

PLANO CITY COUNCIL
Budget Worksession
August 13, 2011

COUNCIL MEMBERS

Phil Dyer, Mayor
Pat Miner, Mayor Pro Tem
Lissa Smith, Deputy Mayor Pro Tem
Ben Harris
André Davidson
James Duggan
Patrick Gallagher
Lee Dunlap

STAFF

Bruce Glasscock, City Manager
Frank Turner, Deputy City Manager
LaShon Ross, Deputy City Manager
Diane C. Wetherbee, City Attorney
Diane Zucco, City Secretary

Mayor Dyer convened the Council into the Budget Worksession on Saturday, August 13, 2011 at 8:03 a.m. in the Council Chamber of the Plano Municipal Center, 1520 K Avenue. All Council Members were present.

Public Hearing and Council discussion and direction regarding a possible charter election to include, but not limited to, propositions on: revising Council length to terms and term limits; municipal court of record; and general clean-up of provisions that are obsolete or preempted by state or local law

Mayor Dyer opened the Public Hearing. No one spoke for or against the item. The Public Hearing was closed.

City Secretary Zucco advised the Council that pricing received from Collin County is still an estimate and advised that retaining three-year staggered terms would result in the purchase of election equipment the first year with rental charges thereafter. She advised that calculations for centralized costs may be revised to split expenses based on the number of registered voters rather than equally among the number of entities participating in an election. Ms. Zucco responded to the Council, advising that it is unclear whether or not other entities would use equipment purchased by the City; annual rental costs are related to machine replacement and repair; and administrative fees are based on the entire cost of an election. She reviewed the time frame for May elections in even-numbered years, advising that the City's election would take place only two days prior to early voting in the primary runoff.

Ms. Zucco spoke to the City's inability to designate polling locations for a November election and the possibility that contracting entities may work together to revise sites for May elections. She reviewed other options including moving the May election to odd-numbered years with either two-year or four-year staggered terms or November elections and advised that no estimates include a charter election or contracting with Denton County for residents in that area. City Attorney Wetherbee advised that once a ballot item is placed on a Charter Election, it may not be removed. Mayor Dyer requested the item be brought forward again at the August 22, 2011, meeting.

Request for Public Input on Budget & CIP

No one appeared to speak.

Budget Worksession Overview

Highlights of 2009-10/Outlook for 2010-11/Outlook for 2011-12

City Manager Glasscock spoke to the recommended budget of \$408 million being a 2.7% increase over 2010-11 with an estimated \$216.9 million in General Fund expenses and maintaining the current property tax rate of 48.86 cents per \$100 valuation. He spoke to maintaining the funding of economic development, transfers to the Capital Reserve Fund, a two percent across-the-board salary increase, the reduction of seventeen City-wide full-time employees, and cost savings submitted by Staff. Mr. Glasscock spoke to an operating rate of \$31.49 and lowered debt rate of \$17.37, capping sales tax at \$57 million and not passing water district increases on to customers.

Council Items and Issues for Discussion

No items were brought forward.

Operating Budget

Revenues – Ad Valorem Tax Rate/Tax Rate: Effective and Rollback/Sales Tax: Sales Tax Cap/Water & Sewer Rates/Other Revenues

Director of Budget and Research Rhodes-Whitley spoke to assessed property values of \$25 billion with collections on new property of \$182 million and an increase in revenues from existing properties. She spoke to the average home value of \$245,074, exemptions offered by the City of Plano reducing revenues by \$25.5 million and the Over-65 tax freeze resulting in a loss of \$771,000. Ms. Rhodes-Whitley spoke to the City's portion of property taxes being 19.6% and sales tax revenue lost to internet sales. She advised that the City does not plan to pass increases from the North Texas Municipal Water District on to customers at this time and the Council discussed the take-or-pay terms of the contract. Assistant City Manager/Director of Customer Service Utility Billing Israelson spoke to analysis of the North Texas Municipal Water District contract, non-member entities that are not tied to the district's debt, terms of the contract acting as a disincentive to conserve resources, reduced benefits of membership, the requirement for unanimous direction to revise the contract and its lack of a termination date. He advised the Council that growth cities can acquire more inexpensive water through terms of the agreement and to the potential benefits of negotiating a five-year rolling average level.

Mr. Israelson spoke to consideration of the contract by other cities that are nearing maturity and Ms. Rhodes-Whitley advised that water/sewer rates are mid-range as compared to other Texas cities.

Ms. Rhodes-Whitley spoke to the increase in building and development fees in 2010-11 of \$3.7 million and projected decline for 2011-12 of 25%. She spoke to other revenue changes including decreases based on a re-estimation of municipal court fines (-\$1.5 million); decline in recreation membership fees (-\$533,686); lowered interest earnings (-\$389,909); decrease in mixed beverages tax revenue (-\$250,541); and decrease in residential reinspection fees (-\$239,424). She spoke to revenue increases in closing Tax Increment Financing Reinvestment Zone No. 1 (\$1 million); enhanced fire inspection program (\$300,000); and settlement of an electric franchise rate case (\$525,000). Council Member Dunlap requested information regarding the return on investment for property taxes paid to Collin County.

Program Changes

Across the Board 2%

City Manager Glasscock spoke to budget reductions taken in prior years and the direct impact on employees. Deputy City Manager Ross responded to the Council, advising that of the \$10.1 million in impacts, \$5.6 million represents raises of 3-4 percent that were not granted over the last three years. She spoke to departmental savings resulting in funds that could be utilized for a 2% across the board salary increase for 2011-12. Ms. Ross responded to the Council, advising that only Fire and Police Staff are on step programs and spoke to future consideration of the City's compensation plan as it now falls below the current philosophy of 5% above median.

