

CITY COUNCIL REGULAR MEETING

AUGUST 15, 2017

The City Council of the City of McKinney, Texas met in regular session in the Jack Hatchell Collin County Administration Building at 2300 Bloomdale Road, McKinney, Texas on August 15, 2017 at 6:00 p.m.

Council Present: Mayor George C. Fuller, Mayor Pro Tem Rainey Rogers, Council members: Chuck Branch, Scott Elliott, Charlie Philips, Tracy Rath, and La'Shadian Shemwell.

Staff Present: City Manager Paul Grimes; Deputy City Manager Jose Madrigal; Assistant City Manager Barry Shelton; Assistant City Manager Steve Tilton; Assistant to the City Manager Trevor Minyard; City Attorney Mark Houser; City Secretary Sandy Hart; Executive Director of Development Services Michael Quint; Planning Director Brian Lockley; Planning Manager Jennifer Arnold; Director of Parks and Recreation Michael Kowski; Assistant Director of Parks and Recreation Ryan Mullins; Human Resources Director Ike Obi; Human Resources Manager Denise Sykes; Fire Chief Danny Kistner; Chief of Police Greg Conley; Assistant Fire Chief Tim Mock; Assistant Fire Chief Chris Lowry; McKinney Community Development Corporation President Cindy Schneible; Assistant Director of Engineering Michael Hebert; Engineering - Kyle Odom, Nick Ataie, and Paul Tucker; Housing and Community Services Manager Janay Tieken; Community Services Administrator Shirletta Best; Chief Financial Officer Mark Holloway; Senior Budget Analyst Eric Corder; Police Officer Derrick Byrd; Parks and Recreation - Natalia Robalik and Jacob Kohlschmidt; and Director of Organizational Development & Performance Management Joe Mazzola.

There were approximately 35 guests present.

Mayor Fuller called the meeting to order at 6:02 p.m. after determining a quorum was present. Invocation was given by Pastor DeWayne Owens, Kingdom Faith Bible Church. Mayor Fuller led the Pledge of Allegiance.

17-815 Recognition of McKinney's First Place Finish at the 2017 Texas State Lifeguard Competition. Assistant Director of Parks and Recreation Ryan Mullins presented the McKinney Lifeguards that won First Place at the 2017 Texas State Lifeguard Competition.

Mayor Fuller called for Citizen Comments.

Mr. Alan Hoffman, 7010 Groveland, Dallas, spoke in favor of agenda item 17-828.

Ms. Nicole Tate, 1200 N. Tennessee Street, McKinney, spoke about the August 14th Work Session agenda item 17-806 McKinney Housing Authority, 17-809 Food Trucks, and 17-807 Park Development.

Council unanimously approved the motion by Councilwoman Rath, seconded by Council member Shemwell, to approve the following Consent minutes:

- 17-816** Minutes of the City Council Regular Meeting of July 31, 2017
- 17-817** Minutes of the City Council Budget Work Session of August 4, 2017
- 17-735** Minutes of the Board of Adjustment Meeting of May 31, 2017
- 17-736** Minutes of the Board of Adjustment Meeting of June 28, 2017
- 17-732** Minutes of the Library Advisory Board Meeting of June 15, 2017
- 17-792** Minutes of the McKinney Armed Services Memorial Board Meeting of June 14, 2017
- 17-738** Minutes of the McKinney Convention and Visitors Bureau Board Meeting of May 23, 2017
- 17-739** Minutes of the McKinney Convention and Visitors Bureau Finance Committee Meeting of May 22, 2017
- 17-740** Minutes of the McKinney Convention and Visitors Bureau Board Special Meeting of June 6, 2017
- 17-795** Minutes of the Parks, Recreation and Open Space Advisory Board Meeting of June 8, 2017
- 17-782** Minutes of the Planning and Zoning Commission Regular Meeting of July 25, 2017

Council unanimously approved the motion by Mayor Pro Tem Rogers, seconded by Council member Scott Elliott, to approve the following Consent Resolutions:

- 17-818** Consider/Discuss/Act on a Resolution Authorizing the Execution and Sale to the North Texas Municipal Water District of a Water Line Easement Consisting of Two Parts, 0.570 Acres of Land with a 0.774

