS; PROVIDING FOR SEVERABILITY; PROVIDING FOR INJUNCTIVE RELIEF, PROVIDING FOR NO VESTED INTEREST; PROVIDING FOR THE PUBLICATION OF THE CAPTION OF THIS ORDINANCE; PROVIDING FOR A PENALTY FOR THE VIOLATION OF THIS ORDINANCE; AND PROVIDING

FOR AN EFFECTIVE DATE HEREOF

13-160AA Mayor Loughmiller called for a Public Hearing to Consider/Discuss/Act on the Request by A.M. Scott Real Estate, on Behalf of McKinney Independent School District, for Approval of a Right-of-Way Vacation for an Unimproved Portion of West Street, Being Less than 1 Acre, Generally Located East of College Street and Approximately 200 Feet South of Howell Street, and for Approval of a Right-of-Way Vacation for an Unimproved Portion of Cole Street, Being Less than 1 Acre, Generally Located East of College Street and Approximately 120 Feet North of Standifer Street, and Accompanying Ordinance. Director of Planning Michael Quint stated that the applicant is requesting to vacate two unimproved portions of rights-of-way. The first being an unimproved portion of West Street located generally east of College Street and approximately 200 feet south of Howell Street and the second being an unimproved portion of Cole Street located generally east of College Street and approximately 120 feet north of Standifer Street. The applicant is requesting these two portions of right-of-way be vacated so that the three existing lots adjacent to each respective right-of-way can be a contiguous piece of property. The subject property is currently owned by the McKinney Independent School District and has been utilized in the past as athletic practice fields. The City has no plans to improve either of the unimproved portions of right-of-way and has no objection to the request. Applicant, Mr. Thad Helsley, 1650 West Virginia, McKinney, stated that the school district has used this property for many years as a practice field for the school that is north of the subject property and requested approval of the request. Mayor Loughmiller called for public comment and there was none. Council unanimously approved the motion by Council member Kever, seconded by Mayor Pro-Tem Ussery, to close the public hearing and approve an Ordinance approving a Right-of-Way Vacation for an unimproved portion of West Street, being less

than 1 acre, generally located east of College Street and approximately 200 feet south of Howell Street, and for approval of a Right-of-Way Vacation for an unimproved portion of Cole Street, being less than 1 acre, generally located east of College Street and approximately 120 feet north of Standifer Street. Caption reads as follows:

ORDINANCE NO. 2013-09-083

AN ORDINANCE VACATING A PORTION OF WEST STREET LOCATED GENERALLY EAST OF COLLEGE STREET AND APPROXIMATELY 200 FEET SOUTH OF HOWELL STREET, AND VACATING A PORTION OF COLE STREET LOCATED GENERALLY EAST OF COLLEGE STREET AND APPROXIMATELY 120 FEET NORTH OF STANDIFER STREET, PROVIDING FOR AN EFFECTIVE DATE HEREOF

- 13-896** Mayor Loughmiller called for Consideration/Discussion/Action on a Resolution Authorizing the City Manager to Request the Release of FM 3038 from the State Highway System from US 75 to 1,200 Feet West of Hardin Boulevard. CIP Manager Matt Richardson stated that FM 3038 (Virginia Parkway) is designated as a State Highway and runs concurrent with Virginia Parkway from US 75 to approximately 1,200 feet west of Hardin Boulevard, a total distance of approximately 9,500 feet. Traffic volumes on FM 3038 / Virginia Parkway currently exceed 25,000 vehicles per day, which is near capacity for a four-lane roadway, and will continue to grow as in-fill development continues along the corridor. On March 16, 2012, City Council passed a Resolution stating that widening this segment of roadway was a high-priority transportation project for the City, along with widening Stacy Road and constructing the new alignment of FM 546. The Texas Department of Transportation (TxDOT) currently has no plans and no funding to make significant improvements to this segment of roadway to meet the projected traffic demands. The City has proposed funding in the five-year Capital Improvement Plan to widen this roadway to six lanes: design in FY2013, right-of-way acquisition in FY2014, and construction in FY2015. Mayor Loughmiller stated that he recently sent a letter to the Texas Transportation Commission stating that

the City of McKinney didn't agree with the Turnback Program that would take roads off the state system which would pass the financial burden to the Cities. Also included in the letter, that the City may request on a case by case basis to have some roads removed from the system. Council unanimously approved the motion by Council member Kever, seconded by Mayor Pro-Tem Ussery, to approve a Resolution authorizing the City Manager to request the release of FM 3038 from the State Highway System from US 75 to 1,200 feet west of Hardin Boulevard. Caption reads as follows:

RESOLUTION NO. 2013-09-143 (R)

