

CITY COUNCIL REGULAR MEETING

NOVEMBER 17, 2015

The City Council of the City of McKinney, Texas met in regular session in the Council Chambers of the Municipal Building on November 17, 2015 at 6:00 p.m.

Council Present: Mayor Brian Loughmiller, Mayor Pro Tem Travis Ussery, Council members: Chuck Branch, Don Day, Randy P. Pogue, Tracy Rath, and Rainey Rogers.

Staff Present: Interim City Manager Tom Muehlenbeck; Deputy City Manager Jose Madrigal; Assistant City Manager Barry Shelton; City Attorney Mark Houser; City Secretary Sandy Hart; Executive Director of Development Services Michael Quint; Director of Engineering Mark Hines; Interim Assistant to the City Manager Chandler Merritt; Director of Parks and Recreation Rhoda Savage; Fire Chief Danny Kistner; Assistant Director of Public Works Paul Sparkman; IT Service Desk Supervisor Amy Greer; Assistant Director of Parks and Recreation Ryan Mullins; Police Corporal Dustin Kincaid; Housing and Community Services Janay Tieken and Christine Lawton; and McKinney Community Development Corporation President Cindy Schneible.

There were approximately 40 guests present.

Mayor Loughmiller called the meeting to order at 6:00 p.m. after determining a quorum was present. Invocation was given by Reverend Paul Miller, Redeemer Presbyterian Church. The 3rd grade class of the Imagine School led the Pledge of Allegiance.

15-1129 Proclamation for Homeless Awareness Week, November 14 - November 22, 2015. Mayor Loughmiller presented the Proclamation to Housing Services Coordinator Christine Lawton Rebecca and representatives from the City of Frisco and the Samaritan Inn.

Mayor Loughmiller called for Citizen Comments.

The following individuals spoke about public transportation and the reduction in service from the Texoma Area Paratransit System (TAPS):

Mr. Steven Spainhouer, 2801 Palo Duro Canyon, McKinney

Mr. Justin Mann, Thicket Drive, McKinney

Mr. Peter Bailey, 4700 S. Ridge Road #515, McKinney

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

- 15-1130** Minutes of the City Council Work Session of November 2, 2015
- 15-1131** Minutes of the City Council Regular Meeting of November 3, 2015
- 15-1132** Minutes of the McKinney City Council and the McKinney Independent School District Board of Trustee Meeting of November 9, 2015
- 15-1009** Minutes of the Board of Adjustment Meeting of September 23, 2015
- 15-1055** Minutes of the McKinney Convention & Visitors Bureau Board Meeting of September 30, 2015
- 15-1104** Minutes of the McKinney Convention & Visitors Bureau Finance Committee Meeting of October 26, 2015
- 15-1103** Minutes of the McKinney Convention & Visitors Bureau Board Meeting of October 27, 2015
- 15-1063** Minutes of the Planning and Zoning Commission Meeting of October 13, 2015
- 15-1133** Consider/Discuss/Act on an Ordinance Amending Ordinance 2013-10-090 to Add the Old Settler's Recreation Center to Those Sites Governed by Electioneering Rules and Regulations. Caption reads as follows:

ORDINANCE NO. 2015-11-097

AN ORDINANCE AMENDING ORDINANCE 2013-10-090 AND CHAPTER 38, "ELECTIONS," OF THE CODE OF ORDINANCES OF THE CITY OF MCKINNEY, TEXAS, BY AMENDING SECTION 38-72 "ADMINISTRATION" AND ADDING A NEW POLLING SITE, OLD SETTLER'S RECREATION CENTER, TO THOSE SITES GOVERNED BY SECTION 38-72; REPEALING ALL CONFLICTING ORDINANCES; PROVIDING FOR A SEVERABILITY CLAUSE; PROVIDING FOR GOVERNMENTAL IMMUNITY; PROVIDING PENALTIES FOR VIOLATIONS OF THIS ORDINANCE; PROVIDING FOR PUBLICATION; AND PROVIDING AN EFFECTIVE DATE

- 15-1134** Consider/Discuss/Act on an Ordinance Amending the Fiscal Year 2015-2016 Annual CIP Budget and the 2016-2020 Capital Improvements Program to Appropriate Funds from the Collin County Parks and Open Space Project Funding Assistance Program for Various Hike and Bike Trail Projects. Caption reads as follows:

ORDINANCE NO. 2015-11-098

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MCKINNEY, TEXAS AUTHORIZING A CERTAIN BUDGET AMENDMENT PERTAINING TO THE FISCAL YEAR 2015-2016 BUDGET AND THE 2016-2020 CAPITAL IMPROVEMENTS PROGRAM TO APPROPRIATE FUNDS FROM THE COLLIN COUNTY PARKS AND OPEN SPACE PROJECT FUNDING ASSISTANCE PROGRAM FOR VARIOUS HIKE AND BIKE TRAIL PROJECTS; AND PROVIDING FOR AN EFFECTIVE DATE HEREOF

- 15-1135** Consider/Discuss/Act on a Resolution Declaring the City as a Hybrid Entity; Designating the City's Health Care Components; and Designating a HIPAA Privacy and Security Officer. Caption reads as follows:

RESOLUTION NO. 2015-11-134 (R)

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MCKINNEY, TEXAS, DECLARING THE CITY AS A HYBRID ENTITY; DESIGNATING THE CITY'S HEALTH CARE COMPONENTS; DESIGNATING A HIPAA PRIVACY AND SECURITY OFFICER; AND PROVIDING AN EFFECTIVE DATE

- 15-1136** Consider/Discuss/Act on a Resolution Authorizing the Interim City Manager to Execute All Documents Related to the Acquisition of 0.0660 Acres of Land from Parkway Baptist Church Situated in the James M McReynolds Survey, Abstract No. 578, City of McKinney, Collin County, Texas to be Utilized as Right-of-Way for a Turn Lane in Association with Virginia Parkway Project ST1231. Caption reads as follows:

RESOLUTION NO. 2015-11-135 (R)

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MCKINNEY, TEXAS, AUTHORIZING THE INTERIM CITY MANAGER TO EXECUTE ALL DOCUMENTS RELATED TO THE ACQUISITION OF 0.0660 ACRES OF LAND FROM PARKWAY BAPTIST CHURCH SITUATED IN THE JAMES M. MCREYNOLDS SURVEY, ABSTRACT NO. 578, CITY OF MCKINNEY, COLLIN COUNTY, TEXAS TO BE UTILIZED AS RIGHT-OF-WAY IN ASSOCIATION WITH VIRGINIA PARKWAY PROJECT ST1231

- 15-1137** Consider/Discuss/Act on a Resolution Relating to the Powers of the City of McKinney City Council to Appoint and Remove Its Board and Commission Appointees. Caption reads as follows:

RESOLUTION NO. 2015-11-136 (R)

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MCKINNEY, TEXAS, RELATING TO THE POWERS OF THE CITY OF MCKINNEY CITY COUNCIL TO APPOINT AND REMOVE ITS

BOARD AND COMMISSION APPOINTEES; AND PROVIDING AN
EFFECTIVE DATE

END OF CONSENT

- 15-1149** Mayor Loughmiller called for Consideration/Discussion/Action on a Resolution Approving Raytheon Company for Enterprise Project Status. Mayor Loughmiller recognized and thanked the representatives in attendance from Raytheon for Raytheon's public commitment in the community. You are one of the largest employers in the City of McKinney and you do a lot for our community. Council unanimously approved the motion by Councilwoman Rath, seconded by Council member Pogue, to approve a Resolution approving Raytheon Company for Enterprise Project Status. Caption reads as follows:

RESOLUTION NO. 2015-11-137 (R)

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MCKINNEY, TEXAS, NOMINATING RAYTHEON COMPANY TO THE OFFICE OF THE GOVERNOR ECONOMIC DEVELOPMENT AND TOURISM (OOGEDT) THROUGH THE ECONOMIC DEVELOPMENT BANK FOR DESIGNATION AS A QUALIFIED BUSINESS AND ENTERPRISE PROJECT UNDER THE TEXAS ENTERPRISE ZONE PROGRAM UNDER THE TEXAS ENTERPRISE ZONE ACT, CHAPTER 2303, TEXAS GOVERNMENT CODE

- 15-1138** Mayor Loughmiller called for Consideration/Discussion/Action on Approving Additional Monthly Funding for Four (4) Fixed Routes And Related Transportation Services Offered by Texoma Area Paratransit System (TAPS). Interim City Manager Tom Muehlenbeck stated that originally, the City was scheduled to present routes that had been negotiated between City Staff and TAPS staff regarding four fixed routes in McKinney. A public meeting was held last Thursday to present the negotiated routes. On Friday, we were advised that the majority of the TAPS service was being pulled from the City of McKinney. The only service that is being provided is the emergency on demand service. Mr. Muehlenbeck stated that his recommendation would be for Council to

take no action at this time.