Fire Department Staffing

City Manager Glasscock spoke to the decision to add equipment and open Fire Station #13 in order to have a positive impact on retention of the City's ISO #1 rating. He advised that in the next three to four years the hiring of additional fire fighters will have a tax rate impact of two cents and stated that Staff will continue to monitor this issue.

Three-year Financial Forecast Update

Ms. Rhodes-Whitley spoke to the deficit projected in March 2011 (\$9.3 million) and the revised forecast utilizing the following assumptions: no salary increases for 2012-13 or 13-14; appraised values remain flat for FY 2012-13 and increase 1% in 2013-14; new growth is expected at \$400 million for FY 2012-13 and FY 2013-14; Building and Development revenues decrease 15% for FY 2012-13 and 10% for 2013-14; Capital Improvement Projects coming on-line include additional firefighters; \$1 million a year for library books; and debt sales of \$30 million per year. She advised that the revised forecast for 2011-12 includes 30 days of working capital; a \$13.9 million deficit in 2012-13; and a deficit of \$11.2 million in FY 2013-14. Ms. Rhodes-Whitley advised that if Council revised the cap on sales tax to \$59 million, the deficit for 2012-13 would be \$5.1 million and \$8.9 million in 2013-14. Council Member Harris spoke to consideration of a lower level of bond sales. Ms. Rhodes-Whitley responded to the Council, advising that revenues for the current year were better than anticipated with expenses lower. She spoke to payment of bond debt and City Manager Glasscock advised regarding future discussion of a 2013 bond election.

Non-resident Library Usage Charge

Deputy City Manager Ross spoke to the reduction in state funding/grants for libraries and the loss of “net lender” monies. She advised that monies received from Collin and Denton counties do not fully subsidize the cost for providing full library services to all citizens from the counties and advised that implementing non-citizen fees should increase the availability of materials and resources for Plano citizens. Ms. Ross advised that effective October 1, residents of cities that provide free library cards to Plano citizens will not be charged a fee, but other non-residents will be charged \$50/year. She responded to the Council, advising that outsourcing of the libraries would result in a reduced level of services and Mr. Glasscock spoke to considering limiting the number of items that can be checked out by non-residents. The Council stated a consensus in support of the proposal and requested Staff follow-up with the school district regarding the impact to students.

Summer Arts Program Discussion

Director of Public Information Conklin spoke to the program providing outreach and education in dance, music, drama and the visual arts due to be rebid in 2012 and funding of \$55,290 for 2010-11. The Council spoke to focusing on the needs of the citizens of Plano and continuation of the program. Ms. Conklin advised that Staff would look into possible grant funding for the program and spoke to future consideration of the contract.

The Council took a brief recess at 10:02 a.m and reconvened at 10:12 a.m.

City-wide National/Regional Membership

City Manager Glasscock spoke to participation in various organizations and Council consideration of costs and benefits of membership. The Council concurred to remove membership in the Alliance for Innovation and reconsider it in coming years; retain membership in the ATMOS Gas Cities Steering Committee which participates in consideration of rate cases; and the Dallas Regional Mobility Association which advocates on issues for North Texas. The Council concurred not to fund membership in the Greater Dallas Planning Association, but to remain open for sponsorship opportunities that may benefit the City. The Council concurred to continue funding membership in the Metroplex Mayors Association and to discontinue funding for the National Forum for Black Public Administrators Association. The Council discussed participation on National League of Cities committees, potential benefits of membership, networking in the organization, costs of conference attendance and concurred to maintain membership and revisit benefits on an annual basis. The Council spoke to the regional value of membership in the North Central Texas Council of Governments and concurred to delay funding for the Vision North Texas Program. The Council concurred to retain membership in the North Texas Commission, Plano Chamber of Commerce, Texas Municipal League, Texas Clean Air Cities Coalition of Utility Issues, and Oncor Standing Steering Committee. The Council took no action on the TEX-21 or Texas Clean Air Cities Coalition and City Manager Glasscock spoke to an annual review of memberships.

City-wide Budget Reductions

Budget and Research Director Rhodes-Whitley spoke to increased revenues from sales tax and a future Council discussion regarding revision of the sales tax cap.

Community Investment Program (CIP)

Director of Budget and Research Rhodes-Whitley spoke to planned Capital Improvement Program expenditures of \$89 million and the lack of monies available for street improvements in the coming years. She spoke to putting large projects into consideration for bond authority and receipt of matching funds. Ms. Rhodes-Whitley spoke to the current financial policy of 75% depreciation for the Capital Reserve Fund and Mr. Glasscock spoke to future discussions regarding the issuance of bond referendums for projects. Ms. Rhodes-Whitley spoke to the retired debt anticipated in the coming years, the interest and payments on bond debt, and operation/maintenance costs associated with projects. She responded to the Council, advising that the expansion of the Senior Center has been postponed due to the impact of operations/maintenance costs.

Proposed Ad Valorem Tax Rate

Director of Budget and Research Rhodes-Whitley spoke to a proposed ad valorem tax rate of 48.86 cents per \$100 valuation, public hearings to be held on August 22 and 31 and a vote on the tax rate on September 12, 2011.

Nothing further was discussed. Mayor Dyer adjourned the meeting at 11:21 a.m.

