CITY COUNCIL SPECIAL MEETING

JANUARY 6, 2014

The City Council of the City of McKinney, Texas met in special session in the Council Chambers of the Municipal Building on January 6, 2014 at 5:30 p.m.

Council Present: Mayor Brian Loughmiller, Mayor Pro-Tem Travis Ussery, Council members: Geralyn Kever, Don Day, Roger Harris, and Randy P. Pogue. Council member Ray Ricchi arrived at 5:40 p.m.

Staff Present: City Manager Jason Gray; Deputy City Manager Rob Daake; 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; Assistant Director of Development Services Rick Leisner; Director of Planning Michael Quint; Director of Engineering Mark Hines; McKinney Economic Development Corporation Vice President Abby Liu; Fire Chief Danny Kistner; Interim Director of Public Works Paul Sparkman; Assistant to the City Manager Darrek Ferrell; Transportation Engineering Manager Gary Graham; and Planning Manager Jennifer Arnold.

There were three guests present.

Mayor Loughmiller called the meeting to order at 5:32 p.m. after determining a quorum present.

Mayor Pro-Tem Ussery stepped down from the dais for the following two agenda items.

14-001 Mayor Loughmiller called for a Public Hearing to Consider/Discuss a Strategic Partnership Agreement Between the City of McKinney and McKinney Municipal Utility District Number 1 of Collin County. Executive Director of Development Services Barry Shelton stated this is the first of two required public hearings. The second public hearing will be held tomorrow night where Council will consider and take action on the Partnership Agreements. The Strategic Partnership Agreements contains terms which allow the City to receive sales and use taxes from the sale of goods within the district, even though the sales occur outside of the city limits. The primary terms of these agreements are unchanged from its

initial adoption in 2006, wherein the City and the district split the City's ($0.01) sales taxes on a 75% to the City and 25% to the MUD District. The district's share of the sales taxes must be used on repayment of developer expenses for primary infrastructure and district bonds. The City may use its share for any municipal purpose. The terms of the agreement will also allow the City to receive sales and use taxes from the sale of goods within the district authorized for Type A and Type B economic development corporations. No portion of these Type A and Type B sales taxes shall be paid to the district. Mayor Loughmiller called for public comment and there were none. Council approved the motion by Council member Pogue, seconded by Council member Harris, to close the public hearing, with a vote of 5-0-2, Mayor Pro-Tem Ussery and Council member Ricchi abstaining.

14-002 Mayor Loughmiller called for a Public Hearing to Consider/Discuss a Strategic Partnership Agreement Between the City of McKinney and McKinney Municipal Utility District Number 2 of Collin County. Executive Director of Development Services Barry Shelton stated that this Strategic Partnership Agreement is for Municipal Utility District Number 2 which covers the northern portion of the Trinity Falls development. Mayor Loughmiller called for public comment and there was none. Council approved the motion by Council member Pogue, seconded by Council member Harris, to close the public hearing, with a vote of 6-0-1, Mayor Pro-Tem Ussery abstained.

DISCUSS REGULAR MEETING AGENDA ITEMS

Council member Pogue stepped down from the dais for discussion on agenda item 13-223Z3.

Mayor Loughmiller called for discussion on the following items with no action taken:

14-003 Discuss McKinney Home Rule Charter Amendments and Election

14-004 Consider and Discuss Possible Amendments to Multiple Sections of the Zoning Ordinance (Chapter 146 of the Code of Ordinances) Pertaining to the Creation of 14 New Zoning Districts

14-005 Consider and Discuss City of McKinney Project Priorities for the Use of Collin County Discretionary Bond Funds

COUNCIL LIAISON UPDATES

Mayor Loughmiller recessed the meeting into executive session at 7:00 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 551.072 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 7:27 p.m.

Council unanimously approved the motion by Mayor Pro-Tem Ussery, seconded by Council member Day, to adjourn. Mayor Loughmiller adjourned the meeting at 7:26 p.m.

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BRIAN LOUGHMILLER
Mayor

ATTEST:

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SANDY HART, TRMC, MMC
City Secretary