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MCKINNEY, TEXAS, AUTHORIZING THE CITY MANAGER TO REQUEST THE RELEASE OF FM 3038 FROM THE STATE HIGHWAY SYSTEM FROM US 75 TO 1,200 FEET WEST OF HARDIN BOULEVARD

13-897 Mayor Loughmiller called for the First Public Hearing on the Budget Appropriation Ordinance for FY 2013-14. Chief Financial Officer Rodney Rhoades stated that this is the first public hearing for the FY13-14 appropriations budget. The total appropriations budget proposed for FY 13-14 is \$303 million with the proposed tax rate to remain the same at \$0.5855 per \$100 assessed value. Mayor Loughmiller called for public comment and there were none. Council unanimously approved the motion by Mayor Pro-Tem Ussery, seconded by Council member Pogue to close the public hearing and schedule the second Public Hearing and vote on the adoption of the Ordinance for September 17, 2013.

13-898 Mayor Loughmiller called for the Second Public Hearing on Proposed Tax Rate for Fiscal Year 2013-14. Chief Financial Officer Rodney Rhoades stated that this is the second public hearing on the proposed tax rate for FY13-14 and by law, if the proposed tax rate exceeds the effective tax rate, the City is required to hold two public hearings. He stated that the effective tax rate for FY14 is \$.559903 and the proposed tax rate is \$.58550. The rate for Maintenance and Operations (M&O) is

\$0.421789 per \$100 valuation. The rate for Interest and Sinking Funds (I&S) is \$0.163711 per \$100 valuation. The tax rate proposed is the same tax rate since in 2008. Mr. Rhoades stated that home values increased in 2013 by 4.5% and the average homeowner will pay \$55 more in FY14 as a result of higher assessed values. The amount of taxes imposed this year on the average home value of \$217,232 would be \$1,271.89. Mayor Loughmiller called for public comment.

Mr. Larry Collins, 3604 Apple Blossom, McKinney, inquired why the City of Allen's sales tax revenue is so much high than McKinney.

Council unanimously approved the motion by Mayor Pro-Tem Ussery, seconded by Council member Harris, to close the public hearing and schedule the Tax Rate Adoption for September 17, 2013, 6:00 p.m. in the Council Chambers.

13-901 Mayor Loughmiller called for Consideration/Discussion/Action on Approval of an Interlocal Agreement by and Between the City of McKinney and Collin County Community College District for the Construction and Use of a Public Safety Training Facility, and Authorizing the City Manager to Execute the Agreement. City Manager Jason Gray requested that this item be tabled to the September 17, 2013 City Council Regular meeting. Council unanimously approved the motion by Council member Kever, seconded by Council member Harris, to table this item to the September 17th meeting.

13-902 Mayor Loughmiller called for Consideration/Discussion/Action Upon Approval of An Asset Purchase Agreement Among McKinney Airport Properties, Inc; McKinney Aviation I, LTD; Tres Airport Partners, LP; Collin County Regional Investments, LP; and the City of McKinney, Texas, and Adoption of a Resolution Authorizing the City Manager to Execute the Asset Purchase Agreement. City Manager Jason Gray stated that at the last City Council meeting, the City Council authorized the City Manager to extend an offer to McKinney Airport Properties for

airport asset acquisition at the Collin County Regional Airport. Mr. Gray stated that the airport is a top priority for the City Council as far as maximizing the investment that it has already made at the airport. The City currently owns the property on which the airport sits, the runways, air traffic control tower, and parking ramps. He stated that the expiration of the current Fixed Based Operator (FBO) agreement expires on October 31, 2013. The Collin County Airport Development Corporation Board presented this opportunity to the City Council to review the potential benefits as a long term investment. Mr. Gray stated that the contract purchase is for \$25 million that includes all the business operations and the hangar assets. Any outstanding debts will be taken care of by the seller. The anticipated closing is by November 1, 2013 which is also the date in which they would like to transition operations. He stated that the existing and currently active hangar leases for both corporate and general aviation would be transferred to the City as part of the transaction. Mr. Gray stated that there is a revenue stream that includes the real estate side with the leasing of hangars and the fuel sale side which would fund the debt service of the airport to close this transaction. The City's projections indicate that the airport will become more self-sufficient and be able to match some of the federal grants with airport dollars as we look to improve the airport over time. This purchase would allow the City flexibility to sell the FBO at some point, if we wanted to, or lease or sell any of the hangars that are currently out there. Mr. Gray stated that it comes down to hiring and managing qualified people for a technical operation to insure that all safety precautions are taken and to provide a high level of customer service. Mr. Gray stated the business operations that the City is considering as part of this asset purchase are fuel sales as well as line services that include cleaning aircraft and moving them to the appropriate spots at the airport. The City is not considering getting into aircraft sales, aircraft maintenance, or