Phil Dyer, MAYOR

ATTEST:

Diane Zucco, City Secretary

**PLANO CITY COUNCIL
NEIGHBORHOOD ROUNDTABLE
DISTRICT FOUR
August 18, 2011**

COUNCIL MEMBERS

Phil Dyer, Mayor
Pat Miner, Mayor Pro Tem
Lissa Smith, Deputy Mayor Pro Tem
Ben Harris
André Davidson
James Duggan
Patrick Gallagher
Lee Dunlap

STAFF

Bruce Glasscock, City Manager
Frank Turner, Deputy City Manager
LaShon Ross, Deputy City Manager
Diane C. Wetherbee, City Attorney
Diane Zucco, City Secretary

The Plano City Council met informally at 7:05 p.m., Thursday, August 18, 2011, at Plano Sports Authority StarCenter, 6500 Preston Meadow, Plano, Texas. All Council Members were present. Mayor Dyer welcomed those in attendance and introduced Council and Staff. He spoke regarding the structure of the Council where all members represent citizens across the City.

Stage 2 Water Conservation Measures

Public Works Director Cosgrove advised that the City implements stages of the Drought Contingency Program following action by the North Texas Municipal Water District Board and is currently in Stage 1 which is a voluntary reduction with a 2% goal. He spoke to moving to Stage 2 as a result of the impact of invasive zebra mussels and the temporary loss of Lake Texoma raw water; the lowered capacity of Lake Chapman due to the drought and lack of rain run-off; and the peak water usage on August 3, 2011. Mr. Cosgrove spoke to Stage 2 implementation including increased educational efforts, twice-a-week watering and enforcement for non-compliance. He spoke to the potential to move to Stage 3 which includes once-a-week watering and advised that recreation areas are watered out of cycle since they are being utilized during the assigned watering periods. He spoke to the loss of assets during the last drought and the need for irrigation, advised that citizens may hand-water if they have a hose nozzle, and spoke to the potential of using Lake Texoma as a source during cooler months to reduce transmission of the zebra mussels.

FY 2010-11 Budget and Proposed FY 2011-12 Budget Reports

Director of Budget and Research Rhodes-Whitley advised that the City Manager presented his proposed budget on July 27, 2011 and that it includes combined expenditures of \$408 million with the greatest proportions going for Public Safety, Water/Sewer, General Government, and Debt Service. She spoke to the recommended budget being balanced with 30 days of operation in accordance with financial policies, a tax rate remaining at 48.86 cents per \$100 of assessed property valuation, two cents of property tax dedicated to the Economic Development Fund, a transfer to the Capital Reserve Fund of \$10.5 million, and provides for a 2% across-the-board salary increase for both non-civil and civil service employees. Ms. Rhodes-Whitley spoke to the reductions taken by Staff including a one-time savings of \$3.6 million and on-going savings of \$3.3 million and advised that since 2008-09 the total savings has been \$39.5 million and includes the elimination of 142 full-time and 22 part-time positions. She spoke to the increase of .66% in property values with \$182 million in new growth, compared the City of Plano's tax rate with that of other area cities, and spoke to the increase in sales tax receipts. She advised that the City will not be passing along to the citizens any increases in water/sewer costs; spoke to the Community Investment Program (\$89 million); and reviewed dates on the calendar for budget adoption. Ms. Rhodes-Whitley responded to questions, advising that the City loses approximately \$120,000 - \$150,000 on the sales tax holiday weekend, the General Fund is made up of sales and property tax and fees, and the City purchases water from the North Texas Municipal Water District and keeping 70 days of working capital in reserves.

Economic Development Progress Report

Plano Economic Development Board Director Bane spoke to creating job opportunities, diversifying the economic base to cushion against economic shock, and increasing the tax base. She spoke to contributions made by companies and efforts of the Economic Development Board through outreach and recruitment; retention and expansion; and marketing and redevelopment. Ms. Bane reviewed recent projects, utilization of the web site, challenges and opportunities.

Community Investment Projects (CIP) – District 4

- **Street Repairs/Improvements**

Director of Public Works Cosgrove reviewed recently completed projects in the district including Carpenter Park Recreation Center, Fire Station #13 and Spring Creek Parkway rehabilitation. He advised that projects under construction include Custer Road rehabilitation, University Estates Water rehabilitation, Pittman Creek erosion control and screening wall repair at Parker Road/Independence Parkway. He reviewed future projects including the Custer Pump Station rehabilitation, Park Estates Water rehabilitation, Canyon Valley rehabilitation, and various intersection improvements and pavement repairs. He responded to questions from citizens, advising that there are no plans to construct new screening walls and that the City does not maintain living screening walls. He advised that there are 73 miles of walls owned by the City which are replaced when structurally unsound and further that the renovation of the wall along Spring Creek Parkway east of Alma Road was done due to issues with alignment and leaning.

Carpenter Park Recreation Center Reopening

Parks and Recreation Director Fortenberry reviewed the improvements made at Carpenter Park Recreation Center, spoke to new drought-resistant plantings, and advised regarding future plans. She responded to citizens, advising that there should be no closure at Liberty Recreation Center for renovations, memberships cost recovery is 75%, and the Big Lake Park project is scheduled for next year.

Fire Station #4 Renovations

Fire Chief Esparza spoke to the opening of Fire Station #4 in 1978, its expanded role and use for apparatus/vehicle storage, bonds approved by voters in 2005, reduced construction costs and future needs in the area. Chief Esparza spoke to the 9-11 Memorial to be held at Fire Station #1 and responded to a citizen, stating that there are currently 321 firefighters.

Fix it Plano Program

Director of Public Information Conklin spoke to the City's new "Fix-It" program allowing citizens a broadened opportunity to report concerns, track work requests and review maps for current conditions. She spoke to access via the internet, telephone, or text with a smart phone application, and the ability to forward photos to the system.

Mayor Dyer opened the floor for general questions. Senior Planner Perry advised that a zoning application for the northeast corner of Custer Road and Park Boulevard is being reviewed and will come to the Planning and Zoning Commission in September. Mayor Dyer advised that the Arts of Collin County project is still viable and Deputy City Manager Turner spoke to the move of retail centers to other municipalities and the process of redevelopment. Mayor Dyer advised that the Council and Staff will respond to other citizen inquiries and thanked those in attendance. The session was closed at 8:34 p.m.

