

**PLANO CITY COUNCIL
NEIGHBORHOOD ROUNDTABLE
DISTRICT THREE
May 24, 2007**

COUNCIL MEMBERS

Pat Evans, Mayor
Scott Johnson, Mayor Pro Tem
Sally Magnuson, Deputy Mayor Pro Tem
Shep Stahel
Loretta Ellerbe
Harry LaRosiliere
Jean Callison
Lee Dunlap

STAFF

Thomas H. Muehlenbeck, City Manager
Frank Turner, Executive Director
Bruce Glasscock, Executive Director
Rod Hogan, Executive Director
Diane C. Wetherbee, City Attorney
Diane Zucco, City Secretary

The Plano City Council met informally at 7:11 p.m., Thursday, May 24, 2007, at Plano Sports Authority StarCenter, 6500 Preston Meadow, Plano, Texas. All Council Members were present with the exception of Council Member Stahel. Mayor Evans welcomed those in attendance and identified the Council districts. Mayor Evans spoke regarding Council Members being elected and serving the City at large and the benefits provided. Staff in attendance introduced themselves.

FY 2007-2008 Budget Presentation - FY 2007-2008 Community Investment Program Presentation

Director of Budget and Research Rhodes spoke to the largest portion of expenditures being for Public Safety followed by Water and Sewer, General Government, Debt Service, Parks and Recreation and Sustainability and Environmental Services. Director of Sustainability and Environmental Services Nevil responded to a question, advising that recycling is driven by market demands and at the current time, only #1 and #2 plastics are included.

Ms. Rhodes spoke to the largest portion of resources coming from taxes (property and sales tax), followed by water and sewer fees, franchise fees and environmental waste services. She spoke to projections from the Central Appraisal District of Collin County regarding the total assessed property valuations and to the final figures being available on July 25. She spoke to the City of Plano offering exemptions including one for a general homestead and those for individuals over-65 or disabled. Ms. Rhodes advised that these exemptions translate into \$21.2 million in lost property tax revenue. She spoke to the impact on revenues of the over-65 tax freeze and tax increment financing districts.

Ms. Rhodes spoke regarding the City's participation in DART, wherein a portion of sales taxes collected goes to the transit authority and other cities that do not participate and can use funds as a means to attract businesses. She spoke to Plano implementing a two-cent property tax increase in 2006-07 for an Economic Development Incentive Program allowing the City to stay competitive. Ms. Rhodes responded to a question regarding the benefits of acquiring additional companies in the City and Mayor Pro Tem Johnson spoke to businesses paying the full tax rate but using less public services. Ms. Rhodes compared the City of Plano tax rate to other area cities that do not offer exemptions and advised that the tax base is comprised of 52% residential and 48% commercial properties. She stated that the City's portion of property tax collected is 17.3% and that she could provide information to those residing outside of the Plano Independent School District regarding their tax rates.

Ms. Rhodes spoke regarding the volatility of sales tax as a revenue source, implementation of the Budget Contingency Plan in 2001 and advised that increases in sales tax revenues are coming from corporations and industries rather than from the retail sector. Ms. Rhodes spoke to building and development revenue and advised that this source is declining due to residential build out. Ms. Rhodes spoke to the "Take or Pay" contract with the North Texas Municipal Water District (NTMWD) wherein payments are made based on peak water usage. She stated the reduction in gallons for the current year-to-date and spoke to lost revenues since 2002 totaling over \$15.6 million as well as the fiscal impact of a recent sewer main break. Ms. Rhodes spoke regarding projected increases from the NTMWD resulting in an increase in fees for water, sewer and meters, the implementation of the three-year Winter Quarter Averaging and an increase in Environmental Waste fees.

Ms. Rhodes advised regarding the Community Investment Program which funds the City's infrastructure and the passage of bond propositions by voters. She spoke to the greatest expenditure being in the area of streets, followed by parks and the Capital Reserve Fund and reviewed key dates on the budget calendar

The floor was opened to questions and Ms. Rhodes advised that the City does not operate in a deficit position, spoke to monies going into the fund balance and maintaining the City's high bond rating. Ms. Rhodes advised that she will provide further information regarding the impact of a mall in the City of Allen at the Council's Budget Worksession. Mayor Evans responded to a question regarding the use of Economic Development funds to attract major companies and maintaining the City's ability to compete with other communities. She spoke to the land available for commercial development and Director of Planning Jarrell advised regarding ownership of property at the Dallas North Tollway and Spring Creek Parkway. Ms. Rhodes advised regarding property taxes collected from apartment complexes. Mayor Evans spoke regarding the effect of DART on the City's revenue, to revenues gained by those shopping in Plano, to targeting businesses, and to redevelopment efforts at area strip malls as well as Collin Creek Mall.

