

PLANO CITY COUNCIL
August 14, 2006

COUNCIL MEMBERS

Pat Evans, Mayor
Scott Johnson, Mayor Pro Tem
Sally Magnuson, Deputy Mayor Pro Tem
Shep Stahel
Jean Callison
Loretta L. Ellerbe
Harry LaRosiliere
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
Elaine Bealke, City Secretary

Mayor Evans convened the Council directly into the Regular Session on Monday, August 14, 2006, at 7:06 p.m. in the Council Chamber of the Plano Municipal Center, 1520 K Avenue. All Council members were present with the exception of Council Member LaRosiliere.

The invocation was led by Rabbi Stefan Weinberg of Congregation Ansai Torah.

The Pledge of Allegiance was led by Cub Scout Pack 283 of Brinker Elementary and Centennial Elementary.

Mayor Evans presented a proclamation recognizing "Join Scout Night."

The Council resumed discussion of the Preliminary Open Meeting at this time.

Personnel Reappointments

Animal Shelter Advisory Committee

Upon a motion made by Council Member Callison and seconded by Council Member Ellerbe, the Council voted 7-0 to reappoint Keith Clark and Eloisa Sue Muzquiz.

Cultural Affairs Commission

Upon a motion made by Deputy Mayor Pro Tem Magnuson and seconded by Council Member Callison, the Council voted 7-0 to reappoint Cathy Kuo and Logan Sankaran.

Heritage Commission

Upon a motion made by Council Member Callison and seconded by Council Member Dunlap, the Council voted 7-0 to reappoint Brian Chaput, Clinton L. Osteen and Justin Parker Nichols.

Parks and Recreation Planning Board

Upon a motion made by Council Member Ellerbe and seconded by Council Member Dunlap, the Council voted 7-0 to reappoint Bill Neukranz, Mary F. Long and Susan Plonka.

Plano Transition & Revitalization Commission

Upon a motion made by Council Member Ellerbe and seconded by Deputy Mayor Pro Tem Magnuson, the Council voted 7-0 to reappoint Tino Trujillo.

Public Arts Committee

Upon a motion made by Council Member Ellerbe and seconded by Council Member Callison, the Council voted 7-0 to reappoint Robert B. Drotman and Jacie Moore.

Transportation Advisory Committee

Upon a motion made by Council Member Callison and seconded by Deputy Mayor Pro Tem Magnuson, the Council voted 7-0 to reappoint Michael W. Copeland and Borivoje P. Dedeitch.

Council Items for Discussion/Action on Future Agendas

No items were requested.

Consent and Regular Agenda

No items were discussed.

Council Reports

Mayor Evans spoke to meetings held with other cities related to grant funding and to the City of Frisco budgeting \$1 per capita for CITY House, CASA and the Collin County Children's Advocacy Center. She advised that the City of McKinney has budgeted \$200,000 with \$50,000 for the same three agencies and \$150,000 to be divided among other agencies and the City of Melissa is \$1 per capita with \$.75 going to the three agencies and \$.25 to the Samaritan Inn. Mayor Evans spoke to participation by the cities of Wylie, Anna and Allen but stated that funding has not yet been determined. She spoke to asking for additional support from the county.

Mayor Evans advised the Council regarding an E85 ethanol gas station located at S.H. 121 and Coit Road and the lower price and non-polluting nature of this type of fuel.

Mayor Evans spoke regarding attendance at a Hindu Raksha Bandan Ceremony and to inclusion of the Council in prayers. She spoke to the group's efforts during the Hurricane Rita evacuation.

Comments of Public Interest

No one appeared to speak.

CONSENT AGENDA

Upon a motion made by Mayor Pro Tem Johnson and seconded by Deputy Mayor Pro Tem Magnuson, the Council voted 7-0 to approve and adopt all items on the Consent Agenda as recommended and as follows:

Approval of Minutes [Consent Agenda Item (A)]

July 24, 2006

July 26, 2006

Approval of Expenditures

Award/Rejection of Bid/Proposal: (Purchase of products/services through formal procurement process by this agency)

Bid No. 2006-194-C for Nitrile Emergency Medical Gloves to Lone Star Safety & Supply, Inc., in the estimated annual amount of \$42,197. This will establish an annual fixed price contract with three optional one-year renewals. [Consent Agenda Item (B)] (See Exhibit "A")