Phil Dyer, Mayor

ATTEST:

Diane Zucco, City Secretary

**PLANO CITY COUNCIL
PRELIMINARY OPEN MEETING
August 22, 2011**

COUNCIL MEMBERS

Phil Dyer, Mayor
Pat Miner, Mayor Pro Tem
Lissa Smith, Deputy Mayor Pro Tem
Ben Harris
André Davidson
James Duggan
Patrick Gallagher
Lee Dunlap

STAFF

Bruce Glasscock, City Manager
Frank Turner, Deputy City Manager
LaShon Ross, Deputy City Manager
Diane C. Wetherbee, City Attorney
Diane Zucco, City Secretary

Mayor Dyer called the meeting to order at 5:05 p.m., Monday, August 22, 2011, in Training Room A of the Municipal Center, 1520 K Avenue. All Council Members were present. Mayor Dyer then stated that the Council would retire into Executive Session in compliance with Chapter 551, Government Code, Vernon's Texas Codes, Annotated, in order to consult with an attorney and receive Legal Advice, Section 551.071; and to receive information regarding Economic Development, Section 551.087; for which a certified agenda will be kept in the office of the City Secretary for a period of two years as required.

Mayor Dyer reconvened the meeting back into the Preliminary Open Meeting at 5:50 p.m.

Consideration and action resulting from Executive Session discussion

No items were considered.

The Council considered Agenda Items III and VII out of order.

Stage 2 Water Restrictions Update

Assistant City Manager/Director of Customer Utility Billing Israelson spoke to resident feedback in response to implementation of the Stage 2 watering restrictions. He advised regarding a move to a watering schedule based on even/odd addresses and permitting sprinkler usage two days a week with prohibited times between 10 am and 6 pm. Mr. Israelson advised that Stage 3 watering would be one day per week and spoke to variances in place for park land and playing fields.

Personnel Reappointments

Civil Service Commission

Upon a motion made by Council Member Dunlap and seconded by Mayor Pro Tem Miner, the Council voted 8-0 to confirm the reappointment of David M. O'Dens following City Manager Glasscock's recommendation.

Photographic Traffic Signal Advisory Committee

Council Member Duggan reappointed his representative to the committee, Doug A. Bender.

Discussion and Direction Regarding Arts of Collin County Name Change and Action on 2011-12 ACC Budget

Arts of Collin County (ACC) Board of Directors President Bobby Baggett, spoke to the process of developing a budget for the ACC and the impact of the revocation vote from the City of Frisco. He advised that the budget approved on August 10 recommends a "6 + 6" plan with specific deliverables and benchmarks and includes engaging a professional marketing firm to review assets, evaluate structure and develop a new presentation. He spoke to monies spent on architectural plans, donated funds and cash. Mr. Baggett reviewed other options including: placing plans on hold; spinning-off to an independent 501(c)(3) organization; or dissolution. He spoke to the name change to "The Arts Center of North Texas" to provide a broader appeal when seeking sponsorships, reflecting a regional nature, eliminating county-line issues, and offering a new approach. Mr. Baggett reviewed the latest project costs of \$58.7 million and the projected gap of \$21.6 million addressed through individual donations, naming rights and founding partners. He spoke to the revised budget of \$588,000 and taking advantage of marketing opportunities, advising that the hall will be the same project with some rescoping by the contractors and efforts to reduce pricing. Bill Rhoda of CSL Marketing spoke to his experience and responded to the Council that marketing for the Arts of Collin County will not impact other efforts to market the City of Plano. Mr. Baggett clarified that the request is for Council's approval of the "6 + 6" plan and Council Member Davidson spoke to receiving full information after six months on holdings.

Upon a motion made by Deputy Mayor Pro Tem Smith and seconded by Council Member Duggan, the Council voted 8-0 to approve the ACC Budget and "6 + 6" plan.

Legislation Report

This item will be presented at the September 12, 2011 meeting.

Vision North Texas

Vision North Texas Project Manager Karen Walz spoke to its focus on the entire region and reviewed the post-war growth and expansion of the area following World War II. She spoke to future conversion of additional agricultural land, shortages of water and electricity, and congestion as expansion continues. Ms. Walz spoke to the change in character of future residents including more senior citizens and single households. She spoke to working towards more private-public partnerships and the North Texas 2050 Report including a set of guiding principles, identifying a preferred future, preferred uses, investment areas and action items.

Ms. Walz advised that benefits of the Vision North Texas Project to Plano are : 1) the ability to maintain a regional focus including regional emphasis on revitalization, getting the best return on existing public infrastructure investment and integrated recommendations from across the investment area; 2) offering leadership from Plano to provide lessons learned from experience to the Vision North Texas partnership; and 3) gaining resources for Plano including information on the regional context for plans, forums for regional dialogues and action/research tools for officials/staff and the community. Ms. Walz invited the Council to attend the regional summit on October 28th.

Comprehensive Monthly Financial Report

Director of Finance Tacke advised that the July 2011 report finds General Fund and Water & Sewer revenues up slightly as a percentage of budget as compared to last year. She stated that actual General Fund revenues are down for the first ten months of the year primarily due to a decrease in ad valorem taxes and court fine revenues offset by an increase in sales tax. Ms. Tacke advised that General Fund expenditures are flat as a percent of budget for the first ten months of the fiscal year and that Water & Sewer expenditures are down slightly. She spoke to reductions in personnel services with a large portion due to the reduction in the annual required contribution for the 115 Trust. Ms. Tacke spoke to lower levels of contract costs related to social service agency grants and reduced computer replacement charges. She advised that the unemployment rate is up to 7.5%, sales tax collections are up by 8.92% and spoke regarding housing trends. Ms. Tacke advised that the Water & Sewer fund actual revenues are up by \$7.6 million due to decreased rainfall and a 6% rate increase and she spoke to increases in expenditures.

