

PLANO CITY COUNCIL
December 11, 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 into the Regular Session on Monday, December 11, 2006, at 7:00 p.m. in the Council Chamber of the Plano Municipal Center, 1520 K Avenue. All Council Members were present

The invocation was led by Pastor Dennis Tollison of Grace Community Church.

The Pledge of Allegiance was led by the Men of Note who then performed.

Mayor Evans presented the 2007 Great American Cleanup T-Shirt Design Contest Winner.

Mayor Evans presented Certificates of Appreciation to outgoing Community Relations Commission member Carol Moss and outgoing Planning and Zoning Commission member Lisette Briley.

Comments of Public Interest

Warner Richeson, citizen of the City, spoke regarding a referendum to come before the Council based on the passage of items related to a fountain at the Shops at Legacy.

CONSENT AGENDA

Upon the request of Council Member Dunlap, Consent Agenda Items "B," "E," and "F" were removed for individual consideration due to possible conflicts of interest. Mr. Dunlap further advised that he would be stepping down on Regular Agenda Items "5" and "6" due to possible conflicts of interest.

Upon the request of citizen Sonja Hammar, Consent Agenda Items “Q” and “S” were removed for individual consideration.

Upon a motion made by Deputy Mayor Pro Tem Magnuson and seconded by Council Member Callison, the Council voted 8-0 to adopt all remaining items as recommended and as follows:

Approval of Minutes [Consent Agenda Item (A)]

November 27, 2006

Approval of Expenditures

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

RFP No. 2007-3-C for an annual fixed price contract for Broker of Record and Supplemental Services to Arthur J. Gallagher Risk Management Services, Inc. in the estimated annual amount of \$182,975 and approval of expenditure for City insurance premiums. This will establish an annual contract with four City optional one year renewals. [Consent Agenda Item (C)] (See Exhibit “A”)

RFP No. 2007-4-C for an annual fixed price contract for Risk Control Services to Arthur J. Gallagher Risk Management Services, Inc. in the estimated annual amount of \$165,000. This will establish an annual contract with four City optional one year renewals. [Consent Agenda Item (D)] (See Exhibit “B”)

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 agreement with CaremarkPCS Health, L.P. for pharmacy benefit management services at the estimated cost of \$2,500,000 annually for pharmacy claims, entered into through an existing agreement with PEBA (Public Employee Benefits Alliance), and authorizing the City Manager to execute all necessary documents. [Consent Agenda Item (G)]

To approve the purchase and installation of infield conditioner in the amount of \$47,300 from Masterturf Products through an existing contract/agreement with PISD, and authorizing the City Manager to execute all necessary documents. PISD Contract #3708/City of Plano Interlocal Contract #2007-43-1. [Consent Agenda Item (H)]

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

To approve a contract by and between the City of Plano and JCW Electronics I Ltd., L.L.P. doing business as JCW Electronics Inc., for Jail Inmate Telephone System, and authorizing the City Manager to execute all necessary documents (RFO No. 2006-197-C). This will establish a three year contract with one City optional one year renewal. [Consent Agenda Item (I)]

To approve the terms and conditions of an Engineering Services Agreement by and between the City of Plano and Alliance Geotechnical Group, Inc. in the amount of \$26,894 for material testing on the Plano Parkway – Tollroad to Park Boulevard and West Plano Quiet Zone Improvements and authorizing the City Manager to execute all necessary documents. [Consent Agenda Item (J)]

Approval of Agreement

To approve a Boundary Adjustment Agreement for Plano Parkway between the Town of Hebron and the City of Plano which would relocate the common boundary to the west side of Plano Parkway adjacent to Air Park. [Consent Agenda Item (K)]

To approve a Boundary Adjustment Agreement for Parker Road and BNSF Railroad between the Town of Hebron and the City of Plano which would relocate the common boundary to the west side of the railroad so that the entire Parker Road crossing is within Plano jurisdiction. [Consent Agenda Item (L)]

To approve the terms and conditions of an Interlocal Agreement by and between the City of Plano and the Town of Hebron, Texas concerning the improvements to Parker Road west of the BNSF Railroad. [Consent Agenda Item (M)]