Acre Temporary Construction Easement and 0.386 Acres of Land with a 1.176 Acres Temporary Construction Easement in the John R. Jones Survey, Abstract No. 497, Collin County, Texas, and Generally Located in the Vicinity of Redbud Boulevard and Bloomdale Road in the amount of \$108,948.00; and Authorizing the City Manager to Execute Easements and Documents Regarding the Sale of Said Easements Across City-Owned Property to the North Texas Municipal Water District. Caption reads as follows:

RESOLUTION NO. 2017-08-150 (R)

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MCKINNEY, TEXAS, AUTHORIZING THE SALE OF A WATER LINE EASEMENT WITH TEMPORARY CONSTRUCTION EASEMENTS TO THE NORTH TEXAS MUNICIPAL WATER DISTRICT, WHICH EASEMENT CONSISTS OF TWO PARTS, PART ONE BEING 0.570 ACRES FOR A WATER LINE EASEMENT WITH A 0.774 ACRES TEMPORARY CONSTRUCTION EASEMENT AND PART TWO BEING 0.386 ACRES FOR A WATER LINE EASEMENT WITH A 1.176 ACRES TEMPORARY CONSTRUCTION EASEMENT SITUATED IN THE JOHN R. JONES SURVEY, ABSTRACT NO. 497, CITY OF MCKINNEY, COLLIN COUNTY, TEXAS GENERALLY LOCATED NEAR REDBUD BOULEVARD AND BLOOMDALE ROAD IN THE AMOUNT OF \$108,948.00; AND AUTHORIZING THE CITY MANAGER TO EXECUTE EASEMENTS AND DOCUMENTS REGARDING THE SALE OF SAID EASEMENTS ACROSS CITY-OWNED PROPERTY TO THE NORTH TEXAS MUNICIPAL WATER DISTRICT; AND PROVIDING FOR AN EFFECTIVE DATE HEREOF

- 17-819** Consider/Discuss/Act on a Resolution Approving Freese & Nichols, Inc. as a Qualified Firm to Provide Construction Inspection Services. Caption reads as follows:

RESOLUTION NO. 2017-08-151 (R)

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MCKINNEY, TEXAS, APPROVING FREESE & NICHOLS, INC. AS A QUALIFIED FIRM TO PROVIDE CONSTRUCTION INSPECTION SERVICES

- 17-821** Consider/Discuss/Act on a Resolution Recommending City Council to Reject all Proposals Received for 17-64RFP Vision Benefits. Caption reads as follows:

RESOLUTION NO. 2017-08-152 (R)

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MCKINNEY, TEXAS, REJECTING ALL PROPOSALS ASSOCIATED WITH 17-64RFP, VISION BENEFITS

- 17-822** Consider/Discuss/Act on a Resolution Authorizing an Interlocal Agreement with Collin County for Jail Services. Caption reads as follows:

RESOLUTION NO. 2017-08-153 (R)

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MCKINNEY, TEXAS, AUTHORIZING THE CITY MANAGER TO EXECUTE AN INTERLOCAL AGREEMENT BY AND BETWEEN THE CITY OF MCKINNEY AND COLLIN COUNTY FOR JAIL SERVICES

- 17-823** Consider/Discuss/Act on a Resolution of the City of McKinney, Texas, Authorizing the City Manager to Amend the Project Agreement with the Texas State Soil and Water Conservation Board (TSSWCB) for State Funding for the Dam Rehabilitation Project (CIP # DR5093) at United States Department of Agriculture (USDA) Natural Resources Conservation Service (NRCS) East Fork Above Lavon (EFAL) Floodwater Retarding Structure (FRS) Site 4, Also Known as Brinkmann Ranch Lake. Caption reads as follows:

RESOLUTION NO. 2017-08-154 (R)

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MCKINNEY, TEXAS, AUTHORIZING THE CITY MANAGER TO AMEND THE PROJECT AGREEMENT WITH THE TEXAS STATE SOIL AND WATER CONSERVATION BOARD (TSSWCB) FOR STATE FUNDING FOR THE DAM REHABILITATION PROJECT AT UNITED STATES DEPARTMENT OF AGRICULTURE (USDA) NATURAL RESOURCES CONSERVATION SERVICE (NRCS) EAST FORK ABOVE LAVON (EFAL) FLOODWATER RETARDING STRUCTURE (FRS) SITE 4