Council items for discussion/action on future agendas

No items were discussed.

Consent and Regular Agendas

Council Member Dunlap requested that Consent Agenda Item "C," Bid No. 2011-219-B for the Preston Ridge Trail Crossing at Legacy Drive, to Bass Site Solutions, LLC in the amount of \$105,447 be removed for individual consideration due to a possible conflict of interest.

Staff requested that Consent Agenda Item "S," an ordinance to amend Chapter 21 (Utilities), Article II (Water), Division 4 - Drought Contingency Plan, Exhibits A & B of the City of Plano Code of Ordinances, to revise the Stage 2 and Stage 3 Watering Zone Maps; and providing a repealer clause, a severability clause, a savings clause and an effective date be removed for individual consideration and revision.

Nothing further was discussed. Mayor Dyer adjourned the Preliminary Meeting at 7:06 p.m.

Phil Dyer, Mayor

ATTEST

Diane Zucco, City Secretary

PLANO CITY COUNCIL
August 22, 2011

COUNCIL MEMBERS

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Diane Zucco, City Secretary

Mayor Dyer convened the Council into the Regular Session on Monday, August 22, 2011, at 7:13 p.m. in the Council Chamber of the Plano Municipal Center, 1520 K Avenue. All Council Members were present.

Mayor Dyer led the invocation and Mayor Pro Tem Miner led the Pledge of Allegiance.

PROCLAMATIONS & SPECIAL RECOGNITION

Mayor Dyer presented special recognition to the International Table Tennis Tournament Players; organizers of the School Supply Project - 25th Anniversary; and Jesus Lara.

COMMENTS OF PUBLIC INTEREST

Citizen Jack Lagos stated concerns regarding leadership and funding of the Arts of Collin County and requested Council consider legal ramifications and spoke to the monies currently in the project that could be divided among member cities upon its dissolution.

CONSENT AGENDA

Upon a request by Council Member Dunlap, Consent Agenda Item "C" was removed for individual consideration due to a possible conflict of interest. Upon the request of Staff, Consent Agenda Item "S" was removed for individual consideration.

Upon a motion made by Mayor Pro Tem Miner and seconded by Council Member Harris, the Council voted 8-0 to approve and adopt all remaining items on the Consent Agenda as recommended and as follows:

Approval of Minutes (Consent Agenda “A”)

August 3, 2011

August 8, 2011

Approval of Expenditures

Award/Rejection of Bid/Proposal: (Purchase of products/services through formal procurement process by this agency)

Bid No. 2011-234-B for the 2010-2011 Arterial Concrete Pavement Rehab Coit Road - Spring Creek Parkway to SH 121, Project No. 6146 to AUI Contractors, LLC. in the amount of \$879,691 and authorizing the City Manager to execute all necessary documents. (Consent Agenda “B”)

Bid No. 2011-166-C for a one (1) year contract with three (3), one (1) year City optional renewals for EMS Pharmaceuticals to Bound Tree Medical to be utilized by the Fire Department in the estimated annual amount of \$49,832 and authorizing the City Manager to execute all necessary documents. (Consent Agenda “D”)

Bid No. 2011-190-C for a one (1) year contract with three (3) city optional renewals to purchase Environmental Waste Truck Parts for Warehouse Inventory from Texan Waste Equip-Heil of Texas, RLS Services, Inc., & Equipment Southwest, Inc. in an estimated amount of \$181,994 and authorizing the City Manager to execute all necessary documents. (Consent Agenda “E”)

Bid No. 2011-204-C for a one (1) year contract with three (3) city optional renewals to purchase Tires-New for Warehouse Inventory from Blagg Tire & Service, Southern Tire Mart, & Diamond Service Center in an estimated amount of \$241,684 and authorizing the City Manager to execute all necessary documents. (Consent Agenda “F”)

Bid No. 2011-210-C for a one (1) year contract with three (3) City optional renewals for Water and Wastewater Pumping Facilities Maintenance Best Value Bid to Legacy Contracting, LP dba Control Specialist Services, LP as the best value for Public Works Pumping Facilities in an estimated amount of \$350,000 and authorizing the City Manager to execute all necessary documents, and providing an effective date. (Consent Agenda “G”)

Purchase from an Existing Contract

To approve the purchase of Landscaping Services from Dyna-Mist Construction for the Sustainability Department using an existing contract/agreement with PISD in an amount not to exceed \$90,000 and authorizing the City Manager to execute all necessary documents. (Consent Agenda “H”)

Approval of Contract Modification

To approve and authorize Contract Modification No. 1 for the purchase of Engineering Services for Park Boulevard Corridor Intersection Improvements in the amount of \$30,915 from Pacheco Koch Consulting Engineers, Inc. This modification will provide for additional easement surveying. (Consent Agenda “I”)

Approval of Change Order

To Tucker & Associates, LLC, increasing the contract by \$11,000 for additional public relations expenses. Change Order No. 1. Original Bid No. 2008-121-B. (Consent Agenda “J”)

Adoption of Resolutions

Resolution No. 2011-8-6(R): To approve the terms and conditions of an Interlocal Agreement by and between the City of Plano, Texas and the Frisco Independent School District for the Police/School Liaison Program; authorizing its execution by the City Manager; and providing an effective date. (Consent Agenda “K”)

Resolution No. 2011-8-7(R): To approve the terms and conditions of an Interlocal Agreement by and between the City of Plano, Texas and the Plano Independent School District for the Police/School Liaison Program; authorizing its execution by the City Manager; and providing an effective date. (Consent Agenda “L”)