aircraft avionics. The leasing of the aircraft hangars will be handled through a third party national broker that works within corporate aviation. The smaller hangars will be handled as a property management perspective by the City. Mayor Pro-Tem Ussery stated that he appreciates the sincerity of everyone who has worked on this project. There is no doubt that an airport offers an economic opportunity to the cities that have them. Mr. Ussery stated that when we take \$25 million to do this when there are other areas of the City that do not have curb and gutters but rather bar ditches while others live with substandard water and sewer service and we ask them to wait while we do this project. Mr. Ussery stated that for the citizens we are better off if we stick to what we do best rather than enter areas where we have no experience. He stated that he cannot reach peace with his conscience that this is the best thing for the City. Council member Day stated that this is the single largest project since he has been on this Council. This will bring jobs to the City, will increase our tax base, and will allow us to grow in a very positive way and he supports it. Council member Harris stated that the purchase and operation of the FBO is providing the vehicle to satisfy the debt. What the City is doing with this project is seeing that the airport is developed in a manner that pays taxes on behalf of the taxpayers here. Aviation is going to continue to grow and is the future transportation model. McKinney is the only City in Collin County that has a regional airport. By buying these assets, we will be able to provide dividends to the taxpayers in the form of paying their taxes. Council member Ricchi stated that any large purchase like this requires a strategic plan. He requested that the City not get into the aircraft maintenance service business nor do we need to be a gas station. He stated that he wants to see the assets strategically sold to make sure that we enhance our economic development. We do not need to be in the airport business but rather be in control of the City's asset. Mayor Loughmiller stated that this airport is

an economic engine not only for the City but all the County and school district. The airport would be something that would attract corporate aviation and allow us to compete with the Addison Airport and Love Field. The City has invested money in the runway and the control tower. Council approved the motion by Council member Kever, seconded by Council member Day, to approve a Resolution authorizing the City Manager to execute an Asset Purchase Agreement among McKinney Airport Properties, Inc.; McKinney Aviation I, LTD; Tres Airport Partners, LP; Collin County Regional Investments, LP; and the City of McKinney, Texas, with a vote of 6-1-0, Mayor Pro-Tem Ussery voting against. Caption reads as follows:

RESOLUTION NO. 2013-09-144 (R)

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MCKINNEY AUTHORIZING THE CITY MANAGER TO EXECUTE AN ASSET PURCHASE AGREEMENT WITH MCKINNEY AIRPORT PROPERTIES INC., MCKINNEY AVIATION I LTD, TRES AIRPORT PARTNERS, LP AND COLLIN COUNTY REGIONAL INVESTMENTS, LP; AND PROVIDING FOR AN EFFECTIVE DATE

- 13-900** Mayor Loughmiller called for Consideration/Discussion/Action on a Resolution of the City Council of the City of McKinney, Texas, Approving and Authorizing the Publication of Notice of Intention to Issue Series 2013 Certificates of Obligation. City Manager Jason Gray stated that this item is directly related to the asset purchase agreement at the airport and begins the process of selling the debt associated with the necessary investment. This Resolution is to notify the City's intent to issue debt for the purpose of acquiring, constructing, improving, extending, and equipping municipal airport facilities and professional services rendered in relation to such projects and the financing thereof. Council approved the motion by Council member Day, seconded by Council member Harris, to approve a Resolution of the City Council of the City of McKinney, Texas, approving and authorizing the publication of Notice of Intention to Issue Series 2013 Certificates of Obligation with a vote of 5-

1-0, Mayor Pro-Tem Ussery voting against. Caption reads as follows:

RESOLUTION NO. 2013-09-145 (R)

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MCKINNEY, TEXAS, APPROVING AND AUTHORIZING PUBLICATION OF NOTICE OF INTENTION TO ISSUE TAXABLE SERIES 2013 CERTIFICATES OF OBLIGATION

- 13-831** Mayor Loughmiller called for Consideration/Discussion/Action on Collin County Airport Governance and Related Documents. Mayor Loughmiller stated that this item was brought up at the last Council meeting in regards to the bylaw changes for many of the Boards. This item relates to the management agreement between the City and the Collin County Airport Development Corporation. This is an internal document and not anything relating to the Fixed Based Operator or other entities. This is one of the documents that the Airport board currently operates under. Mr. Loughmiller requested that this item be tabled to the September 17th meeting for action along with the bylaw changes. Council unanimously approved the motion by Council member Kever, seconded by Council member Pogue, to table this item to the September 17th meeting.

Mayor Loughmiller called for Citizen Comments

Ms. Gilda Garza, 1208 Garcia Street, McKinney spoke against the airport asset agenda item and commended Mayor Pro-Tem Ussery for his position against the purchase.

Mr. Larry Collins, 3605 Apple Blossom, McKinney, commented on the lack of discussion from the Council prior to spending \$25 million on the purchase of assets at the airport.

