CITY COUNCIL REGULAR MEETING

JUNE 5, 2012

The City Council of the City of McKinney, Texas met in regular session in the Council Chambers of the Municipal Building on June 5, 2012 at 6:00 p.m.

Council Present: Mayor Brian Loughmiller, Mayor Pro-Tem Travis Ussery, Council members: David Brooks, Don Day, Ray Ricchi, and Roger Harris. Absent: Council member Geralyn Kever.

Staff Present: City Manager Jason Gray; Deputy City Manager Joe Williams; City Attorney Mark Houser; City Secretary Sandy Hart; Chief of Police Doug Kowalski; Executive Director of Development Services Rob Daake; Assistant Director of Development Services Barry Shelton; Interim Planning Director Kevin Spath; Director of Engineering Jack Carr; Finance Director Rodney Rhoades; Chief Information Officer Chris Chiancone; Fire Chief Danny Kistner; Assistant Fire Chief Neil Howard; Engineering - Gary Graham, Dan Heischman, Patricia Jackson, and Lissa Shepherd; Streets Superintendent Paul Sparkman; Human Resources Director Tadd Phillips; Strategic Planning and Budget Director Jason Cooley; Senior Planner Michael Quint; Help Desk Technician Clif Carnley; Grants Coordinator Janay Tieken; and Police Officer Melissa Robillard.

There were approximately 70 guests present.

Mayor Loughmiller called the meeting to order at 6:07 p.m. after determining a quorum was present. Invocation was given by Reverend Patrick McCoy, Trinity Presbyterian Church. Mayor Loughmiller led the Pledge of Allegiance.

12-362 Check Presentation by County Commissioners Joe Jaynes and Matt Shaheen. County Commissioners Joe Jaynes and Matt Shaheen presented a check for $3,047,500 for the joint partnership between Collin County and the City of McKinney for widening of Virginia Parkway and Lake Forest Drive.

12-361 Certificates of Recognition for Boyd High School Lady Broncos Softball Team. Mayor Loughmiller presented certificates of recognition to the Boyd High School Lady Broncos Softball Team for going undefeated and winning the District 10-5A Softball Championship.

Mayor Loughmiller called for Citizen Comments and there were none.

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

12-363 Minutes of the City Council Special Meeting of May 15, 2012

12-364 Minutes of the City Council Work Session of May 15, 2012

12-365 Minutes of the City Council Regular Meeting of May 15, 2012

12-366 Minutes of the City Council Special Meeting of May 29, 2012

12-289 Minutes of the Library Advisory Board Minutes of April 19, 2012

12-367 Minutes of the McKinney Airport Development Corporation Meeting of April 12, 2012

12-306 Minutes of the McKinney Armed Services Memorial Board Meeting of April 11, 2012

12-368 Minutes of the McKinney Community Development Corporation Board Meeting of April 26, 2012

12-369 Minutes of the McKinney Convention & Visitors Bureau Board Meeting of March 27, 2012

12-370 Minutes of the McKinney Convention & Visitors Bureau Board Meeting of April 24, 2012

12-371 Minutes of the McKinney Convention & Visitors Bureau Special Meeting of May 2, 2012

12-372 Minutes of the McKinney Convention & Visitors Bureau Special Meeting of May 8, 2012

12-373 Minutes of the McKinney Convention & Visitors Bureau Special Meeting of May 16, 2012

12-374 Minutes of the McKinney Economic Development Board Meeting of April 17, 2012

12-321 Minutes of the McKinney Housing Finance Corporation Meeting of April 13, 2012

12-375 Minutes of the McKinney Housing Authority Board Meeting of June 22, 2010

12-376 Minutes of the McKinney Housing Authority Board Meeting of February 18, 2012

12-377 Minutes of the McKinney Housing Authority Board Meeting of February 28, 2012

12-378 Minutes of the McKinney Housing Authority Board Meeting of March 13, 2012

12-379 Minutes of the McKinney Housing Authority Board Meeting of April 10, 2012

12-301 Minutes of the McKinney Main Street Board Meeting of April 12, 2012

12-254 Minutes of the Parks, Recreation and Open Space Advisory Board Meeting of April 12, 2012.

12-324 Minutes of the Parks, Recreation and Open Space Advisory Board Meeting of April 28, 2012.

