

**PLANO CITY COUNCIL
PRELIMINARY OPEN MEETING
October 24, 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 Pro Tem Miner called the meeting to order at 5:02 p.m., Monday, October 24, 2011, in Training Room A of the Municipal Center, 1520 K Avenue. All Council Members were present with the exception of Mayor Dyer. Mayor Pro Tem Miner 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 and discuss Litigation, Section 551.071; receive information regarding Economic Development, Section 551.087; and to discuss Real Estate, Section 551.072 for which a certified agenda will be kept in the office of the City Secretary for a period of two years as required.

Mayor Pro Tem Miner reconvened the meeting back into the Preliminary Open Meeting at 6:00 p.m.

**Consideration and action resulting from Executive Session discussion: Personnel –
Appointments**

Nothing was brought forward.

Discussion and Direction re "Goods-In-Transit" - Local Tax Option

Director of Budget and Research Rhodes-Whitley advised that "goods-in-transit" is defined as tangible personal property that: is acquired in or imported into this state to be forwarded to another location; is stored under a contract of bailment by a public warehouse operator not owned or controlled by the owner of the property; is transported to another location not later than 175 days after acquired; and does not include several items including oil, natural gas products, dealer's motor vehicle or heavy equipment inventory or retail manufactured housing.

Ms. Whitley-Rhodes spoke to the current Freeport Exemption for goods stored in the City less than 175 days which are shipped out of state and which removed \$200 million in property value and is not revocable. She spoke to passage of legislation in 2011 to narrow “goods-in-transit” exemptions and address competition between Texas and New Mexico warehouses that do not tax goods. Ms. Rhodes-Whitley spoke regarding the limited potential impact of the exemption as most goods are stored in facilities owned by property owners; the decision of most Collin County municipalities to opt-out of the exemption; and advised that there is currently \$2.1 billion in business personal property in Plano. She advised that, to continue taxation, the City would need to act between October 1 and December 31, 2011, hold a public hearing and pass an ordinance, and notify both Collin/Denton County Central Appraisal Districts.

Council Member Duggan spoke to the potential for increased warehousing if the exemption were left in place. City Manager Glasscock advised he would bring back information regarding the potential impact on economic development. He spoke to the fiscal impact of implementing an exemption (-\$1 million). Ms. Rhodes-Whitley advised she would research the number of independent warehouses located in the City.

Council items for discussion/action on future agendas

No items were discussed.

Consent and Regular Agendas

Council Member Dunlap requested that Consent Agenda Item “B,” Bid No. 2011-300-B for Intersection Improvements – Parker Road, Spring Creek Parkway and Jupiter Road to Jim Bowman Construction Company, LP in the amount of \$604,635 be removed for individual consideration due to a possible conflict of interest.

Nothing further was discussed. Mayor Pro Tem Miner adjourned the Preliminary Meeting at 6:17 p.m.

Pat Miner, MAYOR PRO TEM

ATTEST

Diane Zucco, City Secretary