To approve a Geographic Information System (GIS) Annual Maintenance Agreement with Environmental Research Systems Institute (ESRI) in the amount of \$57,115. [Consent Agenda Item (N)]

Adoption of Resolutions

Resolution No. 2006-12-1(R): To authorize an expenditure of funds not to exceed \$49,880 to Macaulay Controls Company, the exclusive representative in the State of Texas of Marsh McBirney, Flo-Tote 3 Electromagnet Open Channel Flow Meters, a sole manufactured product and system of Marsh McBirney Hach Corporation; authorizing the City Manager to take such action and execute such documents as necessary to effectuate this expenditure; and providing an effective date. [Consent Agenda Item (O)]

Resolution No. 2006-12-2(R): To approve and authorize the refunds of property tax overpayments; and providing an effective date. [Consent Agenda Item (P)]

Resolution No. 2006-12-3(R): To approve a License Agreement by and between the City of Plano, Texas, and K & C Capital Partners, LTD., for use of an approximately nine by twenty foot portion of the public right-of-way for outdoor dining situated in front of the expanded space for Kelly's Eastside Restaurant located at 1424 Avenue K. [Consent Agenda Item (R)]

Resolution No. 2006-12-4(R): To approve the terms and conditions of a Real Estate Contract by and between the City of Plano, Texas, and Duyet H. and Hien Thi Nguyen for the purchase of 1,371.115 square feet of land for right of way for 15th Street and a temporary construction easement of 810 square feet, located at the southwest corner of K Avenue and Parker Road, in the George W. Barnett Survey, Abstract No. 45, being a part of Lot 1, Block A, of Glasgow Addition, an addition in the City of Plano, Collin County, Texas; authorizing its execution by the City Manager; and providing an effective date. [Consent Agenda Item (T)]

Resolution No. 2006-12-5(R): To approve the receipt of funds in the amount of \$62,773 from the Texas State Library and Archives Commission – Loan Star Libraries to fund the following for Plano Public Library System (PPLS): Rosetta Stone Database, OCLC World Language Sets, PPLS library cards, genealogy local history and Texana materials, large print materials, and English and Spanish computer class instructors; and authorizing the City Manager to execute all necessary documents for receipt of the funding. [Consent Agenda Item (U)]

Resolution No. 2006-12-6(R): To authorize the City of Plano to participate in and receive funding through the Texas Highway Traffic Safety Program for a “Drink. Drive. Go to Jail” Project, Contract No. 587XXF6121 to be conducted during four holiday periods from December 13, 2006 through September 30, 2007; authorizing the City Manager to execute the Grant Agreement and any other documents necessary to effectuate the action taken; and providing an effective date. [Consent Agenda Item (V)]

Resolution No. 2006-12-7(R): To approve the terms and conditions of a Local Transportation Project Advance Funding Agreement between the State of Texas and the City of Plano for bicycle route enhancements throughout the City of Plano; authorizing its execution by the City Manager; and providing an effective date. [Consent Agenda Item (W)]

Resolution No. 2006-12-8(R): To authorize an expenditure of funds not to exceed \$25,050.52 to the State of Texas – Texas Commission on Environmental Quality for the Fiscal Year 2007 Water System Fee; authorizing the City Manager to take such action and execute such documents as necessary to effectuate this expenditure; and providing an effective date. [Consent Agenda Item (X)]

Adoption of Ordinances

Ordinance No. 2006-12-9: To adopt and enact Supplement Number 76 to the Code of Ordinances for the City of Plano; providing for amendment to certain sections of the Code; and providing an effective date. [Consent Agenda Item (Y)]

END OF CONSENT

Due to possible conflicts of interest, Council Member Dunlap stepped down from the bench on the following three items.