- 17-824** Consider/Discuss/Act on a Resolution of the City of McKinney, Texas, Authorizing the City Manager to Amend the Project Agreement with the NRCS for the Lake 2A Dam Rehabilitation Project. Caption reads as follows:

RESOLUTION NO. 2017-08-155 (R)

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MCKINNEY, TEXAS, AUTHORIZING THE CITY MANAGER TO AMEND THE PROJECT AGREEMENT WITH THE UNITED

STATES DEPARTMENT OF AGRICULTURE (USDA) NATURAL
RESOURCES CONSERVATION SERVICE (NRCS) FOR THE
DAM REHABILITATION PROJECT AT USDA NRCS EAST FORK
ABOVE LAVON (EFAL) FLOODWATER RETARDING
STRUCTURE (FRS) SITE 2A

END OF CONSENT

- 17-820** Mayor Fuller called for Consideration/Discussion/Action on a Resolution Authorizing the City Manager to Execute a Contract and All Necessary Supplemental Agreements with Freese and Nichols, Inc., to Conduct a Drainage Study of the Stover Creek Watershed. Engineering and Environmental Manager Kyle Odom stated this item concerns a contract in the amount of \$343,000 with Freese and Nicols for a drainage study of the Stover Creek watershed. Looking at comparable drainage projects where the City has contracted with consultants, the City conducted four studies over the last three years, including this study, with an average cost of \$137,480 per project, or an average of \$183,300 per year including surveying costs. We removed the surveying costs from the projects and for the four studies the average surveying cost was \$32,000 per project, or \$42,600 per year. Executive Director of Development Services Michael Quint spoke to the disparity in the cost of this study versus previous studies. This study covers about eight square miles and 24 miles of creek and tributaries and is much larger than anything we have done in the recent past. Council member Philips stated that if many of those miles are in the ETJ, we are talking about paying for a study on property that may never be in the City of McKinney. We are asking taxpayers to pay \$350,000 for a study not located in our City. Mr. Quint stated that even though some of this watershed is located in the ETJ or the Town of Prosper, the water is collected in a drainage basin and funnels through the City of McKinney. Based on modifications to the City's drainage Ordinance that were approved in 2014, this burden was shifted to the City. Previously, this type of study would be done by a

developer. Council member Shemwell stated Council should consider shifting that direction back to the developers to conduct the studies necessary to do their work and take that burden off of our taxpayers. Council member Elliott thanked staff for the research done on past expenses on these studies but would also like to see what is expected to be done in the next five years and whether those future studies can be done in-house or will they need to be outsourced. Mr. Quint stated that this study was prompted by the future development of Ridge Road and Bloomdale Road as well as future development and growth in this portion of the City. To accurately depict what a flood plain looks like on paper, you have to start at the top of the watershed, which in this case is outside of our city limits. Council approved the motion by Council member Philips, seconded by Council member Branch, to deny the Resolution authorizing the City Manager to execute a contract and all necessary supplemental agreements with Freese and Nichols, Inc., to conduct a drainage study of the Stover Creek Watershed with a vote of 6-1, Councilwoman Rath voting against.

17-814 Proclamation Proclaiming Hannah Falk Day. Mayor Fuller presented the Proclamation to Hannah Falk for her lifesaving efforts as a McKinney Lifeguard.

17-825 Mayor Fuller called for a Public Hearing to Consider/Discuss/Act on a Resolution Approving the 2017-2018 Community Development Block Grant (CDBG) Annual Action Plan. Community Services Administrator Shirletta Best stated the City receives funding from the Department of Housing and Urban Development which supports the Community Development Block Grant. The Annual Action Plan consists of federal as well as non-federal resources that includes state and city funds leveraged to provide specific goals for the benefit of the public. The program year begins October 1, 2017 and ends September 30, 2018, and the allocation for distribution is estimated at \$657,906 for the program year as well as

carry over funding that will be provided in the current year. There is a statutory cap of 20% of the total grant that is used for grant administration and 15% is used for public services. The proposed Annual Action Plan includes the following activities under agencies for public services: CASA of Collin County, Communities in Schools, Collin County Committee on Aging, Samaritan Inn, Salvation Army, and Wellness for Older Adults. City programs and carryover services include grant administration, the City's Housing Rehabilitation Program, which assists with emergency small and major repairs, community and economic development activities, and Habitat for Humanity. Mayor Fuller called for public comment and there was none. Council unanimously approved the motion by Councilwoman Rath, seconded by Council member Shemwell, to close the public hearing and approve a Resolution approving the 2017-2018 Community Development Block Grant (CDBG) Annual Action Plan. Caption reads as follows:

RESOLUTION NO. 2017-08-156 (R)

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MCKINNEY, TEXAS, APPROVING THE COMMUNITY DEVELOPMENT BLOCK GRANT 2017-2018 ACTION PLAN, AND PROVIDING AN EFFECTIVE DATE

- 17-201A** Mayor Fuller called for a Public Hearing to Consider and Discuss the 2017 Municipal Annexation Plan, Including the Proposed Annexation of Approximately 218 Acres of Land, of Which 49 Acres is Generally Located North of CR 857 and East of Custer Road (and is Referred to as Sub-Area 17-1) and 169 Acres is Generally Located Along the North Side of US Highway 380 (University Drive) and is East of FM 1827 (New Hope Road) and West of CR 337 (and is Referred to as Sub-Area 17-2). Planning Manager Jennifer Arnold stated this is the first of two public hearings regarding the proposed annexation of approximately 218 acres of land as part of the 2017 Municipal Annexation Plan. Within the two areas highlighted for annexation, there are several pre-annexation agreements. The area known as 17.1 is generally north of US 380 and

Custer Road. The area known as 17.2 is on the east side of McKinney north of US 380 from County Road 1827 to County Road 227. As part of this municipal annexation plan process, the City is required to present a proposed service plan that outlines the services provided to these areas once they are annexed and includes police protection, fire and emergency services, water, solid waste, sanitary streets and other ancillary services the City does provide. These services must be the same as those provided to the other areas of the City. According to State law, the County in which the annexation is occurring will designate five representatives to negotiate the service plan with the City. Once these representatives have been named, the City will begin negotiations for the service plan to be provided. Once we have come to agreement on a service plan, it will be brought to Council for review and approval. As part of the annexation, the proposed zoning will be agricultural. When we actually complete the annexation in three years, we will go through a formal zoning process. During the three years prior to annexation, the properties identified are still considered part of the ETJ and may continue to legally operate as they currently do. The second public hearing for this item will be held September 5th. Mayor Fuller called for public comment and there was none. Council unanimously approved the motion by Council member Branch, seconded by Council member Elliott, to close the public hearing.

17-826

Mayor Fuller called for the First Public Hearing on Proposed Tax Rate for Fiscal Year 2017-18 (Tax Year 2017). Chief Financial Officer Mark Holloway stated this is the first public hearing on the proposed tax rate for fiscal year 2017-18. The proposed tax rate is \$0.540199 which is approximately a 3.2 cent decrease in the overall tax rate from fiscal year 2017. Existing values have increased approximately 9% and new values represent approximately 4.6% on the rolls for a total increase of 13.6% this year. We will conduct the second public hearing on the tax rate and

the first public hearing on the proposed budget on September 5th. On September 19th we will hold the second public hearing on the proposed budget and adopt the budget, the tax rate, and the fee change Ordinance. Mayor Fuller called for public comment and there was none. Council unanimously approved the motion by Council member Branch, seconded by Mayor Pro Tem Rogers, to close the public hearing.

Mayor Pro Tem Rogers stepped down for the following agenda item.

17-827

Mayor Fuller called for Consideration/Discussion/Action Upon Adoption of a Resolution Determining a Public Necessity to Acquire Certain Properties for Public Use by Eminent Domain for Right-of-Way (in Fee Simple), Drainage Easements, Water Line Easements, Access Easements and Temporary Construction Easements for the Construction, Access and Maintenance of the Trinity Falls Parkway Project and Related Infrastructure Commencing in the Vicinity of its Intersection with FM 543 and Continuing Southwesterly Along Trinity Falls Parkway to the Existing Connection to Laud Howell Parkway; Authorizing the City Manager to Establish Procedures for Acquiring the Right of Way (in Fee Simple) and Easements on Said Properties, and Take All Steps Necessary to Acquire the Needed Property Rights in Compliance with all Applicable Laws and Resolutions. Assistant Director of Engineering Michael Hebert stated this item provides the authority for the City Manager to execute documents necessary for the acquisition of rights-of-way (ROW) and easements for the Trinity Falls Parkway construction. The City has previously entered into a Development Agreement with the developer of Trinity Falls regarding this acquisition. The developer has attempted to acquire the necessary rights-of-way and easements for this construction and there are still eight pieces of property that have not been acquired. The City will continue to negotiate with the property owners to come to an agreement to acquire the needed property. The Council approved the motion by Council member Shemwell, seconded by Council member

