

**PLANO CITY COUNCIL
ARTS OF COLLIN COUNTY COMMISSION, INC.
FRISCO AND ALLEN CITY COUNCILS
JOINT MEETING
June 29, 2010**

COUNCIL MEMBERS

Phil Dyer, Mayor
Lee Dunlap, Mayor Pro Tem
Pat Miner, Deputy Mayor Pro Tem
Ben Harris
André Davidson
Lissa Smith
Harry LaRosiliere
Jean Callison

STAFF

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

Call to Order and Announce a Quorum is Present

Arts of Collin County Commission, Inc. President Baggett welcomed those in attendance and opened the meeting. Mayors Dyer, Terrell, and Maso of the Cities of Plano, Allen, and Frisco, called the joint worksession to order at 7:05 p.m., Tuesday, June 29, 2010, at Plano Centre, 2000 East Spring Creek Parkway, Windhaven Room, Plano, Texas. All Plano Council members were in attendance with the exception of Council Members Callison and LaRosiliere.

Receive Brief History of the Arts of Collin County

Frisco Mayor Maso spoke to the factors leading to a study for a performing arts center including population/job growth, increased size of school districts, increased percentage of college graduates, influx of families, impact on quality of life and economic development and benefits of collaboration. He spoke to recognition received by Collin County as one of the best places/fastest growing areas in the country and to the 2002 Feasibility Study and Report including involvement of over 100 people. Mayor Terrell spoke to the history of the center including the passage of bond elections, approval of by-laws, hiring of an architect, site selection, design, and donations/pledges. He spoke to bids received in 2009 indicating a current cost of \$66.1 million as a cost reduction from original estimates. Mayor Dyer reviewed bond elections supporting the project and spoke to commitment by the cities with costs calculated based on a per capital formula. Arts of Collin County Executive Director Simpson reviewed the site selection process.

Receive Project Update on Arts of Collin County

Mr. Simpson reviewed the current status including the level of donations, reduction of construction costs, road completion at the site, press exposure, grass roots involvement and in-kind gifts. He reviewed the contribution agreement, advising that it will need completion no matter when bonds are sold, could spell out phasing of bond sales and must be approved by each Council. Mr. Simpson reviewed donations and an anticipated break-even point in 2014 with current pledges and spoke to many being contingent on ground breaking. He spoke to other funding sources including foundations or corporate naming rights. Mr. Simpson spoke to the impact of uncertainty, the total current cost of \$66 million, revenue sources, cash flow during construction (\$11 million for 2010/11; \$24 million for 2011/12; and \$23 million for 2012/13) and an opening of Summer 2013 if construction were started in December 2010.

Kevin Cain of Hunt Construction Company spoke to development of the guaranteed maximum price which should hold through 2010. He spoke to construction cost trends including flat labor and overhead costs and slight increases in materials. Michael Tingley of boora Architects spoke to project goals to involve the community, develop the finest center in America, establish an arts park, create community focus, a pedestrian environment using sustainable design and providing a vision for the future. Mr. Simpson spoke to the economic benefits of the arts hall including job creation, new spending, sales/hotel taxes, and balancing the needs of non-profits. He spoke to additional positive impacts including involvement of Collin College, sculpture garden donations, art gallery exhibits, involvement of Dallas Arboretum and a county grant for a six-city trail. ACC President Baggett reviewed the vision statement, articles of incorporation and bylaws. Mr. Simpson advised that he would check with Collin County regarding providing the ACC checkbook online and spoke to advantages of moving forward rather than waiting. He provided information on operations/maintenance costs and the impact should additional cities participate.

Discussion and Direction by Owner City Councils and Board of Directors

Mayor Pro Tem Dunlap spoke regarding citizen support, the opportunity for regional partnership, synergy, an economic engine and each city determining their position. Mr. Simpson spoke to the gap of \$10 million and receiving input from the cities to move forward. Mr. Baggett spoke to possible creation of an ad-hoc committee with representation from each city. Frisco Council Member Fallon spoke to their Council's consensus not to move forward with bond sales at this time. Frisco Mayor Maso spoke regarding issues facing their city, his commitment to the project, but stated uncertainty regarding the timeframe.

Plano City Manager Muehlenbeck spoke to Plano and Allen being in a position to issue debt, uncertainty in developing a budget when trying to determine timing of a bond sale and revisiting O/M costs. Plano Mayor Dyer reaffirmed his support for moving forward as did other Plano Council Members. Frisco City Manager Purefoy spoke to potential increases in the tax rate and reviewing bond sales during Summer 2011. Frisco Mayor Maso spoke to continuing private fund raising and moving forward at a later time.

ACC Executive Director Simpson spoke to cash flow during construction, staging costs over three years, the importance of partnerships and getting commitment from all parties. ACC President Baggett spoke regarding consideration of the contribution agreement and thanked those in attendance.

Nothing further was discussed. Mayors Dyer, Terrell, and Maso of the Cities of Plano, Allen, and Frisco, adjourned the meeting at 9:35 p.m.

Phil Dyer, MAYOR

ATTEST:

Diane Zucco, City Secretary