

**PLANO CITY COUNCIL
PRELIMINARY OPEN MEETING
February 17, 2009**

COUNCIL MEMBERS

Pat Evans, Mayor
Jean Callison, Mayor Pro Tem
Harry LaRosiliere, Deputy Mayor Pro Tem
Pat Miner
Scott Johnson
Mabrie Jackson
Sally Magnuson
Lee Dunlap

STAFF

Thomas H. Muehlenbeck, City Manager
Frank Turner, Deputy City Manager
Bruce Glasscock, Deputy City Manager
Rod Hogan, Deputy City Manager
Mark Israelson, Assistant City Manager
LaShon Ross, Assistant City Manager
Diane C. Wetherbee, City Attorney
Diane Zucco, City Secretary

Mayor Evans called the meeting to order at 5:11 p.m., Tuesday, February 17, 2009, in Training Room A of the Municipal Center, 1520 K Avenue. All Council Members were present with the exception of Deputy Mayor Pro Tem LaRosiliere. Mayor Evans 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 discuss 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 Evans reconvened the meeting back into the Preliminary Open Meeting at 6:04 p.m. in the Council Chambers where the following matters were discussed:

Consideration and Action Resulting from Executive Session Discussion:

No items were brought forward.

Discussion and Direction Regarding 2010 Census Complete Count Committee

Long Range Planning Manager Zimmerman reviewed information regarding the establishment of a 2010 Complete Count Committee and its role as a partner with the Census Bureau. He spoke to the importance of accuracy in the count as it determines the number of elected officials and is a major factor in funding. Mr. Zimmerman spoke to Staff's efforts in assembling a broad base of members, development of a strategic framework and funding in the amount of \$30,000 over the next 15-16 months.

Mr. Zimmerman spoke to the need for flexibility and the recommendation that Mayor Evans form the committee as a task force, appoint a chair and vice chair and Council liaisons and further direct Staff to continue recruiting members. He responded to Mayor Evans that service for members would extend from February 2009 into May of 2010, and spoke to formation of at least four sub-committees and meeting times. He advised that the Council Subcommittee (Mayor Pro Tem Callison and Council Member Miner) recommend Thomas Martin from Collin County Community College as Chair and Leticia Martinez of St. Elizabeth Seton Church as Vice chair and spoke to the ability to add members up to a maximum of twenty-four.

Mayor Evans spoke to the wide range of those volunteering and appointed Mayor Pro Tem Callison and Council Member Miner as Council liaisons. The Council expressed a consensus to move forward with this approach.

Discussion and Direction Regarding Water & Sewer Rate

Budget and Research Director Rhodes-Whitley spoke to notification received in July 2008 that the North Texas Municipal Water District (NTMWD) was increasing rates on water by 9%, waste water by 18% and Upper East Fork Interceptor by 24% and advised regarding the decision to conduct a *Cost of Service Study*. She spoke regarding delays in securing a consultant and to increased water sales and a NTMWD credit postponing the need for an increase in rates. Ms. Rhodes-Whitley spoke to the item being a pass-through of costs from the district and review by the Finance Subcommittee. She advised that a typical residential customer would see a \$10.58 increase (based on 10,000 gallons) and a commercial customer \$48.52 (based on 50,000 gallons) and to Plano being mid-level as compared to other municipalities. Ms. Rhodes-Whitley advised that there is an item for Council consideration on the regular agenda and that rates would be effective March 1, 2009.

Discussion and Direction Regarding 2009 Bond Referendum

Budget and Research Director Rhodes spoke to information provided to Council regarding a proposed bond election and scheduling consideration of an order for the February 23, 2009 meeting. She spoke to determining projects, dollar amounts and priorities. City Attorney Wetherbee stated that the bond counsel has advised that propositions are written in a broad way to allow flexibility as projects are funded. She responded to Council Member Jackson that items are listed as generally envisioned and not included as an attachment to the ordinance. Ms. Rhodes-Whitley spoke to the current recommendation of \$128.6 with changes removing a fiber infrastructure build-out project and scaling back of Parks and Recreation requests. She spoke to \$11.3 million for Public Safety including engine/fire apparatus, renovation of existing stations, Fire Station 13 and video surveillance of City buildings; \$8 million for a Technology Services Facility; \$1.8 million for Library Facilities; \$48.7 million for Park Improvements; \$24.1 million for Recreation Centers; and to receiving \$88.8 million worth of street projects with \$54.1 million coming from outside sources resulting in a net expense of \$34.8 million.

Ms. Rhodes-Whitley spoke to the tax rate impact for \$100 million of new debt being 1.4 cents for issuance and 1.5 cents for operation/maintenance with cost of \$58.29/year for an average home. She advised that if all recommended authority were approved, the cost would be \$66.41 per household and spoke to this impact occurring should revenues decline and projects move forward.

Ms. Rhodes-Whitley spoke to existing debt decreasing to rate of 1.5 cents (from 2 cents) due to better than expected rates on the bond sales. She advised regarding the cost of hiring firefighters and reviewed key dates. She responded to Mayor Pro Tem Callison, stating that the referendum would be average in size and City Manager Muehlenbeck spoke to the choices provided. He spoke to utilizing Capital Reserve monies for slab replacements and bond funds for all-inclusive street replacements. Council Member Jackson stated concern regarding the timing of the referendum and the impact of the economy on Plano's citizens and Council Member Miner spoke to the impact should homeowners be unable to pay their taxes. Council Member Johnson spoke to receiving authority with spending dependent on circumstances and to the impact should Fire Station #13 be delayed. Mr. Muehlenbeck spoke to costs should the election be delayed, matching funds available for streets, and Council Member Magnuson spoke to a delay costing more in the long run. Fire Chief Esparza spoke regarding the ISO rating review being postponed, a possible insurance rate increase of 1% for residential properties should the rating change and Mr. Muehlenbeck spoke to a possible drop of two levels. Chief Esparza spoke to retaining the ISO 1 rating by displaying a good faith effort in moving forward. He advised regarding the delays in responding to areas west of the Dallas North Tollway and the need for Fire Station #13.

Council Member Miner spoke to the possibility of considering a more focused referendum. Mr. Muehlenbeck advised regarding items related to Public Safety including the Technology Services Facility, improvements needed to library facilities, and obligations related to the Carpenter Park Recreation Center. Mayor Evans spoke to the growing senior population and renovation of the aquatic center. Mayor Pro Tem Callison spoke to citizens making the final decision.

Council Member Magnuson recommended an order of propositions: Public Safety Improvements, Technology Services Facility, Street Improvements, Library Facilities, Parks and Recreation Improvements and Recreation Centers to which Council Members Johnson and Miner concurred. Mr. Muehlenbeck advised that Public Safety and Technology Services Facility cannot be combined even though they are closely related and responded to Council Member Dunlap, stating that if both were not approved, some General Fund monies would be needed. He spoke to possible setbacks on other items, advising that a future Council could bring them back. Mr. Dunlap spoke to the importance of providing the choices to citizens. Council Member Magnuson spoke to the referendum authorizing the ability to sell bonds as necessary and as warranted. Council Member Jackson spoke regarding the timing and Ms. Wetherbee spoke to the propositions providing a "roadmap" to determine funding for each. Ms. Rhodes-Whitley advised that Staff would prepare an ordinance calling the election and provide information regarding future presentations.

Nothing further was discussed. Remaining items were considered during the Regular Meeting. Mayor Evans adjourned the Preliminary Meeting directly into the Regular Meeting at 7:01 p.m.

Pat Evans, MAYOR

ATTEST

Diane Zucco, City Secretary