Bid No. 2007-26-B for 2006-07 Arterial Concrete Pavement Rehabilitation Project, Custer Road between Wilson Drive and Spring Creek Parkway to Hencie International, Inc. in the amount of \$722,825. [Consent Agenda Item (B)] (See Exhibit "C")

Upon a motion made by Mayor Pro Tem Johnson and seconded by Council Member Ellerbe, the Council voted 7-0 to approve Bid No. 2007-26-B for 2006-07 Arterial Concrete Pavement Rehabilitation Project, Custer Road between Wilson Drive and Spring Creek Parkway to Hencie International, Inc. in the amount of \$722,825.

Bid No. 2007-28-B for Intersection Improvements 2004 to Jim Bowman Construction Co., L.P., in the amount of \$312,390. This project includes improvements at the following three locations: Spring Creek Parkway/Lookout Trail, Commerce Drive/Plano Parkway, West Park Boulevard/Ohio Drive. [Consent Agenda Item (E)] (See Exhibit "D")

Upon a motion made by Council Member Callison and seconded by Deputy Mayor Pro Tem Magnuson the Council voted 7-0 to approve Bid No. 2007-28-B for Intersection Improvements 2004 to Jim Bowman Construction Co., L.P., in the amount of \$312,390. This project includes improvements at the following three locations: Spring Creek Parkway/Lookout Trail, Commerce Drive/Plano Parkway, West Park Boulevard/Ohio Drive.

Bid No. 2006-237-B for 15th Street Reconstruction (Avenue G to Avenue I) street project to JRJ Paving L.P. in the amount of \$1,632,772 for the base bid. The project includes brick paved sidewalks, landscaping and irrigation. [Consent Agenda Item (F)] (See Exhibit "E")

Upon a motion made by Deputy Mayor Pro Tem Magnuson and seconded by Council Member Ellerbe, the Council voted 7-0 to approve Bid No. 2006-237-B for 15th Street Reconstruction (Avenue G to Avenue I) street project to JRJ Paving L.P. in the amount of \$1,632,772 for the base bid.

Council Member Dunlap resumed his place at the bench.

Resolution No. 2006-12-10(R): To approve the terms and conditions of an Economic Development Program Agreement by and between the City of Plano, Texas and Insight Direct USA, Inc., an Illinois corporation, to promote state and local economic development and to stimulate business and commercial activity in the City and County; authorizing its execution by the City Manager; and providing an effective date. [Consent Agenda Item (Q)]

Resolution No. 2006-12-10(R) (cont'd)

Sonja Hammar, citizen of the City, spoke to there being no application for this request, regarding the inclusion of a nondisclosure clause and the reduction in sales tax for the term of the agreement. City Manager Muehlenbeck advised that this item follows the model provided by previous agreements. City Attorney Wetherbee stated that the nondisclosure agreement included does not override the Public Information Act with regard to providing information to citizens.

Upon a motion made by Deputy Mayor Pro Tem Magnuson and seconded by Council Member LaRosiliere, the Council voted 8-0 to approve the terms and conditions of an Economic Development Program Agreement by and between the City of Plano, Texas and Insight Direct USA, Inc., an Illinois corporation, to promote state and local economic development and to stimulate business and commercial activity in the City and County; authorizing its execution by the City Manager; and providing an effective date; and further to adopt Resolution No. 2006-12-10(R).

Resolution No. 2006-12-11(R): To ratify and approve the expenditure of Community Services Funds in the amount of \$508,010 for the various community services and approving the terms and conditions of agreements between the City of Plano and various community organizations; authorizing its execution by the City Manager; and providing an effective date. [Consent Agenda Item (S)]

Sonja Hammar, citizen of the City, spoke to providing additional monies utilizing funds left over from the 2006 budget. Deputy Mayor Pro Tem Magnuson spoke to additional funding provided to organizations via Community Development Block Grants (CDBG), United Way and other sources. She spoke to the consideration given to the requests by the Community Relations Commission and the increase in dollars available. Mayor Evans spoke to the larger block of funds provided by CDBGs and Council Member LaRosiliere spoke to the City providing close to \$3.5 million in social service funding since 1990.