Bid No. 2006-177-C for Street Sign Blades and Blanks to Vulcan Signs in the estimated annual amount of \$44,547. This will establish an annual fixed price contract with three optional one-year renewals. [Consent Agenda Item (C)] (See Exhibit "B")

Bid No. 2006-171-C for Traffic Signal Controller Cabinets to Paradigm Traffic Systems, Inc. in the estimated annual amount of \$32,364. This will establish an annual fixed price contract with three optional one-year renewals. [Consent Agenda Item (D)] (See Exhibit "C")

Bid No. 2006-172-B for construction of a brick masonry fence with piers, landscaping and irrigation around the Heritage Farmstead Museum and tunnel repairs to the pedestrian tunnel under Park Boulevard near Winding Hollow Lane to Hardscape Construction Specialist in the amount of \$346,076. [Consent Agenda Item (E)] (See Exhibit "D")

Rejection of Bid No. 2006-170-B for Best Value Bid for Automated Meter Reading Audit. [Consent Agenda Item (F)] (See Exhibit “E”)

Purchase from Existing Contract/Agreement: (Purchase of products/services through Cooperative Purchasing Interlocal Contract with another governmental/quasi-governmental agency or an additional purchase from current City of Plano annual purchase agreement).

To approve the purchase of one (1) Cat 416E Backhoe Loader in the amount of \$60,975 from Holt Cat through an existing contract/agreement with Texas Association of School Board Cooperative Purchasing Program, and authorizing the City Manager to execute all necessary documents. (205-04) [Consent Agenda Item (G)]

To approve the purchase of upholstered stack chairs in the amount of \$39,760 from Virco, Inc. through an existing contract with US Communities, and authorizing the City Manager to execute all necessary documents. (US Communities Contract No. 0204011) [Consent Agenda Item (H)]

To approve the purchase of irrigation maintenance parts and supplies in the amount of \$40,000 from Wickham Supply, Inc. through an existing contract with the City of Carrollton, and authorizing the City Manager to execute all necessary documents. (Contract No. 2006-207-1). [Consent Agenda Item (I)]

Approval of Contract: (Purchase of products/services exempt from State of Texas Competitive Bid Laws)

To approve a Landscape Architectural Service contract by and between the City and Jones & Boyd, Inc. in an amount not to exceed \$43,000 for the preparation of plans and specifications for recreational trails at Legacy Greenbelt, and authorizing the City Manager to execute all necessary documents. [Consent Agenda Item (J)]

Contract Modification

To approve a modification of the contract with Datamatic, Ltd. for automated meter reading equipment and installation of all related parts and equipment. This modification provides that the City will receive \$40 credit for each trade in and credit may be applied to the contracted purchase price for hardware and installation of a new unit with a 10 year warranty. [Consent Agenda Item (K)]

To approve a second modification of the contract with Datamatic, Ltd. for maintenance of automated water meter reading hardware and software and utility customer billing and accounting system. This modification provides more stringent requirements for vendor responsiveness and liquidation damages when vendor does not meet specific time tables for repairs. [Consent Agenda Item (L)]

Termination of Contract

To terminate a contract for Bid No. 2006-128-C for Public Works Mowing and Landscaping Services (Rebid) awarded to Priority Landscape Management, Inc. [Consent Agenda Item (M)]

Approval of Change Order

To Mario Sinacola & Sons Excavating, Inc., increasing the contract by \$45,936 for Los Rios Boulevard – Phase I (Jupiter Road to Parker Road), Change Order #8. (Original Bid # B096-04). [Consent Agenda Item (N)]

Grade Crossing Improvements Agreement

To approve a Grade Crossing Improvements Agreement with the Kansas City Southern Railway Company in the amount of \$130,497 for replacement of existing grade crossing at Plano Parkway just east of US 75. [Consent Agenda Item (O)]

Execution of Deed

To approve the execution of a deed with TXU Electric Delivery Company for the acquisition of 8,892 square feet of land in the F.J. Vance Survey, Abstract No. 933, for N Avenue, located north of S.H. 190, for \$26,676. [Consent Agenda Item (P)]