Resolution No. 2011-8-8(R): To approve the terms and conditions of the Police Training Center Operating Agreement by and between the City of Plano and City of Richardson; authorizing its execution by the City Manager; and providing an effective date. (Consent Agenda “M”)

Resolution No. 2011-8-9(R): To approve the Investment Portfolio Summary for the quarter ending June 30, 2011 and providing an effective date. (Consent Agenda “N”)

Resolution No. 2011-8-10(R): To approve the terms and conditions of an Acknowledgement of Assignment of and amendment to a Tax Abatement Agreement by and between the City of Plano, Texas, Collin County, Texas, Collin County Community College District (hereinafter collectively referred to as the "Taxing Units"), the National Credit Union Administration ("NCUA") Board as the Liquidating Agent for Southwest Corporate Federal Credit Union, an Asset Management Estate and the NCUA Board as the Conservator for Southwest Bridge Corporate Federal Credit Union ("SBC") federal credit union in conservatorship; authorizing its execution by the City Manager; and providing an effective date. (Consent Agenda “O”)

Resolution No. 2011-8-11(R): To nominate Tektronix Texas, LLC (“Tektronix” or the “Company”), to the Office of the Governor, Economic Development and Tourism through the Texas Economic Development Bank for designation as an Enterprise Project under the Texas Enterprise Zone Program pursuant to the Texas Enterprise Zone Act, Texas Government Code, Chapter 2303; and providing an effective date. (Consent Agenda “P”)

Resolution No. 2011-8-12(R): To approve the name change of the Arts of Collin County Commission, Inc. to The Arts Center of North Texas and approving amendments to its certificate of formation and bylaws to effect the name change; and providing an effective date. (Consent Agenda “Q”)

Adoption of Ordinances

Ordinance No. 2011-8-13: To amend Section 12-101 of Chapter 12 (Traffic Code) of the City of Plano Code of Ordinances to prohibit stopping, standing, or parking of motor vehicles on certain sections of 18th Street, 19th Street, Cross Bend Road, M Avenue, N Avenue, Oakland Hills Drive, and Rigsbee Drive, within the city limits of the City of Plano; declaring it unlawful and a misdemeanor to park motor vehicles upon such sections of such roadway within the limits herein defined; and providing a penalty clause, a repealer clause, a severability clause, a savings clause, a publication clause, and an effective date. (Consent Agenda "R")

Ordinance No. 2011-8-14: To repeal Ordinance No. 2011-2-3; establishing the number of certain classifications within the Police and Fire Departments for Fiscal Year 2010-11; establishing the authorized number and effective dates of such positions for each classification effective August 29, 2011; establishing a salary plan for the Police and Fire Departments effective August 29, 2011 and providing a repealer clause, a severability clause and an effective date. (Consent Agenda "T")

ITEMS FOR INDIVIDUAL CONSIDERATION:

Due to a possible conflict of interest, Council Member Dunlap stepped down from the bench on the following item.

Bid No. 2011-219-B for the Preston Ridge Trail Crossing at Legacy Drive, Project No. 6049, to Bass Site Solutions, LLC in the amount of \$105,447 and authorizing the City Manager to execute all necessary documents. (Consent Agenda "C")

Upon a motion made by Council Member Davidson and seconded by Deputy Mayor Pro Tem Smith, the Council voted 7-0 to approve Bid No. 2011-219-B for the Preston Ridge Trail Crossing at Legacy Drive to Bass Site Solutions, LLC in the amount of \$105,447.

Ordinance No. 2011-8-15: To amend Chapter 21 (Utilities), Article II (Water), Division 4 - Drought Contingency Plan, Exhibits A & B of the City of Plano Code of Ordinances, to revise the Stage 2 and Stage 3 Watering Zone Maps; and providing a repealer clause, a severability clause, a savings clause and an effective date. (Consent Agenda "S")

City Attorney Wetherbee advised that Staff has prepared an alternative option to revise the Stage 2 watering restrictions based on even/odd property addresses, permitting watering two days per week and including prohibited times. She further advised that, if necessary, Stage 3 will be implemented utilizing the even/odd property addresses with one day per week usage.

Upon a motion made by Mayor Pro Tem Miner and seconded by Deputy Mayor Pro Tem Smith, the Council voted 8-0 to amend Chapter 21, Article II, Division 4 - Drought Contingency Plan, of the City of Plano Code of Ordinances, as recommended by City Attorney Wetherbee in an alternative option permitting watering based on even/odd property addresses, two days per week for Stage 2 and one day per week for Stage 3; and further to adopt Ordinance No. 2011-8-15 as revised.

Public Hearing and adoption of Ordinance No. 2011-8-16 to designate a certain area within the City of Plano, Texas, as Reinvestment Zone No. 125 for tax abatement consisting of an 11.40 acre tract of land located in the J.B. Roundtree Survey, Abstract No. 759, Collin County and described as Lot 1, Block 1 Plano Tech Center II in the City of Plano, Texas, establishing the boundaries of such zone; ordaining other matters related thereto; and providing an effective date. (Regular Agenda “1”)

Director of Finance Tacke advised that prior to entering into tax abatement agreements, state law requires the holding of a Public Hearing and establishment of a zone. She further stated that the tax abatement will be based on the following values: an estimated \$2.5 million of real property as of November 1, 2011 and an estimated \$11 million of business personal property as of September 30, 2011. Ms. Tacke stated that the abatement will be for a period of ten years and shall be based on an amount equal to 50% for real property and 50% for business personal property.

Mayor Dyer opened the Public Hearing. No one appeared to speak either for or against the request. The Public Hearing was closed.