Upon a motion made by Council Member Callison and seconded by Council Member LaRosiliere, the Council voted 8-0 to ratify and approve the expenditure of Community Services Funds in the amount of \$508,010 for the various community services and approving the terms and conditions of agreements between the City of Plano and various community organizations; authorizing its execution by the City Manager; and providing an effective date; and further to adopt Resolution No. 2006-12-11(R).

Public Hearing and adoption of Ordinance No. 2006-12-12 to designate a certain area within the City of Plano as Reinvestment Zone No. 102 for a tax abatement consisting of a 6.2622 acre tract of land located approximately at the northeast corner of Summit Avenue and Klein Road, in the City of Plano, Texas establishing the boundaries of such zone; ordaining other matters relating thereto; and providing an effective date. [Regular Agenda Item (1)]

Ordinance No. 2006-12-12 (cont'd)

Director of Finance McGrane advised that this reinvestment zone would be for ten years at fifty percent of both real and business personal property. He further stated that the company, Luminator Holding, would be relocating and expects adding twenty new jobs during the abatement.

Mayor Evans opened the Public Hearing. Dwayne Clark, citizen of the City, requested information regarding the amount of abatement being provided and requested this information be included on the agenda. Director of Finance McGrane responded that it would be \$3,500 in City property taxes. No one spoke either for or against the request. The Public Hearing was closed.

Upon a motion made by Council Member Stahel and seconded by Council Member Ellerbe, the Council voted 8-0 to designate a certain area within the City of Plano as Reinvestment Zone No. 102 for a tax abatement consisting of a 6.2622 acre tract of land located approximately at the northeast corner of Summit Avenue and Klein Road, in the City of Plano, Texas establishing the boundaries of such zone; ordaining other matters relating thereto; and providing an effective date; and further to adopt Ordinance No. 2006-12-12.

Resolution No. 2006-12-13(R) to approve the terms and conditions of an agreement by and between the City of Plano, Texas, the County of Collin, Texas, the Collin County Community College District, RREEF America REIT II Portfolio, L.P., a Maryland limited partnership and Luminator Holding L.P., a Delaware limited partnership, and providing for a business personal property and real property tax abatement, and authorizing its execution by the City Manager; and providing an effective date. [Regular Agenda Item (2)]

Upon a motion made by Council Member Stahel and seconded by Deputy Mayor Pro Tem Magnuson, the Council voted 8-0 to approve the terms and conditions of an agreement by and between the City of Plano, Texas, the County of Collin, Texas, the Collin County Community College District, RREEF America REIT II Portfolio, L.P., a Maryland limited partnership and Luminator Holding L.P., a Delaware limited partnership, and providing for a business personal property and real property tax abatement, and authorizing its execution by the City Manager; and providing an effective date; and further to adopt Resolution No. 2006-12-13(R).

Public Hearing and an ordinance as requested in Zoning Case 2006-29 – To amend the Comprehensive Zoning Ordinance of the City, Ordinance No. 2006-4-24, as heretofore amended, so as to rezone 75.5± acres located at the northwest corner of Spring Creek Parkway and Tennyson Parkway in the City of Plano, Denton and Collin Counties, Texas, from Commercial Employment to Single-Family Residence Attached, Patio Home, and Single-Family Residence-9; directing a change accordingly in the official zoning map of the City; and providing a penalty clause, a repealer clause, a savings clause, a severability clause, and an effective date. Applicant: Welwood-Hawkins Homes [Regular Agenda Item (3)]

Zoning Case 2006-29 (cont'd)

Director of Planning Jarrell advised that the applicant has requested this item be tabled until the January 22, 2007 Council meeting. She responded to Council Member Dunlap stating that Staff will work with the owner to resolve an issue of land-locked property.

Upon a motion made Council Member Dunlap and seconded by Council Member Ellerbe the Council voted 7-0 table until January 22, 2007 an amendment to the Comprehensive Zoning Ordinance of the City, Ordinance No. 2006-4-24, as heretofore amended, so as to rezone 75.5± acres located at the northwest corner of Spring Creek Parkway and Tennyson Parkway in the City of Plano, Denton and Collin Counties, Texas, from Commercial Employment to Single-Family Residence Attached, Patio Home, and Single-Family Residence-9 as requested in Zoning Case 2006-29. (Council Member Stahel was away from the bench.)

