

**PLANO CITY COUNCIL
PRELIMINARY OPEN MEETING
NOVEMBER 26, 2012**

COUNCIL MEMBERS PRESENT

Phil Dyer, Mayor
Lissa Smith, Mayor Pro Tem
Pat Miner
André Davidson
Jim Duggan
Patrick Gallagher
Lee Dunlap

COUNCIL MEMBERS ABSENT

Ben Harris, Deputy Mayor Pro Tem

STAFF PRESENT

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 5:01 p.m., Monday, November 26, 2012, in Training Room A of the Municipal Center, 1520 K Avenue. A quorum was 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 for which a certified agenda is not required.

Mayor Dyer reconvened the meeting back into the Preliminary Open Meeting at 5:41 p.m.

Consideration and action resulting from Executive Session discussion

No items were brought forward.

Comprehensive Monthly Financial Report

Controller Cockrell advised that the October 2012 report finds actual General Fund revenues are up \$1 million as compared to last year. She noted that General Fund expenditures are slightly higher than last year due to increases in personnel expenses, but that professional service contract expenses are down. Ms. Cockrell spoke to sales tax collections of \$6.5 million, a general improvement in the real estate market over the last 12 months and the City's unemployment rate of 5.6%.

Discussion and Direction Regarding Proposed Changes to the Capital Reserve Fund

Director of Budget and Research Rhodes-Whitley spoke to the City's Sales Tax Policy which states that any funds collected over the cap (currently \$59 million) can be used for one-time expenditures, transfer to the Capital Reserve Fund, or to offset a purchase in the following year. She advised that sales tax collections are projected to end FY 2011-12 at \$69.8 million. Ms. Rhodes-Whitley spoke to creation of the Capital Reserve Fund in 1985-86 to fund maintenance related projects and advised that the City has not attained the policy goal of 75% of the annual depreciation of the total general assets. She spoke to methodology using a 20-year life cycle for buildings and a 45-year life cycle for other improvements. Ms. Rhodes-Whitley stated that contributions to the fund will total 51% of depreciation value for 2013 and spoke to recommended increases moving toward 75% in 2018. She advised regarding Facility Planning Committee policy revisions including an annual review and priority ranking of projects; expansion of the infrastructure definition to include signals and underground utilities; defining water/sewer and miscellaneous projects; inclusion of Collin county funding; and removal of the annual expenditure and fund balance limitations. She requested Council approval of the policy revisions and commitment to phased-in funding to reach 75% of the annual depreciation of the total general assets by FY 2018. City Manager Glasscock spoke to the gradual growth in the account balance while considering possible future economic conditions and the potential for increased contributions. The Council stated a consensus in agreement with the policy revisions and recommended goal.

FEMA Proposed Flood Insurance Rate Maps Revision

Director of Public Works Cosgrove spoke to conversion of flood plain maps by FEMA in 2009 to a digital format without restudy of basins and their 2010 study of Plano basins including Spring Creek, Russell Creek, Pittman Creek, Prairie Creek and White Rock Creek. Mr. Cosgrove stated concern regarding areas not formerly within the 100-year flood plain now designated as such particularly Prairie Creek, and in the Willow Bend and Rasor/S. H. 121 areas. He advised that Staff has hired a consultant to review the model, submitted comments to FEMA, and notified affected property owners. Mr. Cosgrove advised that based on a possible error, FEMA will review the Willow Bend Lake No. 1 area and that the City will run a study for the Prairie Creek basin. He spoke to the appeal process, impact on property insurance rates and responded to the Council, advising that should differences be found following review of the Prairie Creek basin Staff will request FEMA rerun their study city-wide.

Real Estate Broker Shula Netzer stated concern regarding the impact on the value of property at Rasor Road and S.H. 121. Thomas Juhn of JBI Partners stated concern regarding the elevations indicated for the Rasor Road and S.H. 121 property and those near St Andrew United Methodist Church. Mr. Cosgrove spoke to the selection of the Prairie Creek area for review followed by further discussion with FEMA to address discrepancies. Mayor Pro Tem Smith spoke to providing citizens with updates and the Council stated a consensus directing Staff to move forward with the study of the Prairie Creek basin.

Discussion and Direction Regarding Cotton Belt Funding Strategy

North Central Texas Council of Governments (NCTCOG) Director Michael Morris spoke to creation of a partnership between the NCTCOG and cities along the Cotton Belt Corridor to expedite development of the line. He spoke to receipt of a private sector letter of intent including a focus on economic development, proposing a special district, covering the full length of the project, and following the procurement process outlined in SB 1048. Mr. Morris spoke to establishment of a joint procurement structure which includes the creation of a temporary Responsible Government Entity to represent cities and work with transit agencies in receiving, requesting, evaluating and awarding proposals. He spoke to Council's consideration of working with other entities through an interlocal agreement to protect local government interest and advised that the SB 1048 procurement process is regional in scope, provides cities the opportunity to review and provide input, and that an interim award allows for funding finalization.

Mr. Morris advised that there are future decision points and spoke to consideration of the proposal by other municipalities. He reviewed future efforts including the DART interlocal agreement adoption process, future consideration by the NCTCOG Executive board, receipt of unsolicited proposals, review and comments. Mr. Morris responded to Mayor Pro Tem Smith, advising that the board would be likely to proceed even if only 3-4 major cities choose to participate. He further advised that NCTCOG is focused on the procurement process, leaving the private sector to work the governance process through the legislature. Mr. Morris spoke to use of a common interlocal agreement including the major points of SB 1048 and referenced the growing population in the North Texas area and the need to advance the passenger rail system. He spoke to the incremental nature of the proposal. The Council stated a consensus to consider the agreement on their December 10 agenda.

Council items for discussion/action on future agendas

No items were discussed.

Consent and Regular Agendas

No items were discussed.

Nothing further was discussed. Mayor Dyer adjourned the Preliminary Meeting at 6:58 p.m.

Phil Dyer, MAYOR

ATTEST

Diane Zucco, City Secretary