15-1139 Mayor Loughmiller called for Consideration/Discussion/Action on Chapter 380 Economic Development Agreements Between the City of McKinney and First Texas Homes, Inc., Highland Homes Dallas, LLC, and Sanders Custom Builder, LLC. Assistant City Manager Barry Shelton stated that the item before the Council is for three sales and use agreements for three different home builders. These agreements are similar to previous agreements that were approved by Council. First Texas Homes, Highland Homes and Sanders Custom Builder have requested approval of individual Chapter 380 Economic Development Agreements to source the local use taxes on materials incorporated into homes in McKinney (based on tax rates at the job site) in exchange for sharing a portion of the new incremental local use taxes generated. The City Attorney and staff worked with Mr. Duffie to draft the agreements you have before you tonight. The three agreements proposed at this time differ from the previously approved agreements in the following ways: They do not exclude sales or use taxes paid to vendors with McKinney locations from the calculation of the grant payment. This means that the homebuilder will be entitled to the full grant payment for all materials used in McKinney, including those materials purchased in McKinney or from a vendor with a McKinney location. We have added a "Most Favored Nation" provision that states that if the homebuilder extends a more favorable deal to another city, the terms of the more favorable deal will automatically be extended to the City of McKinney. And the grant period to process the payments changed to a six month grant period instead of the previously approved monthly grant period to reduce staff labor time. The Ordinance allows us to request all agreements the builders have with other communities for staff to review and determine if a better deal has been given. The original estimation to process these payments is \$250 per homebuilder per month. The City calculated that the City would keep

about \$90 per home based on a \$300,000 home before administrative costs. Mr. Shelton stated that he did not recommend approving these agreements, however, if the Council decided to enter into these agreements, Staff will proceed with implementing the program. Council member Pogue stated that if we approve this, we will be incentivizing a use that is already coming to McKinney. Mr. Shelton stated that based on 500 homes at a price of \$300,000 per home would bring in \$112,500 for McKinney Economic Development Corporation and \$112,500 for the McKinney Community Development Corporation. Mayor Pro Tem Ussery stated that based on the amount of staff and the net reward, he could not support this item. Council member Pogue agreed with Mayor Pro Tem Ussery's comments. Council member Branch and Rogers expressed support of this item. The motion by Council member Branch, seconded by Council member Rogers, to approve Chapter 380 Economic Development Agreements between the City of McKinney and First Texas Homes, Inc., Highland Homes Dallas, LLC, and Sanders Custom Builder, LLC failed due to a lack of 4 affirmative votes with a vote of 3-4-0, Mayor Loughmiller, Mayor Pro Tem Ussery, Council members Pogue and Rath voting against.

Mayor Loughmiller called for Citizen Comments and there were none.

Mayor Loughmiller called for Council and Manager Comments.

Council member Rogers stated that while running up Hardin Road and he came upon a man in the middle of the road picking up trash along the roadway. Mr. Rogers stated Wendell picks up trash on his walks. Mr. Rogers expressed his appreciation to Wendell for those mornings when he is out walking and picking up trash, he is making McKinney a much better place. Mr. Rogers saluted him for his efforts and encouraged others to do just a little bit each day to make McKinney a better place.

Council members Rath, Branch, Day, and Pogue did not have any comments.

Mayor Pro Tem Ussery extended a happy birthday to Emerson Process Management, formerly Fisher Controls, who is celebrating 50 years in business. They are a corporate citizen we are very proud of. Mr. Ussery expressed a sincere

appreciation to all staff for what they do day in and day out. The good things that come to McKinney are due to the efforts of staff.

Mayor Loughmiller announced that there will be a Special Meeting on Friday at 6:30 a.m. to address the transportation issues going on in McKinney. Mr. Loughmiller wished everyone a Happy Thanksgiving. Mr. Loughmiller thanked the Leadership McKinney class members who were in attendance at the meeting.

Interim City Manager Muehlenbeck did not have any comments.

Council unanimously approved the motion by Mayor Pro Tem Ussery, seconded by Council member Branch, to adjourn. Mayor Loughmiller adjourned the meeting at 6:40 p.m.

BRIAN LOUGHMILLER
Mayor

ATTEST:

SANDY HART, TRMC, MMC
City Secretary