Resolution No. 2006-12-14(R) to accept and approve the “Workforce Housing Study” as a guide for the creation of future programs related to workforce housing in the City of Plano, Texas; and providing an effective date. [Regular Agenda Item (4)]

Senior Planner Perry advised the Council that the Planning and Zoning Commission recommended approval of the study as presented. She provided the definition for workforce housing and spoke regarding the importance of maintaining a competitive advantage as an employment center, reducing the cost burdens to households, traffic congestion, sprawl and environmental impacts. Ms. Perry spoke regarding the limited opportunities for development of new and the significant amount of existing workforce housing which needs updating. She advised that the Transition and Revitalization Commission suggests considering urban centers to provide a limited number of units, ensuring an adequate supply of workforce housing and preserving/enhancing Plano’s existing neighborhoods.

Ms. Perry spoke to five recommendations to ensure a supply in the future which include the creation of a Housing Trust Fund which would be a dedicated revenue source to facilitate down payment assistance, housing rehabilitation and renovation. She spoke to an information clearinghouse which would collect and distribute relevant program information to help people take advantage of existing programs, and an employer assisted housing program for City employees, creation of a “design book” to provide ideas to residents for renovation, reorganization and modernization and developing alternative funding.

Transition and Revitalization Commission Chair Kissick spoke to the time spent on development of the report, the importance of developing a strategy, the limited opportunities in urban centers and programs focused on the existing housing stock. Ms. Perry responded to Council Member Stahel that there would be a number of City employees who might utilize an assistance program. She spoke regarding the Plano Housing Authority primarily addressing a different segment of the population and Council Member Dunlap spoke to including this information in upcoming presentations. Ms. Perry responded to Council Member Callison, stating that with Council’s approval Staff would begin investigating the programs recommended in greater detail and creating their structure and specific objectives.

Resolution No. 2006-12-14(R) (cont'd)

Upon a motion made by Council Member Stahel and seconded by Council Member Dunlap, the Council voted 8-0 to accept and approve the "Workforce Housing Study" as a guide for the creation of future programs related to workforce housing in the City of Plano, Texas; and providing an effective date; and further to adopt Resolution No. 2006-12-14(R).

Council Member Dunlap stepped down from the bench due to a possible conflict of interest on the following two items which were presented concurrently and voted on as individually.

Resolution No. 2006-12-15(R) to approve the terms and conditions of a Grant and Maintenance Agreement for the construction and maintenance of a water fountain at Legacy Town Center by and between the Shops at Legacy (North), L.P. and the City of Plano; authorizing its execution by the City Manager; and providing an effective date. [Regular Agenda Item (5)]

Ordinance No. 2006-12-16 to transfer the sum of \$1,000,000 from the General Fund Unappropriated Fund Balance to the General Fund Operating Appropriation for Fiscal Year 2006-07 for the purpose of providing partial funding for the construction and maintenance of a water fountain within Legacy Town Center; amending the budget of the City and Ordinance 2006-9-9, as amended, to reflect the actions taken herein; declaring this action to be a case of public necessity; and providing an effective date. [Regular Agenda Item (6)]

Mayor Evans stated appreciation for those in attendance and advised that the items are not Public Hearings but that input will be received.

Council Member Ellerbe spoke to funding provided to downtown developments in the amount of approximately \$3.5 million mostly for infrastructure improvements. City Manager Muehlenbeck spoke to the City not receiving rent or any portion of the sale of condominiums/townhouses, but stated that the developments have an effect on property valuation.

Fehmi Karahan of the Shops at Legacy spoke to the debate surrounding the request and the Legacy Business Park using a private water source and stated that it would not affect the supply of public water. He spoke to investments made by neighboring cities and the resultant expanded tax bases and revenues. Mr. Karahan spoke to the direct and indirect benefits that would be realized with the expansion of Legacy Town Center and to the City supporting responsible, well-planned growth. He spoke to supporting an investment in quality development and economic growth stating that the proposed fountain will help businesses in Legacy and the surrounding corporate campuses and office buildings and further spoke to an increase in the tax rolls, employment and to a demand for housing. Mr. Karahan spoke to the fountain providing a gathering place and to Chapter 380 providing for the promotion of local economic development and a stimulation of business and commercial activity.