Elliott, 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 right-of-way (in fee simple) and easements from the owners of the properties 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 the Trinity Falls Parkway Project and related Infrastructure commencing in the vicinity of its intersection with FM 543 and continuing southwesterly to the existing connection to Laud Howell Parkway with a vote of 5-1-1, Council member Chuck Branch voting against and Mayor Pro Tem Rogers abstaining. Caption reads as follows:

RESOLUTION NO. 2017-08-157 (R)

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MCKINNEY, TEXAS, DETERMINING A PUBLIC NECESSITY TO ACQUIRE CERTAIN PROPERTIES FOR PUBLIC USE BY EMINENT DOMAIN FOR RIGHT OF WAY (IN FEE SIMPLE) AND DRAINAGE, WATER, ACCESS AND TEMPORARY CONSTRUCTION EASEMENTS FOR THE CONSTRUCTION, ACCESS AND MAINTENANCE ASSOCIATED WITH THE TRINITY FALLS PARKWAY PROJECT AND ASSOCIATED INFRASTRUCTURE COMMENCING IN THE VICINITY OF ITS INTERSECTION WITH FM543 AND CONTINUING SOUTHWESTERLY ALONG TRINITY FALLS PARKWAY TO THE EXISTING CONNECTION TO LAUD HOWELL PARKWAY; AUTHORIZING THE CITY MANAGER TO ESTABLISH PROCEDURES FOR ACQUIRING THE RIGHT OF WAY (IN FEE SIMPLE) AND EASEMENTS ON SAID PROPERTIES, OFFERING TO ACQUIRE THE RIGHT OF WAY (IN FEE SIMPLE) AND EASEMENTS VOLUNTARILY FROM THE PROPERTY OWNERS THROUGH THE MAKING OF BONA FIDE OFFERS, AND TAKE ALL STEPS NECESSARY TO ACQUIRE THE NEEDED PROPERTY RIGHTS

Mayor Pro Tem Rogers returned to the dais.

17-828

Mayor Fuller called for Consideration/Discussion/Action on an Amendment to Section 122-4 of the Code of Ordinances Pertaining to Permitting in the Extraterritorial Jurisdiction (ETJ). Executive Director of Development Services Michael Quint presented the amendments to Section 122-4 of the Code of Ordinances. These amendments will no

longer require building permits prior to the constructing, repair, renovating, or remodeling of one existing or new single-family residential dwelling unit, private utility service lines, or any accessory residential structure such as a barn, residential storage shed, arbor, gazebo, or swimming pool on a single, undivided tract of land in the ETJ. Council member Philips recommended striking any language in reference to the ETJ in paragraph A, and strike paragraph C and paragraph D. City Attorney Mark Houser stated if we strike ETJ from the language in the Ordinance, then we are not dealing with properties discussed in the ETJ. If we take out the word ETJ, it is ambiguous as to what this covers. We are attempting to make this applicable to all single lot property owners in the ETJ. Council approved the motion by Mayor Pro Tem Rogers, seconded by Councilwoman Rath, to approve an Ordinance amending Section 122-4 of the Code of Ordinances pertaining to permitting in the Extraterritorial Jurisdiction (ETJ), with a vote of 4-2-1, Council members Philips and Branch voting against and Council member Shemwell abstaining. Caption reads as follows:

ORDINANCE NO. 2017-08-083

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MCKINNEY, TEXAS, AMENDING SECTION 122-4 OF THE CODE OF ORDINANCES PERTAINING TO THE PERMITTING OF SINGLE FAMILY RESIDENTIAL STRUCTURES IN THE EXTRATERRITORIAL JURISDICTION (ETJ); ESTABLISHING PRESUMPTIONS; PROVIDING FOR THE PUBLICATION OF THE CAPTION OF THIS ORDINANCE; REPEALING ALL CONFLICTING ORDINANCES; PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING FOR AN EFFECTIVE DATE HEREOF

- 16-052DA** Mayor Fuller called for Consideration/Discussion/Action on a Resolution Approving Chapter 380 Economic Development Agreement Between the City of McKinney, Texas, and McKinney SH I, LTD, for the Construction of a Portion of Bois D' Arc Road, Generally Between U.S. Highway 380 and Crowe Lane. Executive Director of Development Services Michael Quint stated staff is recommending this item be tabled indefinitely. Council unanimously approved the motion by Council member Branch,

seconded by Mayor Pro Tem Rogers, to table this item indefinitely.