Adoption of Resolutions

Resolution No. 2006-8-1(R): To approve the terms and conditions of an Interlocal Agreement by and between the City of Plano, Texas and the Frisco Independent School District for the operation of the Police/School Liaison Program; authorizing its execution by the City Manager; and providing an effective date. [Consent Agenda Item (Q)]

Resolution No. 2006-8-2(R): To approve and authorize the refunds of property tax overpayments; and providing an effective date. [Consent Agenda Item (R)]

Resolution No. 2006-8-3(R): To approve receipt of funds in the amount of \$22,500 from the Texas State Library and Archives Commission – Gates Public Access Computer Hardware Upgrade Grant (“PAC HUG”) to Plano Public Library System to fund replacement of Plano Public Library System computer lab public access computers at Gladys Harrington Library; and authorizing the City Manager to execute all necessary documents for receipt of the funding. [Consent Agenda Item (S)]

Resolution No. 2006-8-4(R): To approve the terms and conditions of an Interlocal Cooperation Agreement by and between the City of Plano and the City of Allen providing the terms and conditions for the library courier services between Allen Public Library and Plano Public Library System in Plano; and providing an effective date. [Consent Agenda Item (T)]

Resolution No. 2006-8-5(R): To accept the Certified Appraisal Roll for Fiscal Year 2006-2007, and providing an effective date. [Consent Agenda Item (U)]

Resolution No. 2006-8-6(R): To approve the sole source purchase of eight (8) Life Pak 12 Defibrillators from Medtronic Emergency Response Systems in the amount of \$116,644; authorizing the City Manager to take such action as necessary to effectuate the purchase; and providing an effective date. [Consent Agenda Item (V)]

Resolution No. 2006-8-7(R): To approve the emergency replacement purchase of two Chevrolet Impala Black and White Police Vehicles in the amount of \$42,324 from Caldwell Country Chevrolet, approving all actions taken by the City Manager; and providing an effective date. [Consent Agenda Item (W)]

Adoption of Ordinances

Ordinance No. 2006-8-8: An ordinance of the City of Plano, Texas, amending Chapter 12, Motor Vehicles and Traffic, Article IV, Speed, Section 12-74(b) Subsection Plano Parkway (1) of the City of Plano Code of Ordinances that establishes the prima facie speed limit for motor vehicles operating along a portion of Plano Parkway within the corporate limits of the City of Plano; authorizing and directing the traffic engineer to cause placement of traffic control devices indicating the speed limit; providing a fine for criminal penalties not to exceed \$200.00 for each offense; and providing a repealer clause, a severability clause, a savings clause, a penalty clause and an effective date. [Consent Agenda Item (X)]

Ordinance No. 2006-8-9: To amend Article X “Automated Traffic Signal Enforcement” of Chapter 12, “Motor Vehicles and Traffic” at Section 12-263(e) to extend the payment due date until 31 days after a finding of liability and amending 12-263(i) to provide that appeals to Municipal Court shall be non-jury trials only; providing a severability clause; providing a savings clause; and providing an effective date. [Consent Agenda Item (Y)]

END OF CONSENT

Discussion of the FY 2006-07 Proposed Community Investment Program. [Regular Agenda Item (1)]

City Manager Muehlenbeck spoke to the program planning for the next five years and to funding being requested for the first year. He spoke to funding provided by passage of bond referendums, the Capital Reserve Fund, Water and Sewer Fund and other miscellaneous funds.

Parks and Recreation Director Wendell spoke to the Park Improvement Bond Program, Park Fee Program and Park Capital Reserve Fund. He reviewed bond program projects including Archgate Park (\$4 million), Athletic Field Improvements (\$850,000), Carpenter Expansion/Senior Center (\$400,000), Chisholm Trail (\$200,000), Memorial Park (\$1.8 million), Oak Point Park (\$6.2 million), Pecan Hollow Golf Course (\$200,000), Tom Muehlenbeck Center (\$11.3 million) and Trail Connections (\$1.6 million). He spoke to Park Fee Projects including Greenbelt Acquisition and Trail Development (\$1.3 million) and the reviewed some of the projects from the Park Capital Reserve Fund including Athletic Field Renovations (\$850,000), Park Restoration and Cleanup (\$125,000) and Silt Removal (\$120,000).