12-317 Minutes of the Planning and Zoning Commission Regular Meeting of April 24, 2012

12-380 Consider/Discuss/Act on an Ordinance Authorizing a Budget Amendment Pertaining of the McKinney Performing Arts Center (MPAC). Caption reads as follows:

ORDINANCE NO. 2012-06-025

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF McKINNEY, TEXAS AUTHORIZING CERTAIN BUDGET AMENDMENTS PERTAINING OF THE FISCAL YEAR 2011-2012 BUDGET; AND PROVIDING FOR AN EFFECTIVE DATE HEREOF

12-381 Consider/Discuss/Act on a Resolution Authorizing the Application and Acceptance of the U.S. Department of Justice 2012 Byrne Justice Assistance Grant, if Awarded, and Designating the City Manager, or his Designee, as Official Representative of the City in Matters Relating to the Program Caption reads as follows:

RESOLUTION NO. 2012-06-069 (R)

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF McKINNEY, TEXAS, AUTHORIZING THE CITY MANAGER TO APPLY FOR, AND ACCEPT, IF AWARDED, THE U.S. DEPARTMENT OF JUSTICE 2012 BYRNE JUSTICE ASSISTANCE GRANT, AND DESIGNATING THE CITY MANAGER, OR DESIGNEE, AS OFFICIAL REPRESENTATIVE OF THE CITY IN MATTERS RELATING TO THE PROGRAM

12-382 Consider/Discuss/Act on a Resolution Awarding a Contract to CompuCom Systems, Inc. of Dallas, Texas for Computer Refresh Equipment and Accessories Caption reads as follows:

RESOLUTION NO. 2012-06-070 (R)

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF McKINNEY, TEXAS, AUTHORIZING THE CITY MANAGER TO AWARD A CONTRACT FOR COMPUTER REFRESH EQUIPMENT AND ACCESSORIES

12-383 Consider/Discuss/Act on a Resolution Awarding a Contract to Rose Contracting, Liberty Sand & Gravel and Copeland Sand & Gravel for Street Materials Caption reads as follows:

RESOLUTION NO. 2012-06-071 (R)

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF McKINNEY, TEXAS, AUTHORIZING THE CITY MANAGER TO AWARD A CONTRACT FOR STREET MATERIALS

12-384 Consider/Discuss/Act on a Resolution Awarding a Contract to Rose Contracting, Hanes Geo Components and Copeland Sand & Gravel for Erosion Control Materials and Emergency Repairs Caption reads as follows:

RESOLUTION NO. 2012-06-072 (R)

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF McKINNEY, TEXAS, AUTHORIZING THE CITY MANAGER TO AWARD A CONTRACT FOR EROSION CONTROL MATERIALS AND EMERGENCY REPAIRS

END OF CONSENT

12-385 Mayor Loughmiller called for Consideration/Discussion/Action on Election of Mayor Pro-Tem. Council unanimously approved the motion by

Council member Brooks, seconded by Council member Harris, to Elect Travis Ussery as Mayor Pro-Tem.

12-386 Mayor Loughmiller called for a Public Hearing to Consider/Discuss/Act on an Ordinance Vacating Approximately 0.016 Acres Located on the East Side of Coit Road South of Westridge Blvd in Exchange for the Dedication of 0.021 Acres Located on the East Side of Coit Road South of Westridge Blvd, and Accompanying Ordinance. Senior Engineer Dan Heischman stated that this item regards a land swap that will abandon approximately 0.016 acres located on the east side of Coit Road south of Westridge Boulevard. Mayor Loughmiller called for public comment and there were none. Council unanimously approved the motion by Council member Harris, seconded by Council member Brooks, to close the public hearing and approve the Ordinance vacating approximately 0.016 acres located on the east side of Coit Road south of Westridge Blvd in exchange for the dedication of 0.021 acres located on the east side of Coit Road South of Westridge Boulevard with the following conditions: the City of McKinney reserves an exclusive, utility easement within the entirety of the abandoned right-of-way and the owner of the adjacent tract dedicate 0.021 acres of right-of-way along the east side of Coit Road as shown on Exhibit B. Caption reads as follows:

ORDINANCE NO. 2012-06-026

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MCKINNEY, TEXAS, VACATING AND ABANDONING THAT CERTAIN UNUSED AREA OF RIGHT-OF-WAY CONTAINING APPROXIMATELY 0.016 ACRES OF LAND ALONG THE EAST SIDE OF COIT ROAD NEAR ITS INTERSECTION WITH WESTRIDGE BOULEVARD, AND PROVIDING FOR AN EFFECTIVE DATE HEREOF