Resolution No. 2006-12-15(R)/ Ordinance No. 2006-12-16 (cont'd)

Geoff LeMasters, Director of Sales and Marketing for Marriott Legacy Town Center, spoke to the fountain enhancing the visibility of the destination and requested Council support. Mike Zack, owner of a business at Legacy Town Center spoke to the property taxes generated in the area, the fountain drawing tourists and the benefits it can provide to the community. Denton Walker, Senior Management Director for Trammel Crow Company, spoke regarding the decision to locate in Plano and the City's long-term vision to create jobs and increase the tax base. He spoke to Legacy being a model for recruiting companies to the City. Sasha Kim, resident and business owner at Legacy Town Center spoke to the fountain increasing the economic and cultural growth of the City. She spoke to the area receiving national attention and responded to Council Member Stahel that she would do whatever was asked to assist with the fountain.

Harry Granoff spoke to the uniqueness and amenities of Legacy Town Center, to the fountain attracting those from other cities to bring tax dollars and jobs to the area. He spoke to it being an investment in economic development and to seizing the opportunity to be visionaries. Pam Vincent, citizen of the City and business owner at the Shops at Legacy spoke to the unique nature of shops, the atmosphere of restaurants and the area offering many things to both residents and visitors. Robert Shaw spoke to the efforts of Mr. Karahan in developing Legacy Town Center, the competitive marketplace, the area drawing in visitors and in support of the fountain. Lewis Shaw spoke to the efforts of Mr. Karahan to bring passion to the area and the inability to measure this in dollars, to the area becoming a destination and the resultant opportunities and interest.

Marilyn Kasko spoke to Plano as indivisible, the Council having the courage to vote their heart, the development of the Legacy area and to the availability of funding for social services due to the City's employment, sales and property tax revenues. She asked the Council to consider the goal of creating a world-class community. Dave Noble, Senior Vice President of Development for Trammel Crow Company, spoke to his company choosing Plano and to the fountain providing a gathering place. Dr. Robert Birenbaum, business owner in Legacy Town Center, spoke to the efforts of Mr. Karahan, to being open-minded as to what the fountain brings to the image of Plano and regarding the positive impression left on visitors to the area. Jason Moore, business owner at the Shops at Legacy, spoke to the vision of Mr. Karahan continuing to grow. Mr. Karahan spoke regarding fundraising events held at Legacy Town Center, the center belonging to the community and stated appreciation for the Council's time and consideration.

Rick Neudorff thanked the Council for their service to the City, spoke to the proponents having a vested interest in the Legacy area and to those in opposition being interested in all of Plano. He spoke to the fountain not benefiting the majority of citizens, to crafting numbers to influence support and to water restrictions in place for citizens and businesses. Mr. Neudorff spoke to the hotel being built with or without the fountain, economic development funds being used to help deteriorating parts of the City or those that need an economic boost and to the Council showing the citizens that they are looking out for the interest of the majority. Mr. Neudorff spoke regarding the recent tax increase and requested the Council vote against the \$1 million appropriation for the fountain.

Resolution No. 2006-12-15(R)/ Ordinance No. 2006-12-16 (cont'd)

Karen Marks, citizen of the City, spoke to the developer seeking ways to pay for the fountain at minimum cost to themselves, the lack of open bids on this item and to the lack of an economic impact study to support the projected increase in sales tax figures. She inquired whether or not figures include added revenue from the new hotel and asked about infrastructure costs and essential services. Ms. Marks spoke to developers considering a bank loan and to placing the request on the ballot. Danny Morris, citizen of the City, spoke to residents being conservative and looking for reduced government and wisdom before spending funds. He spoke to the City's funds coming from its citizens and saving some of the excess for future needs. Mr. Morris stated opposition to describing the item as a public necessity and spoke regarding the fountain improving the lives of only the property owners in the area. David Marks, citizen of the City, spoke to the tax increase which is now followed by a request to fund a private commercial property improvement. He spoke to the estimates of dollars that would be generated and inquired if there was an economic impact study to support the claims. Mayor Pro Tem Johnson spoke to the tax increase being dedicated solely for economic development and to maintain a competitive edge.