Discussion of the FY 2006-07 Proposed CIP (cont'd)

Mr. Wendell responded to Council Member Stahel that the directed lights at Russell Creek Park have proven effective. He advised that the trail system at Oak Point Park will come from Bob Woodruff Park and connect to the visitors' center which is expected to open early in 2008.

City Engineer Upchurch advised that the Planning and Zoning Commission has reviewed the proposed Community Investment Program finding that it is consistent with the Comprehensive Plan's recommendations for growth management and facility and infrastructure maintenance. He spoke to street improvement projects totaling \$39 million which include rehabilitation projects in the amount of \$8 million and responded to Council Member Stahel that during rehabilitation, water and sewer lines are replaced. Mr. Upchurch spoke to design projects of \$2 million which include the U.S. 75/190 bottleneck, capacity improvements of \$21.9 million to include the Parker Road/U.S. 75 Interchange, Parkwood Boulevard extension and Rasor Road extension. He spoke to funding continuation for those projects currently under way and funding for miscellaneous projects. Mr. Upchurch advised that the City is receiving almost \$11.5 million from other agencies.

Mr. Upchurch spoke to municipal drainage projects totaling \$3.7 million, water improvement projects which are mainly rehabilitation in nature totaling \$4.9 million, sewer improvements being mostly reconstruction totaling \$3.8 million, facilities projects in the amount of almost \$11 million and the Capital Reserve Fund in the amount of \$2.5 million to repair existing structures. He responded to the Council that repairs are needed to the roof system of the Courtyard Theater and that a lift station at Des Moines Road and U.S. 75 is no longer needed.

Director of Public Works Foster spoke to the "pay as you go" concept for the Capital Reserve Fund which totals \$8.4 million, reviewed those areas where street/alley repairs have taken place and spoke to continuing the effort. Mr. Foster spoke to planned arterial concrete repairs totaling \$2.3 million and additional locations for illuminated street signs.

Public Hearing on the Proposed FY 2006-07 Budget and FY 2006-07 Community Investment Program (CIP). [Regular Agenda Item (2)]

Mayor Evans opened the Public Hearing. No one spoke either for or against the item. The Public Hearing was closed.

Vote on a proposal to consider an increase in total tax revenue. [Regular Agenda Item (3)]

Budget Director Rhodes advised the Council that Chapter 26 of the Property Tax Code requires taxing units to comply with truth in taxation laws in adopting tax rates. She spoke to the purpose of the laws to make the tax payer aware of the tax rate proposal and allowing tax payers in certain cases to rollback or limit a tax increase. Ms. Rhodes described the effective tax rate as being equal to the prior year's taxes divided by the current taxable value of properties that were on the tax roll during the prior year and the effective tax rate being the rate that would produce the same amount of tax revenue as the prior year. She advised that according to the Central Appraisal District the City's effective tax rate is 44.32 cents per \$100 of assessed property value.

Vote on a proposal to consider an increase in total tax revenue (cont'd)

Ms. Rhodes advised that the rollback rate is divided into maintenance/operations (M/O) and debt service and that its calculation allows units to raise the same amount of M/O monies plus an 8% cushion. She advised that if the City adopts a tax rate that exceeds the rollback rate, which is currently 46.80 cents per \$100 of assessed property value, voters may petition for an election to limit the rate.

Ms. Rhodes advised that in 2005 the legislature implemented changes to the tax code requiring Public Hearings and publication if the effective tax rate rises even one cent and requiring the governing body must hold two Public Hearings if they are over either rate. Ms. Rhodes spoke to other changes to the notice for newspapers and the web site, revising the number of petition signatures for a rollback petition to 7% of the number of registered voters and adopting required wording and type size for tax rate adoption ordinances for units adopting rates above the effective tax rate. She spoke to Public Hearings scheduled for August 24 and August 28, publication of the tax rate decided at this meeting and advised that after this evening the rate can be lowered but not raised. Ms. Rhodes advised that the City Manager has recommended a budget based on a rate of 46.35 cents per \$100 of assessed property value which is one cent over the current rate.