Ms. Virginia Griggs, 10205 Old Eagle River Lane, McKinney, spoke about inviting Jerry Jones and the Dallas Cowboy players to park their airplanes at the airport.

Mr. Mike Giles, 3213 Gillespie Avenue, McKinney, voiced his opposition to the purchase of the assets at the airport and turning a private business over to a government business.

Ms. Alyssa Summey, 502 N. College Street, McKinney, voiced her opposition to the purchase of the airport assets.

Mayor Loughmiller called for Council and Manager Comments

Council member Pogue did not have any comments.

Council member Harris stated that he attended a Clyde Center Tech Cocktail event last Thursday and he was amazed at the attendance and how many start-up businesses and high tech products were on display. Mr. Harris complimented the Fraternal Order of Police for the function on the square for Officer Libbey. Mr. Harris complimented the Finance Department for the presentation during the Work Session that showed a path to reducing the tax rate.

Mayor Pro-Tem Ussery expressed his appreciation to staff for all that do day in and day out to make the City what it is today. Mr. Ussery stated that he does not waiver on the way he feels regarding the airport and he does not apologize for the way he voted. But, for cities to be successful we have to work as a team. He stated that he has respect for his colleagues and he will work to make sure that the taxpayers do not lose \$25 million.

Council member Ricchi stated that when the Council has these types of decisions where we are spending a lot of people's money, we have to make sure that we continue to work hard for the money. This is a great City and we have a long way to go to improve the infrastructure in the City. We have to get the right people in the right jobs. A great majority of the people who work in the City do a phenomenal job which makes our job easier and our citizens' lives better. He stated that no one on this Council will write the check and walk away from it. Mr. Ricchi expressed his appreciation to the citizens who come to the Council meetings and speak against issues whether they are in the majority or minority. That is what we need to keep the checks and balances on everyone.

Council member Day stated that the City needs to look at our Ordinances pertaining to cell towers as we are becoming more and more a wireless society. Mr. Day thanked Collin County Airport Development Corporation Chairman John Wroten and Airport Executive Director Ken Wiegand for their hard work for over a year regarding the purchase of the airport assets. Mr. Day complimented City Manager Gray for doing a great job working on a very difficult and complicated deal for the airport asset purchase.

Council member Kever expressed her appreciation to Mayor Pro-Tem Ussery for his words regarding being a part of a team. Ms. Kever stated that it is difficult to think strategically not only for the short term but long term and what is the best way forward. We have to constantly think about positioning our City and looking at what our City has that makes us special and unique. There will be a magnifying lens looking at how we execute on this agreement. We are serious about making this work. The hope is that we will be successful and long term future generations will look at this as a good decision because we have all of this growth and economic development that generates significant dollars and a tax base. Ms. Kever reminded everyone to look at the latest McKinney Parks and Recreation guide that offers classes for everyone from zumba classes, swimming for all ages, as well as senior activities. These are classes offered to a wide range of citizens at affordable prices. Ms. Kever invited everyone to the Joint meeting on Wednesday with the McKinney Community Development Corporation where their recommendation regarding an aquatic facility will be presented.

Mayor Loughmiller expressed his appreciation to everyone attending the meeting and providing input both for and against. Mr. Loughmiller stated that the Council conducts a Strategic Planning Retreat each year where the Council's priorities are discussed and how McKinney can be in a position to compete with cities around us as well as from across the country. Some of this year's priorities include a Corporate Center development, attracting retail development, transportation, airport planning, and the Gateway project. The City needs to move forward on a retail strategy for the northwest quadrant as the US 75 construction project is completed. Mr. Loughmiller stated that he wants this City to be successful. It does take money investing in the community to get a return and we have to do it in a way that we feel comfortable that we will get a return. Mr. Loughmiller reminded everyone that Oktoberfest will be at the end of the month.

City Manager Jason Gray announced that Public Works Director Hal Cranor tendered his resignation for a new position in Euless. Mr. Gray recognized Hal for his 8 years of service to McKinney where he has made a positive impact in the areas of solid waste, street maintenance, water and sewer lines, and managing all of the City's facilities. Mr. Gray expressed best wishes to Hal for his next endeavor.

Mayor Loughmiller recessed the meeting into executive session at 8:55 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, Section 551.072 Discuss Real Property, and Section 551.087 Discuss Economic Development Matter as listed on the posted agenda. Mayor Loughmiller recessed to the open session at 9:45 p.m.

Council unanimously approved the motion by Mayor Pro-Tem Ussery, seconded by Council member Harris, to adjourn. Mayor Loughmiller adjourned the meeting at 9:46 p.m.

BRIAN LOUGHMILLER
Mayor

ATTEST:

SANDY HART, TRMC, MMC
City Secretary