Sylvia Reid, citizen of the City, stated opposition to the item. Christine Coley, citizen of the City, spoke to utilizing surplus funds for other services such as scholarships or social services and not spending tax dollars on the project. Deputy Mayor Pro Tem Magnuson advised that the City cannot participate in school funding and spoke to the level of school taxes collected. Dr. Karen Dubrow, citizen and business owner in the City, spoke to providing a private businessman with funding plus two tax abatements along with monies for holiday lights. She spoke to this being an irresponsible use of water and stated that it will not produce the revenue projected. Ms. Dubrow requested the item be rescinded. Don Pinkos, citizen of the City, spoke in opposition to the request and to returning excess funds to taxpayers or utilizing them for another project that would provide more benefit to the citizens. He spoke to the Council taking a leadership role in water conservation and stated that if the request is not approved then a smaller project would be more fiscally responsible and more prudent in this time of pressing budget priorities, water shortages and over taxation.

A. J. Kaplan spoke to the companies at the Shops at Legacy providing financial resources and to not using tax payers' money. Dan Collins, citizen of the City, requested the Council be good stewards of taxes and not spend money on a fountain. He spoke further to the City supporting economic development and utilizing funding on other priorities. Gary Fleming, spoke to the use of water regardless of the source, setting a bad example and to this being poor policy. He stated agreement with providing economic benefits to attract business and to establishing tracking to determine if revenues offset the expenditure. Mr. Fleming spoke to placement of the fountain in a public park rather than at an intersection, to consideration of possible budget overruns, and to cutting back and changing plans to construct a more modest fountain. Robert A. Lynch, citizen of the City and owner of a downtown building stated concern that his tax dollars may be going toward the fountain and requested consideration for the downtown area.

Resolution No. 2006-12-15(R)/ Ordinance No. 2006-12-16 (cont'd)

Mary Compton, citizen of the City, spoke in opposition to City funds being used to build the fountain and regarding business owners who want to grow going to a lender. She spoke to the projects in the downtown area being necessities when a fountain is not and to the possibility of revitalizing the Collin Creek area. Mayor Evans spoke to Collin Creek Mall being the next area for consideration and to the monies spent in the downtown area.

Phil Staggs, citizen of the City, stated that the fountain will not become a tourist attraction or income producer and that if it would reduce his tax burden, he would support it but if not he would be in opposition. He spoke to considering the needs of those in the community. Phil Armstrong, citizen of the City, spoke to the need for assistance in other areas and Mayor Evans requested the Council be informed of projects that might be lacking in funding. Phil Raign, citizen of the City, stated he is impressed with the Legacy area, but stated opposition to the request.

David Fincanon, citizen of the City, spoke from a position of neutrality regarding the difficulties in running a business, increases in state taxes, balancing spending and regarding those establishments in other parts of the City that need assistance. Mayor Evans closed the floor to public comment.

Council Member Stahel spoke to the Shops at Legacy being a success without a fountain, to it being a benefit to the developer and being contrary to the water shortage. He spoke to listening carefully to those who have come to speak on the topic and to the large number in opposition. Mr. Stahel stated that those expressing support include builders, contractors, realtors and co-occupants who have a vested interest in the area. He spoke to there being interest in providing a jogging trail in the area, to the fountain not fulfilling a role as a job retention tool, and to the number of dollars that would need to be spent to provide a benefit in sales tax. Mr. Stahel spoke to the helping with infrastructure and providing tax abatements to companies that would guarantee investments in equipment and property along with jobs. He urged the Council to vote against the project.