12-088Z2 Mayor Loughmiller called for a Public Hearing to Consider/Discuss/Act on the Request by Rick Jones Company, L.L.C., on Behalf of VCIM Partners, L.P., for Approval of a Request to Rezone Approximately 1.08 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 Canine Boarding Facility with Outside Runs, Located on the North Side of State Highway 121 (Sam Rayburn Tollway) and Approximately 1,960 Feet East of Alma Road, and Accompanying Ordinance. Senior Planner Michael Quint stated that the applicant is proposing to rezone approximately 1.08 acres of land, located on the north side of State Highway 121 (Sam Rayburn Tollway) and approximately 1,960 feet east of Alma Road 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 canine boarding facility with outside runs. Staff is recommending approval as conditioned in the Staff Report. Applicant, Mr. Brian Baca, 2600 Eldorado Parkway, Suite 110, McKinney, was available for questions from Council and there were none. Mayor Loughmiller called for public comment and there were none. Council unanimously approved the motion by Council member Harris, seconded by Council member Day, to close the Public Hearing and approve the Ordinance rezoning approximately 1.08 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 Canine Boarding Facility with outside runs, located on the north side of State Highway 121 (Sam Rayburn Tollway) and approximately 1,960 feet east of Alma Road, with the following special ordinance provisions: use and development of the subject property shall conform to the regulations of "PD" - Planned Development District Ordinance No. 2004-12-123, except as follows: an

animal boarding facility with outside animal runs shall be an allowed use; the design of the proposed building(s) on the subject property shall generally conform to architectural character reflected in the attached building elevations and shall satisfy the overarching architectural requirements of the REC Overlay District as well as Section 146-139 (Architectural and Site Standards) of the Zoning Ordinance, and as amended; a minimum of 75% stone masonry shall be required on each building elevation; and a 6' tall pre-cast concrete screening wall designed to match the architecture of the building shall be required along the southern limits of any outside animal runs. Caption reads as follows:

ORDINANCE NO. 2012-06-027

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF McKINNEY, TEXAS, AMENDING ORDINANCE NO. 2004-12-123 OF THE CITY OF McKINNEY, TEXAS; SO THAT AN APPROXIMATELY 1.08 ACRE PROPERTY, LOCATED ON THE NORTH SIDE OF STATE HIGHWAY 121 (SAM RAYBURN TOLLWAY) AND APPROXIMATELY 1,960 FEET EAST OF ALMA ROAD, IS REZONED FROM "PD" – PLANNED DEVELOPMENT DISTRICT TO "PD" – PLANNED DEVELOPMENT DISTRICT, GENERALLY TO ALLOW FOR A CANINE BOARDING FACILITY WITH OUTSIDE RUNS; 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

12-387 Mayor Loughmiller called for a Public Hearing to Consider/Discuss/Act on a Resolution Adopting the On-Street Bicycle Master Plan. Transportation Engineering Manager Gary Graham presented the On-Street Bicycle Master Plan. Mr. Graham stated that this is the culmination of a year and a half of work with City Staff and the consultant. The proposed master plan addresses the following: Integrates bike routes into the current Hike and Bike Trail Master Plan thereby filling in the missing links in the system, includes recommendations regarding the implementation and completion of the various elements, recommends facility treatments to increase safety of riders, recommends policies and programs for education and public awareness. Adoption of this plan will not obligate

the Council to implement any of the bike plan elements. The later phases will be completed as funds are available and as roadways are constructed. The largest expense is associated with the additional pavement width to accommodate a bike lane. A majority of the remaining arterial roadways will be constructed by developers and the components of this master plan will be completed with those projects. Mayor Loughmiller called for public comment.

The following individuals spoke in favor of the proposed plan:

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

Mr. Curtis Rath, 2403 Cayenne, McKinney

Mr. Sean Cotter, 106 S. Bradley, McKinney

Mr. David West, 203 N. Morris Street, McKinney

Ms. Lisa West, 203 N. Morris Street, McKinney

Mr. Scott Rainey, 4408 Monte Vista, McKinney

Mr. Brent Bell, 3504 Timberglen, McKinney

Ms. Michelle Lenox, 908 N. College Street, McKinney

The following individuals spoke in opposition to the proposed plan:

Ms. Polly McKinney, 333 West Park Drive, McKinney

Ms. Kathy Hebert, 3104 Almeta Lane, McKinney

Mr. Jim Westerheid, 2714 Clublake Trail, McKinney

Mr. Oldrich Fousek, Jr., 8608 Broad Meadow, McKinney

Mr. Rick Kieffer, 6709 Stony Hill, McKinney

Ms. Carolyn Parker,. 5014 Quail Ridge Drive, McKinney

Ms. Charlotte Giles, 1323 Gillespie, McKinney

Mr. Mike Gils, 3213 Gillespie, McKinney

Ms. Laura Lutek, 2901 Cedar Ridge Drive, McKinney

The following individuals did not wish to speak but wanted their support for the proposed plan entered into the record:

Mr. Bill Nagel, 401 Appalachian Way, McKinney

Mr. Ken Davis, 4809 Desert Falls Drive, McKinney

Mr. David Millwee, 7704 Hilton Head Drive, McKinney

Mr. Stephen Terrill, 2800 Morningside Drive, McKinney

Mr. Bryan Perkins, 2515 Lakeside Drive, McKinney

Mr. Jeffrey Silvia, 4913 Highlands Drive, McKinney

Ms. Lynn Salo, 4913 Higlands Drive, McKinney

Ms. Beth Schatz, 409 W. Virginia Street, McKinney

Ms. Lori Breece, 511 W. Virginia Street, McKinney

Mr. John Garrott 1412 N. Waddill Street, McKinney

Mr. Woodrow Weilage, 414 W. Louisiana, McKinney

Ms. Deborah Kilgore, 1013 Howell, McKinney

The following individual did not wish to speak but wanted their opposition to the proposed plan entered into the record:

Mr. Jeff Gochnour, 917 Baker Street, McKinney

Council unanimously approved the motion by Mayor Pro-Tem Ussery, seconded by Council member Brooks, to close the Public Hearing. Mr. Graham stated that to retrofit the existing portion of the City would cost $1.6 million. For the future arterials that have not been constructed yet, there would be an additional $15 million costs associated for the plan or approximately 3% added on to the construction of these future arterials. Council member Brooks stated that this is a quality of life issue and this will not raise taxes. Council member Ricchi stated that he is concerned with the safety function of this plan. Mayor Loughmiller stated that the current Council has not passed any annual budget that required a tax increase, is balanced with revenues and expenditures, and we increased the reserve funds by over $7 million. Mr. Loughmiller stated that there are things we can do as a community to help with the health and safety of our citizens without negatively impacting us from a budget standpoint. Council approved the motion by Council member Brooks, seconded by Council member Harris, to approve the Resolution adopting the On-Street Bicycle Master Plan with a vote of 5-1-0, Council member Ricchi

voting against. Caption reads as follows:

RESOLUTION NO. 2012-06-073 (R)

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF McKINNEY, TEXAS, AUTHORIZING THE ADOPTION OF THE ON-STREET BICYCLE MASTER PLAN

12-352 Mayor Loughmiller called for Consideration/Discussion/Action on Approval of a Letter of Intent with Champ Hospitality and Beck Development in Regards to the Gateway Hotel and Conference Center.

City Manager Gray stated that he recommended that the Council go into Executive Session to confer with the attorney regarding this matter.

Mayor Loughmiller recessed the meeting into executive session at 7:35 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 551.071 (1) (A). Litigation / Anticipated Litigation, 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 8:05 p.m.

12-352 Mayor Loughmiller called back for Consideration/Discussion/Action on Approval of a Letter of Intent with Champ Hospitality and Beck Development in Regards to the Gateway Hotel and Conference Center.

City Manager Jason Gray stated that several weeks ago the Council authorized him to begin working with the Beck Development and Champ Hospitality in regards to the Gateway Hotel and Conference Center. The Letter of Intent allows us to move forward with this project in a manner in which it identifies the major deal points of the development agreement that will come next. What this allows is to begin to restructure the plans to remediate the existing structure at the Gateway site, and prepare ourselves for construction on the site. Council unanimously approved the motion by Council member Brooks, seconded by Mayor Pro-Tem Ussery,

to to approve the Letter of Intent with Champ Hospitality and Beck Development in regards to the Gateway Hotel and Conference Center subject to the addition of the trigger language that would allow a conclusion to the investment and to clarify the intent that there would not be a cap on either party's return in the event of a sale.

Mayor Loughmiller called for Council and Manager Comments.