Mayor Pro Tem Johnson spoke to the City's attitude, determination and leadership along with the willingness of the community to invest in itself. He spoke to the importance of the business tax base and efforts to attract companies. Mr. Johnson spoke to the good investment the City has made by contributing towards mass transit, but stated that it has affected its ability to attract unique businesses to the community. He spoke to incentives offered by other communities that do not participate in DART and their efforts to broaden their tax bases. Mr. Johnson spoke to keeping Plano in a premier position with the lowest effective tax rate in the area along with the best services. He proposed increasing the tax rate 2 cents from 45.35 to 47.35 cents per \$100 of assessed property value and dedicating the increase to economic development/redevelopment thus maintaining and supporting the tax base and benefiting the citizens of the community.

Deputy Mayor Pro Tem Magnuson spoke to staying competitive, to the importance of the commercial base and in support of the 2 cent increase. She spoke to the possibility that it may be adjusted downward, but in support of having the opportunity for discussion and options. City Manager Muehlenbeck advised Council Member Ellerbe that each penny generates \$2 million and Mayor Pro Tem Johnson spoke to the rate still being lower than other cities. Ms. Rhodes responded to the Council that 2 cents would equal a \$40 increase for the year for the average homeowner. Mayor Evans spoke to the strong commercial base keeping taxes low, incentives given by other cities and to having incentives for new development. She spoke to the importance of redevelopment in the City to keep it new and revitalized. Mayor Pro Tem Johnson spoke to being selective in the use of the funds.

Council Member Stahel spoke to offering incentives for companies to stay or relocate to the City and stated that the increase in the tax rate would have an effect on business's budget and to a low tax rate helping employees choose to live in Plano. Mr. Stahel spoke in support of redevelopment and bringing business to the City and spoke to using sales tax revenue for economic incentives if necessary and to reevaluation next year to determine if a more aggressive plan is needed.

Vote on a proposal to consider an increase in total tax revenue (cont'd)

Mr. Stahel stated support for keeping the rate at 45.35 cents per \$100 of assessed property value and using sales tax monies on a selective incentive basis.

Mayor Evans spoke to the volatility of sales tax revenues and to positioning the City with a dedicated fund to guarantee to citizens that everything is being done to keep the tax base strong and taxes low. City Manager Muehlenbeck clarified that additional funding for incentives has been obligated out of the General Fund. Council Member Stahel stated concern that if an amount of revenue is earmarked for incentives/redevelopment then it is held out for the asking and stated further that he preferred the City target opportunities. City Manager Muehlenbeck spoke to businesses looking at the City and trying to be responsive. Council Member Stahel spoke to taking a different approach to the goal of retention and recruitment.

Council Member Ellerbe stated support for a dedicated amount of funding rather than utilizing sales tax monies. She spoke to the other factors companies consider in addition to monetary incentives. Council Member Stahel spoke to the level of funding provided to DART and benefits received by residents of other communities that do not contribute. Deputy Mayor Pro Tem Magnuson spoke to setting the increase at 2 cents to provide room for discussion. Council Member Dunlap spoke to consideration of the budget's composition, conversations he has had with citizens regarding an increase who indicated it should be discussed, and the advantages of public/private partnerships. He spoke to the importance of "cash up front" to companies and supported the increase as a discussion point for the Council and the public.

A motion was made by Mayor Pro Tem Johnson and seconded by Council Member Dunlap to consider an increase total tax revenue by raising the tax rate 2 cents from 45.35 to 47.35 cents per \$100 of assessed property value. The Council voted 6-1 with Council Member Stahel voting in opposition. The motion carried.

Ordinance No. 2006-8-10: to amend and extend the existing gas franchise between the City of Plano and Atmos Energy Corporation, a Texas and Virginia Corporation, to provide for a different consideration; providing for new expiration dates; providing for acceptance by Atmos Energy Corporation; finding and determining that the meeting at which this ordinance is passed is open to the public as required by law; providing a repealer clause, a severability clause, and an effective date. Second Reading – First Reading held and approved 06/26/06 [Regular Agenda Item (4)]

Director of Customer/Utility Services Israelson advised that this request provides a five-year extension to the Atmos Energy Corporation franchise, that there are no material changes and that the item is supported by both parties. Steve Matthews of Atmos Energy responded to Mayor Pro Tem Johnson that rates are regulated by delivery rates and that they are only allowed to charge the consumer the price that is paid. He spoke to prudence reviews done every three years and to a fluctuation on monthly bills of gas cost recovery.