17-050DA Mayor Fuller called for Consideration/Discussion/Action on a Resolution Authorizing the City Manager to Execute an Interlocal Cooperation Agreement between the City of McKinney and the North Texas Municipal Water District (NTMWD), for the Construction and Connection of a NTMWD Meter Vault and Related Improvements, Generally Located on the West Side of Redbud Boulevard and Approximately 1,400 Feet South of Bloomdale Road. Assistant Director of Engineering Michael Hebert stated this agreement allows the City to construct a metering vault for the North Texas Municipal Water District utilizing their funding and their design as part of our project for a pumping station at Redbud Boulevard. Primary benefits for the City are one contractor installs everything and it is all operational at the same time. Upon receiving information on the bids, NTMWD will give the City 125% of the cost associated with their item. This allows funding to be immediately available in the event of change orders so that there are no project delays. Council unanimously approved the motion by Councilwoman Rath, seconded by Mayor Pro Tem Rogers, to approve a Resolution authorizing the City Manager to execute an Interlocal Cooperation Agreement between the City of McKinney and the North Texas Municipal Water District (NTMWD), for the construction and connection of a NTMWD Meter Vault and related improvements, generally located on the west side of Redbud Boulevard and approximately 1,400 feet south of Bloomdale Road. Caption reads as follows:

RESOLUTION NO. 2017-08-158 (R)

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MCKINNEY, TEXAS, AUTHORIZING THE CITY MANAGER TO EXECUTE AN INTERLOCAL COOPERATION AGREEMENT BETWEEN THE CITY OF MCKINNEY AND THE NORTH TEXAS MUNICIPAL WATER DISTRICT (NTMWD), FOR THE CONSTRUCTION AND CONNECTION OF A NTMWD METER VAULT AND RELATED IMPROVEMENTS

Mayor Fuller stepped down from the dais for the following agenda

item.

- 17-829** Mayor Pro Tem Rogers called for Consideration/Discussion/Action on a Resolution Authorizing the City Manager to Execute a Chapter 380 Agreement with Independent Bank Group, Inc. City Manager Paul Grimes stated the City entered into an agreement with the McKinney Economic Development Corporation (MEDC) and Independent Bank for incentives for an approximately \$50 million new headquarters. As part of that package, there is a 380 Agreement which is the City's side of the incentive package that includes property tax incentives for a period of 10 years. Council approved the motion made by Council member Philips, seconded by Council member Shemwell, to approve a Resolution authorizing the City Manager to execute a Chapter 380 Agreement with Independent Bank Group, Inc., with a vote of 6-0-1, Mayor Fuller abstaining. Caption reads as follows:

RESOLUTION NO. 2017-08-159 (R)

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MCKINNEY, TEXAS APPROVING A CHAPTER 380 ECONOMIC DEVELOPMENT PROGRAM AND AGREEMENT WITH INDEPENDENT BANK GROUP, INC. AND AUTHORIZING THE CITY MANAGER TO EXECUTE SAID AGREEMENT, AND PROVIDING THAT THIS RESOLUTION SHALL BECOME EFFECTIVE FROM AND AFTER ITS PASSAGE AND ADOPTION

Mayor Fuller returned to the dais.

- 17-830** Mayor Fuller called for Consideration/Discussion/Action on an Amended and Restated Lease Agreement with DSE Hockey Centers, L.P. for an Expansion of the McKinney StarCenter. Assistant City Manager Barry Shelton stated the existing StarCenter is 85,000 square feet with two ice rinks and associated uses. The proposed expansion is an additional 46,000 square feet with one additional ice rink, bleacher seats, associated locker room space, and additional parking. The current facility is the busiest ice rink in terms of numbers of participants with about 250,000 customers annually. The Dallas Stars are negotiating with a minor league hockey team to utilize the new rink. The cost of the

expansion is \$8.5 million with the McKinney Community Development Corporation approving a grant of \$3.5 million towards that construction. The City will fund the remainder and also purchase the land upon which the facility will be constructed. In return, the City has negotiated an amended lease agreement with the Dallas Stars in which the rental payments would increase to offset the cost of the new facility. The Dallas Stars would also be responsible for operation of the facility, utilities, maintenance and funding of any capital replacement costs. The City is purchasing enough land to accommodate the construction plus the additional parking. Council unanimously approved the motion by Mayor Pro Tem Rogers, seconded by Council member Branch, to approve an Amended and Restated Lease Agreement with DSE Hockey Centers, L.P. for an expansion of the McKinney StarCenter.