Council member Harris complimented the City Manager on his unique approach that he presented at a county wide meeting for a proposal for aviation related projects at the airport. Mr. Harris stated that the Police and Fire Meet and Confer agreements are sending a strong message that McKinney is a good place to work. We care about the citizens, and it is the first step in creating a good culture. Mr. Harris stated that McKinney Police Officer Donny Williams has an incredible video out on UTube that demonstrates what a phenominal job he can do handling a motorcycle. He stated that the Holly Cavanaugh event was a fun event that drew a large crowd to the downtown square as well as Bike the Bricks that was held on Friday night. The Memorial Day Ceremony at Pecan Grove Cemetary was the best he had ever seen. Mr. Harris recognized McKinney resident Bree Hafen who is a contestant on So You Think You Can Dance. Mr. Harris stated that the City of McKinney has had some incredible public relations opportunities over a short period of time which is a small indication of some great things to come to this area.

Council member Brooks stated that a lot of good work has been done by the City and when you stick with it and keep plowing ahead you make it to the finish line. After a year and half of work the Bike Plan was approved tonight and we took a big step tonight on getting the Gateway Hotel/Conference Center. Mr. Brooks stated that it is an honor to serve with this Council.

Mayor Pro-Tem Ussery thanked staff for what they do. Mr. Ussery complimented the unsung heroes from the Public Works Department who set up the downtown area for the Friday night Bike the Bricks race and had it taken down in time for the parade on Saturday morning without a hitch. The City should be proud of what they do tirelessly. Mr. Ussery recognized former Planning Director Jennifer Cox for her ten years with the

City, who put forth a sincere effort in her job and McKinney is better for her efforts. Mr. Ussery thanked Council for giving him another year as Mayor Pro-Tem.

Council member Ricchi stated that he had the pleasure and sadness to drive his son 1,100 miles away to play summer baseball. During the drive, his son commented that McKinney is a place where he wants to be because he has seen a lot of other places on the road. This is a wonderful community because of the people who came before and sat on this Council. Mr. Ricchi thanked City Manager Gray on enduring an amazing first year, what he has done, and what he is going to continue to do. It is not an easy job and that is why we picked you. Mr. Ricchi stated that Mayor Pro-Tem Ussery does an outstanding job representing our City in the Mayor's absence in so many different ways. Mr. Ricchi commented that we all work together, not necessarily agreeing, but we do come together to get to the same place. Mr. Ricchi complimented Mayor Loughmiller on his representation of the City each and every day in so many different ways around the community, state and nationally. Mr. Ricchi recognized Ms. Cox for her great service in the Planning Department while she was with the City.

Council member Day stated that he appreciates his colleagues and the City Manager. "Sometimes we strongly disagree, but we come to the final decision that is the right decision and I appreciate everyone of you."

Mayor Loughmiller commented that he had a good meeting today with Money Magazine about what changes and improvements have happened since 2009 and provided an update on a number of initiatives that we have been working on over the last few years. Mr. Loughmiller stated that last year on "So You Think You Can Dance" there was another student from Boyd High School who was in the top 40 but during the competition in Hollywood she was sick and fell off the stage. The show has given her a pass to make it to the top contestants this year. There is another Boyd High School student who was given a scholarship to perform on Broadway. "It is amazing how much talent we have in this City." Mr. Loughmiller stated that he will be in Austin tomorrow and he will be meeting with the staff from the Governor's office to discuss economic development projects in McKinney. Mr. Loughmiller announced that the City is now accepting applications for positions on the various Boards and Commissions. The deadline for filing an application is June 29th. Any current member of a board whose

term is up this year will need to reapply to be considered for reappointment. Members can only serve two consecutive terms on a Board. Interviews will be conducted from July 16th through August 1st. Board appointments will be made at the August 27th Special Meeting.

City Manager Gray stated that he appreciates the Council's comments on his work. Mr. Gray recognized the group from the development team who has helped worked through this process. He stated that they approached this project in a true partnership fashion. The group from Beck and Champ Hospitality have worked through a variety of different issues that have come up. We have come up with a very workable Letter of Intent and everyone is excited to get started. We will start on a Development Agreement that will ensure that we are going to have a high quality conference center and hotel to anchor the entire Gateway site.

Mayor Loughmiller called for Citizen Comments and there was none.

Council unanimously approved the motion by Mayor Pro-Tem Ussery, seconded by Council member Ricchi, to adjourn. Mayor Loughmiller adjourned the meeting at 8:30 p.m.

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BRIAN LOUGHMILLER
Mayor

ATTEST:

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SANDY HART, TRMC, MMC
City Secretary