Water Restrictions Report Update

Director of Public Works Foster spoke to the area being in a hydrological drought and advised that Lake Lavon is 97% full, Lake Chapman is 49% full and Lake Texoma is 108% full. He advised that through the end of April 2007, Lake Lavon has received more rain than for the same period last year. Mr. Foster spoke to the drought being in place until the lakes reach their conservation pool levels, advised that Stage 3 Watering Restrictions may remain in place until additional sources are in place and/or conservation pool levels are reached and stated that until additional sources are in place, the major issue will be permitted water rights. He responded to a question, advising that part of the reason for the low levels at Lake Chapman may be related to the water shed area for that lake. Mr. Foster spoke to the reduction in water consumption from 17.745 billion gallons in 2005 to 14.593 billion gallons in 2006 and the consumption for January-April 2007 of 5.216 billion gallons as compared to 6.470 billion gallons for the same period in 2006.

Mr. Foster spoke to consideration of factors for the City remaining in Stage 3 including the provision for two-days per week of watering, the current reservoir storage and water rights projections. He spoke to the current level of Lake Lavon, the typical drawdown that occurs during the summer months and projections for normal amounts of rainfall for the summer. Mr. Foster spoke regarding the East Fork Raw Water Supply Project and the SRA Upper Basin Supply Project and issues of supply and demand in the area. He responded that permitting for a reservoir may take many years and spoke to one proposed at the Lower Bois d'Arc Creek. Mr. Foster advised that recent legislation may eliminate development of the Marvin Nichols Reservoir.

The floor was opened to questions and Mr. Foster spoke regarding the level of water needed to maintain lawns, the benefits of having two days per week to water, and the use of soaker hoses and "bubblers" for foundation watering. He advised that there are thirteen member cities in the NTMWD and over thirty customer cities and spoke regarding metering the water as it enters the City. Mr. Foster spoke to the NTMWD making recommendations to cities regarding restrictions, but advised that implementation is left to the municipalities with the goal remaining at least a 5% reduction in usage. He advised that last year the City of Plano experienced a 15% reduction.

Recreation Center Report Update - Muehlenbeck Center and Carpenter Park Expansion

Director of Parks and Recreation Wendell spoke regarding the Muehlenbeck Center which will include fitness rooms, a running track, gymnasium, craft rooms and meeting rooms as well as an indoor competitive pool, and indoor/outdoor leisure pools. He spoke to the opening planned for late summer 2007, hours of operation and admission rates.

Mr. Wendell spoke regarding the Carpenter Park Expansion with plans to add facilities aimed at seniors and expanded exercise areas. He spoke to design completion in late 2007, construction beginning in the fall of 2008 and the facility opening in the fall of 2009.

The floor was opened to questions and Mr. Wendell spoke to the opening of pools, swim teams utilizing the facilities and stated that Archgate Park will open in the fall of 2007.

Community Investment Projects – District 3 - Street Repairs/Improvements/Resurfacing

Mayor Evans opened the floor to questions and City Engineer Upchurch advised that Staff would look into the left-turn lanes at the intersection of Custer Road and McDermott Road. He responded to a question regarding efforts to install speed bumps on Baxter Drive between Legacy Drive and Hedgcoxe Road and advised that citizens may contact the Transportation Department to begin a new study of the area.

Mayor Evans spoke to the Plano Independent School District Board responding to questions regarding schools. Ms. Jarrell advised that 30% of housing in the City is apartments and that at build out it is expected to be 32%. She advised that there is no cap in place, but that development is based on zoning. Mayor Evans spoke to recent trends where apartments are concentrated in urban areas and land formerly zoned for garden apartments changing to single-family usage. She spoke to the Council being sensitive to the differing needs of its citizens and spoke to the development of more choices for senior citizens. Mayor Pro Tem Johnson spoke to changes in zoning regulations, the variety of products being offered and encouraging people of all ages and backgrounds to live in Plano. He responded that a development at Preston Road and Spring Creek Parkway is a retirement community.

Director of Property Standards O'Banner advised that her department regulates inoperable or unregistered vehicles located on property while the Police Department addresses those on the street. Ms. O'Banner stated that her department and the Police Department work together in addressing situations where large trucks may be left in parking lots. Mayor Evans advised that Staff will look into the need for a stop sign at Crossbend Road and Old Orchard Drive and stated that citizens may contact the Transportation Department Staff regarding the need for school zone signs. A citizen praised the City for its efforts.

Mayor Evans thanked those in attendance and adjourned the meeting at 9:00 p.m.

Pat Evans, Mayor

ATTEST:

Diane Zucco, City Secretary