Upon a motion made by Council Member Harris and seconded by Deputy Mayor Pro Tem Smith, the Council voted 8-0 to designate a certain area within the City of Plano, Texas, as Reinvestment Zone No. 125 for tax abatement located in the J.B. Roundtree Survey, Abstract No. 759, Collin County; and further to adopt Ordinance No. 2011-8-16.

Resolution No. 2011-8-17(R): To approve the terms and conditions of an Agreement by and between the City of Plano, Texas, and O’Neil Digital Solutions, LLC, Investor's Business Daily, and William O’Neil providing for real and business personal property tax abatement; and authorizing its execution by the City Manager; and providing an effective date. (Regular Agenda “2”)

Director of Finance Tacke advised that the tax abatement will be between the City and O’Neil Digital Solutions, which consists of three companies: William J O’Neil & Company is a research firm for institutional investment firms, O’Neil Data Systems uses IT technology to turn data into print, and Investor’s Business Daily is a national newspaper. She advised that O’Neil will complete real property improvements consisting of 218,000 square feet of existing commercial space as well as some expansion.

Upon a motion made by Council Member Davidson and seconded by Mayor Pro Miner, the Council voted 8-0 to approve the terms and conditions of an Agreement by and between the City of Plano, Texas, and O’Neil Digital Solutions, LLC, Investor's Business Daily, and William O’Neil providing for real and business personal property tax abatement; and further to adopt Resolution No. 2011-8-17(R).

Resolution No. 2011-8-18(R): To approve the terms and conditions of an Economic Development Incentive Agreement by and between O’Neil Digital Solutions, LLC and the City of Plano; authorizing its execution by the City Manager; and providing an effective date. (Regular Agenda “3”)

Director of Finance Tacke advised that the 380 grant offered to O’Neil is in the amount of \$187,500 for the occupancy of not less than 218,000 square feet of office space and the transfer or creation of up to at least 96 full time equivalent positions by December 31, 2013. She further advised that the company has the option of adding an additional 70 jobs by December 31, 2014 and an additional 84 jobs by December 31, 2015.

Upon a motion made by Council Member Harris and seconded by Mayor Pro Tem Miner, the Council voted 8-0 to approve the terms and conditions of an Economic Development Incentive Agreement by and between O’Neil Digital Solutions, LLC and the City of Plano; and further to adopt Resolution No. 2011-8-18(R).

Public Hearing regarding Options for Revised City Council District Boundaries for Districts 1-4 (Regular Agenda “4”)

Senior Planner Sims advised that Option 1 changes the boundaries between Council Districts 2 and 4, resulting in an exchange of 9,500 residents and reduces the difference between the largest and the smallest districts to fewer than 10%. He further advised that Option 2 uses the same recommendation as above and adds a slight boundary change between Districts 1 and 3, thus exchanging an additional 2,700 residents and reducing the difference between the largest and smallest districts to 4%. He advised that an additional Public Hearing will be held on September 12 and stated that the City will need to consider boundaries after each census as the population is dynamic.

Mayor Dyer opened the Public Hearing. No one appeared to speak either for or against the request. The Public Hearing was closed.

Public Hearing and adoption of Ordinance No. 2011-8-19 as requested in Zoning Case 2011-19, amending the Comprehensive Zoning Ordinance of the City, Ordinance No. 2006-4-24, as heretofore amended, granting Specific Use Permit No. 611 so as to allow the additional use of Gymnastics/Dance Studio on 0.2± acre of land located on the north side of Summit Avenue, 500± feet west of Stewart Avenue in the City of Plano, Collin County, Texas, presently zoned Light Industrial-1; directing a change accordingly in the official zoning map of the City; and providing a penalty clause, a repealer clause, a savings clause, a severability clause, a publication clause, and an effective date. Applicant: Russell Robertson (Sperry Van Ness Asset Management) (Regular Agenda “5”)

Senior Planner Perry advised the Council that the applicant proposes utilizing an existing 8,600 tenant space in a Light Industrial location for a gymnastics and dance studio which requires a specific use permit. She further advised that the Planning and Zoning Commission recommended approval as submitted.

Ordinance No. 2011-8-19 (cont'd)

Mayor Dyer opened the Public Hearing. No one appeared to speak either for or against the request. The Public Hearing was closed.

Upon a motion made by Mayor Pro Tem Miner and seconded by Council Member Davidson, the Council voted 8-0 to grant Specific Use Permit No. 611 so as to allow the additional use of Gymnastics/Dance Studio on the north side of Summit Avenue, 500± feet west of Stewart Avenue in the City of Plano, Collin County, Texas; as recommended by the Planning and Zoning Commission and as requested in Zoning Case 2011-19; and further to adopt Ordinance No. 2011-8-19.

Public Hearing on a proposal to increase total tax revenues from properties on the tax roll in the preceding tax year by 1.66 percent (percentage by which proposed tax rate exceeds lower of rollback tax rate or effective tax calculated under Chapter 26, Tax Code). (Regular Agenda “6”)

Mayor Dyer opened the Public Hearing. Resident Kevin Anderson requested clarification of the agenda item and Mayor Dyer advised that the rate is not being increased but that total revenues will increase as more properties have been added to the rolls. Resident George Gata requested clarification of the item and Budget and Research Director Rhodes-Whitley advised regarding calculation of the tax rate and Council Member Dunlap spoke to the increase in the number of commercial properties. Mr. Gata spoke to focusing on essential personnel and projects rather than on parks or the arts. Resident Jack Lagos thanked the Council and Staff for clarifying the item. Citizen Michael Openshaw requested the Council work to decrease bonded indebtedness and support core services and spoke in opposition to funding the arts center. No one else appeared to speak either for or against the request. The Public Hearing was closed.