Ordinance No. 2006-8-10 (cont'd)

Upon a motion made by Deputy Mayor Pro Tem Magnuson and seconded by Mayor Pro Tem Johnson, the Council voted 7-0 to amend and extend the existing gas franchise between the City of Plano and Atmos Energy Corporation, a Texas and Virginia Corporation, to provide for a different consideration; providing for new expiration dates; providing for acceptance by Atmos Energy Corporation; finding and determining that the meeting at which this ordinance is passed is open to the public as required by law; providing a repealer clause, a severability clause, and an effective date; and further to adopt Ordinance No. 2006-8-10.

Direction Regarding Repair/Replacement of Screening Walls with Buttresses [Regular Agenda Item (5)]

Director of Public Works Foster spoke to a previous presentation regarding replacement of a screening wall along Park Boulevard and Council's direction to come back with a recommendation. He stated that 70 of the 120 miles of screening walls in Plano are the responsibility of the City with 9.8 miles being concrete and 4,200 feet being reinforced with buttresses. Mr. Foster spoke to direction received in 2003 to conserve walls that are structurally sound and if there is adequate right-of-way to consider landscaping. He advised that the estimated cost to replace the 4,200 feet throughout the City would be \$650,000 and that options to consider on Park Boulevard are to leave the wall as is, replace only a 210 foot section, replace the entire 1,000 foot wall along Park Boulevard with a concrete wall or replace all 1,000 feet with thin-wall brick construction meeting current standards at a cost of \$136,000. Mr. Foster spoke to screening walls being the most visible infrastructure element in the City and reflecting the quality of subdivisions and further stated his recommendation that all existing concrete screening walls with buttresses be replaced with thin-wall brick construction as planning and funding will permit.

Mr. Foster responded to the Council regarding the longevity of concrete walls and factors including soil conditions and winds. Council Member Stahel spoke to structures other than concrete where citizens will come forward and request replacement. Mr. Foster spoke to amending the policy with regard to buttresses and stated that locations would be reviewed on a priority basis with those on the thoroughfare side having a higher consideration. Council Member Dunlap spoke to the difficulty in matching brick should a repair be necessary and to issues of thermal movement. Mr. Foster stated that designing walls to float may alleviate structural problems and spoke regarding updated reinforcement standards. Mr. Stahel spoke to limiting consideration to those walls where buttresses are on the thoroughfare side and excluding (by language) those that are on the alley side.

Mr. Foster responded to Council Member Callison stating that the proposal is to replace the entire length of screening walls with buttresses and that currently only sections are replaced. He advised that the policy will still be to repair any walls that are unsafe and further to replace walls with buttresses as funding and planning will allow. Mr. Foster stated that the cost for the wall on Park Boulevard would be \$20,000 repairing the 210 foot section and the buttresses would remain. He advised that the timeframe for replacing all walls with buttresses would depend on the budget and other issues.

Direction Regarding Repair/Replacement of Screening Walls with Buttresses (cont'd)

Mr. Foster responded to Council Member Ellerbe that the entire wall could be replaced with concrete at a lower price but that he would recommend thin-brick construction to bring it up to current standards.

Deputy Mayor Pro Tem Magnuson made a motion to move forward with thin-brick construction on a priority basis as needed. No vote was taken at this time. Council Member Stahel spoke to making a decision about one specific case without making a long-term plan. City Manager Muehlenbeck spoke to looking for direction with regard to the screening wall on Park Boulevard and stated that Staff would bring back an amended policy to address walls with buttresses. Council Member Dunlap spoke regarding the problems matching brick when it is broken.

Upon a motion made by Council Member Callison and seconded by Deputy Mayor Pro Tem Magnuson, the Council voted 7-0 to replace all 1,000 feet of the screening wall on Park Boulevard between Willowbrook Way and Cedar Elm Drive with a thin-wall brick construction that meets current standards. Mr. Foster advised that Staff would bring back a long-term policy relative to screening walls with buttresses.

There being no further discussion, Mayor Evans adjourned the meeting at 9:11 p.m.

Pat Evans, MAYOR

ATTEST:

Elaine Bealke, City Secretary