Mayor Fuller called for Citizen Comments and there was none.

Mayor Fuller called for Council and Manager Comments.

Council member Shemwell stated that there is no way all seven of us on Council will agree on everything so I appreciate we are giving of our hearts and minds to what we think and once the vote is cast we live with our decision. I am excited and pleased to work with you all.

Council member Branch thanked City Manager Grimes, Chief Financial Officer Holloway, and staff for putting together the budget that was brought forward and creating the transparency of government in the presentation of the budget. I am pleased that we are able to propose a tax rate that is well below the effective rate.

Councilwoman Rath had no comments.

Council member Philips recognized Mayor Fuller who last evening after City Council stopped on the freeway to assist a woman off the roadway and change her flat tire. He set a great example of how we as citizens should treat our fellow citizens in McKinney. Thank you for setting a fine example for all of us.

Council member Elliott thanked City Manager Grimes and his staff for putting together an extensive new Council member orientation. It has not been easy to fit that into our schedules but I cannot imagine having not gone through this orientation. The

MEDC meeting this morning has been rescheduled for August 29th at 8:00 a.m. For those who have been interviewing for a board or commission, we have a makeup interview scheduled on August 22nd for those who could not make a previous session.

Council member Philips thanked Lisa McKenzie, in the Finance Department at City Hall, who assisted him in making copies before tonight's meeting.

Mayor Pro Tem Rogers seconded Council member Philips' statement that we have a Mayor with a servant's heart. Well done.

Mayor Fuller noted that the spirit of debate on the dais makes for productive edification for the public when they hear the various opinions expressed by Council. Mayor Fuller recognized Assistant to the City Manager Trevor Minyard, who traveled with him to Austin recently. I am impressed and honored to be working with all of our staff from City Manager Grimes on down.

City Manager Grimes thanked the new members of Council who endured the Council orientation. Staff appreciates you giving up your time, as it is not easy to attend all the commitments, but hopefully the information you walked away with was helpful in your decision-making in years to come. The annexation bill passed the Senate, the House, and has been signed by the Governor. We will prepare information in terms of what it means in general and specifically to the City of McKinney. We will also pull together steps that we need to take in the wake of this bill passing. It will no doubt impede our ability to grow in terms of annexing new territory. Our policy stance as a community may need to change. We will guide you through that but there is an awful lot of work that has to be done, some of which we will have to bring to you very soon, in terms of certain annexations we may want to get done before the law takes effect. The McKinney Urban Transit District will meet August 30th at the John & Judy Gay Library. You are all members and will participate along with the other communities who are a part of that. The meeting will include an update from DCTA, any issues we may have, further direction from the MUTD on the future of the transit district, and whether or not to expand it. Mr. Grimes thanked everyone who came out to National Night Out. I was honored to ride with the Mayor and Chief of Police. There were a lot of great parties in the community and with all the other Council members we were able to cover a large area. The neighborhood block parties provided great food and a lot of fun and we look

forward to it next year. I would like to note that the McKinney Parks and Recreation Fall/Winter Activity Guide is now available online. You can find information on all the park activities as well as the Apex Centre classes that begin soon.

Mayor Fuller 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 (A). Litigation / Anticipated Litigation, Section 551.072 Discuss Real Property, and Section 551.087 Discuss Economic Development Matters as listed on the posted agenda. Mayor Fuller left the meeting at 8:50 p.m. Mayor Pro Tem Rogers recessed back into open session at 8:57 p.m.

Council unanimously approved the motion by Council member Branch, seconded by Council member Shemwell, to adjourn. Mayor Pro Tem Rogers adjourned the meeting at 8:57 p.m.

GEORGE C. FULLER
Mayor

RAINEY ROGERS
Mayor Pro Tem

ATTEST:

SANDY HART, TRMC, MMC
City Secretary