Public Hearing and Council discussion and direction regarding a possible charter election to include, but not limited to, propositions on: revising Council length of terms and term limits; municipal court of record; and general clean-up of provisions that are obsolete or preempted by state or local law (Regular Agenda “7”)

Mayor Dyer opened the Public Hearing. Resident Robert Miller spoke in support of staggered four-year terms elected in May of odd-numbered years. No one else appeared to speak either for or against the request. The Public Hearing was closed.

City Attorney Wetherbee advised the Council regarding the deadline to order a charter election. City Secretary Zucco advised that Collin County has not finalized costs for even-year elections and will request entities submit a Memorandum of Understanding indicating whether they are “in or out” for May 2012 and that entities will incur costs whether or not an election is held. City Manager Glasscock advised that the school district has indicated they will track with the City. Ms. Zucco responded to the Council, advising that if Plano were to retain odd-numbered years only, there will not be additional costs for programming/drayage. Council Member Duggan requested footnotes be included in the charter referencing state statutes.

Nothing further was discussed and Mayor Dyer adjourned the meeting at 8:06 p.m.

Phil Dyer, MAYOR

ATTEST:

Diane Zucco, City Secretary

PLANO CITY COUNCIL
Special Called Session
August 31, 2011

COUNCIL MEMBERS

Phil Dyer, Mayor
Pat Miner, Mayor Pro Tem
Lissa Smith, Deputy Mayor Pro Tem
Ben Harris
André Davidson
James Duggan
Patrick Gallagher
Lee Dunlap

STAFF

Bruce Glasscock, City Manager
Frank Turner, Deputy City Manager
LaShon Ross, Deputy City Manager
Diane C. Wetherbee, City Attorney
Diane Zucco, City Secretary

Mayor Dyer convened the Council into the Special Called Session on Wednesday, August 31, 2011 at 5:01 p.m. in the Council Chamber of the Plano Municipal Center, 1520 K Avenue. All Council Members were present with the exception of Council Member Harris.

A second public hearing on a proposal to increase total tax revenues from properties on the tax roll in the preceding tax year by 1.66 percent (percentage by which proposed tax rate exceeds lower of rollback tax rate or effective tax calculated under Chapter 26, Tax Code). (First public hearing conducted August 22, 2011.)

Mayor Dyer opened the Public Hearing. Employee Mark Kamenish requested the Council consider further cost savings through changes in web browser access and installing more native plantings on City properties. No one else appeared to speak for or against the item. The Public Hearing was closed.

Ordinance No. 2011-8-20: To order a Special Election to be held on November 8, 2011 in and throughout the City of Plano, Texas for the purpose of submitting propositions to the qualified voters of the City for amendments to the City Charter as follows: Provide for the election of City Council Members from three to four year terms and reduce the number of terms served from three to two and apply the term limits to any full term served; provide changes to the Municipal Court to allow the City Council to select all judges and decide terms of office and grounds for removal, and expand powers of the court; provide a single proposition to correct non-substantive errors, clarify meanings, correct paragraph numbering; conform to requirements of federal and state law, remove redundant provisions otherwise provided for in state or federal law; and revise references to repealed or obsolete provisions of federal or state law or city charter; designating polling locations for such Special Election; ordering Notice of Election to be given as prescribed by law in connection with such election; and providing an effective date. (Public hearings conducted on August 8, 2011, August 13, 2011, and August 22, 2011).

City Manager Glasscock spoke to recent information received from Collin County, the “fluid” nature of the situation and the upcoming deadline of September 7, 2011 to order a charter election. City Secretary Zucco spoke to there being a minimal impact on the City of Plano should several entities move to Denton County for election services, the requirement for a Memorandum of Understanding to cover the costs of voting equipment should Plano wish to hold a May 2012 election whether or not it takes place, and the uncertainty of pricing. She advised that a proposal will be presented by the Elections Administrator to the County Commissioners to continue dividing centralized costs by the number of jurisdictions holding a full contract, but to divide programming costs based on races, precincts and candidates. Ms. Zucco stated that full pricing alternatives will not be available until September 19 and spoke to possible requests by other entities to change polling locations for May elections.

Ms. Zucco advised that if the City were to move to four-year staggered terms in odd-numbered years, Collin County would provide written assurance that no costs for other entities’ decisions would be passed to the City, Plano would determine polling locations and a charter election would be required. She spoke to the potential for petition-driven elections in May of even-numbered years and possible consideration of retaining the current three-year structure with a reduction in polling locations. Ms. Zucco advised that should petitions be brought forward for an even-year cycle, the City could request services from the county, contract machines themselves, or try to postpone the election to November.

Deputy Mayor Pro Tem Smith spoke to the lack of clear direction until later in September and stated concern regarding reducing polling locations. Council Member Dunlap stated concern regarding reducing polling locations and spoke to informing citizens of costs should a petition be brought forward in an even-numbered year. He spoke to the benefits of four-year terms and in support of a charter election to change the Council terms of office. Mayor Pro Tem Miner stated support for two, four-year terms of office. The Council spoke to the possibility of opting back into services with Collin County if necessary for even-numbered years and other items for voter consideration on the charter election ballot.

Upon a motion made by Council Member Dunlap and seconded by Council Member Duggan, the Council voted 7-0 to order a Special Election to be held on November 8, 2011 in and throughout the City of Plano, Texas for the purpose of submitting propositions to the qualified voters of the City for amendments to the City Charter; and further to adopt Ordinance No. 2011-8-20.

Nothing further was discussed. Mayor Dyer adjourned the meeting at 5:37 p.m.

Phil Dyer, MAYOR

ATTEST:

Diane Zucco, City Secretary