Council Member LaRosiliere spoke to the City providing safe, clean streets along with libraries, parks and other services. He spoke to focusing on Legacy Town Center and its potential for sales tax revenues. Mr. LaRosiliere spoke to thinking of economic development in terms of high level executives coming to do business and seeing Legacy Town Center as a representation of the things Plano has to offer. He stated support for the request and for the business development aspect, spoke to the opportunity to create something unique and to aggressively pursuing opportunities to make Plano better, creating tax revenues and funding its quality of life. Council Member Callison spoke to the project being a boom for tourism, a gathering place and stated that it will help economic development. She spoke to consideration of the City by corporate leaders, giving Plano a sense of place and to having the vision to make sure the City is a place where future generations wish to live. Council Member Ellerbe spoke regarding the vision for the area and to continuing to move forward. She spoke regarding the funds spent on infrastructure in downtown Plano which would have come from developers if not from the City and stated support for the request.

Resolution No. 2006-12-15(R)/ Ordinance No. 2006-12-16 (cont'd)

Mayor Pro Tem Johnson spoke to the attributes of the Legacy area and to making Plano an attractive and desirable place to live, work and enjoy life. He spoke to the taxes paid by businesses in the City, to this project being an unusual version of economic development and to trying to attract citizens and businesses by making Plano different. Mr. Johnson spoke to continuing the level of success at the Shops at Legacy, school district property taxes, property tax discounts provided to homeowners and other cases where items such as screening walls and creek erosion may not necessarily be an issue of safety but one of appearance. He spoke to the improvements funded in the downtown area which otherwise would have been paid for by owners and tenants.

Deputy Mayor Pro Tem Magnuson spoke to the property owners and businesses in the Legacy area having a vested interest, other public/private partnerships, adapting an idea to enhance a retail/commercial area and to monies coming back to the City that were invested in the cattle sculpture and park. She spoke to the request being an investment in public art to enhance an extremely competitive business landscape, the level of sales and property taxes that will be realized and to the project being nationally recognized. Ms. Magnuson spoke to the Local Government Code allowing cities to invest in this type of project which is designed to stimulate business and commerce. She spoke to pride in the Police and Fire Departments, to not compromising on safety and to continuing to support the downtown area. Ms. Magnuson spoke to this request being an investment in a successful new urban development from which all will benefit and stated that increased taxes on the west side have an impact on the east side.

Mayor Evans spoke to being in competition with neighboring cities and to the City being open for business, asking for projects that are unique and forming a partnership that will be beneficial to the City, provide entertainment, cultural benefits and bring tax benefits. Mayor Evans spoke to providing gathering places and to partnering with those that bring forward these projects. She spoke to working towards expanding the tax base to keep citizen taxes low, talks with Collin Creek Mall and stated the Council is open to any other center that comes forward with a unique, great idea to benefit all of Plano.

A motion was made by Deputy Mayor Pro Tem Magnuson and seconded by Mayor Pro Tem Johnson to approve the terms and conditions of a Grant and Maintenance Agreement for the construction and maintenance of a water fountain at Legacy Town Center by and between the Shops at Legacy (North), L.P. and the City of Plano; authorizing its execution by the City Manager; and providing an effective date and further to approve Resolution No. 2006-12-15(R). The Council voted 6-1 with Council Member Stahel voting in opposition. The motion carried.

Resolution No. 2006-12-15(R)/ Ordinance No. 2006-12-16 (cont'd)

A motion was made by Deputy Mayor Pro Tem Magnuson and seconded by Council Member LaRosiliere to transfer the sum of \$1,000,000 from the General Fund Unappropriated Fund Balance to the General Fund Operating Appropriation for Fiscal Year 2006-07 for the purpose of providing partial funding for the construction and maintenance of a water fountain within Legacy Town Center; amending the budget of the City and Ordinance 2006-9-9, as amended, to reflect the actions taken herein; declaring this action to be a case of public necessity; and providing an effective date; and further to adopt Ordinance No. 2006-12-16. The Council voted 6-1 with Council Member Stahel voting in opposition. The motion carried.

There being no further discussion, Mayor Evans adjourned the meeting at 9:59 p.m.

Pat Evans, MAYOR

ATTEST:

Elaine Bealke, City Secretary