

**PLANO CITY COUNCIL
PRELIMINARY OPEN MEETING**

June 10, 2002

COUNCIL MEMBERS

Pat Evans, Mayor
Phil Dyer, Mayor Pro tem
Steve Stovall, Deputy Mayor Pro tem
Shep Stahel
Scott Johnson
Sally Magnuson
Jim McGee
Ken Lambert

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 called the meeting to order at 5:05 p.m., Monday, June 10, 2002, in Training Room A of the Municipal Center, 1520 K Avenue. All Council Members were present with the exception of Council Member McGee. Mayor Evans 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, and to discuss Personnel, Section 551.074, for which a certified agenda will be kept in the office of the City Secretary for a period of two years as required.

Mayor Evans reconvened the meeting back into the Preliminary Open Meeting at 5:43 p.m. in the Council Chambers for which the following matters were discussed:

**Consideration and Action Resulting From Executive Session Discussion – Personnel
DART Board of Directors, Board of Adjustment**

DART Board of Directors

Upon a motion made by Council Member Lambert and seconded by Council Member Stahel, the Council voted 7-0 to reappoint Robert Pope to the DART Board of Directors as the full member for the City of Plano.

Board of Adjustment

Upon a motion made by Mayor Pro tem Dyer and seconded by Council Member Stahel, the Council voted 7-0 to move board member Kevin Cain from the position of alternate to the position of regular member and to place on hold filling the vacancy created by the resignation of member Myron Shemek until the annual board and commission appointment process in the fall.

DART Status Report

DART Board of Directors Representative Pope advised that service for North Central Lines Three and Four is scheduled for July 1 and further spoke to the December time line for opening of light rail at the Plano Station. He stated that the challenge today is to bring ridership back up.

Rubber Wheel Trolley Service Presentation

DART Board of Directors Vice President Tim Newby spoke to the July 1st startup date for the downtown trolley circulator service linking the downtown area to Collin Creek Mall. He stated that the July 1st service will also connect to the Plano Transit Center in east Plano and be a variation of the more extended route to come. Mr. Newby stated that hours of operation will coincide with retail, there will be a 50 cent fare and that future ticketed train riders will be provided free service, and spoke to this new system attracting people and being a retail opportunity. He stated that the trolley is CNG powered which provides for cleaner burning fuel and that the next step involves refining the whole routing process.

Collin Creek Mall Manager Ron Buhidar spoke to the positive aspects of the new trolley service, benefits to employees, and to marketing this possibly with the hotels along the Highway 75 route.

Mr. Newby advised the Council that the trolley is a smaller vehicle and operates slowly, and that discussions have been held regarding continuing the trolley route up to the Harvey Hotel. Council Member Lambert requested that he look into running the trolley up to the Harvey Hotel and Holiday Inn. Mr. Newby stated that the trolley provides a marketing tool for the hotels and convenience for shoppers, spoke to distances involved and stated that he will look into routing with regards to the frontage road area. Mr. Pope advised the Council that the newer busses burn clean diesel, the big busses cannot operate on CNG, and further stated that they are continuing to monitor what fuel to use. Mr. Newby advised the Council that connecting service will be provided from the west Plano facility at Coit and 15th Street to the mall.

Discussion of 4a and 4b Economic Development Sales Tax

Executive Director Turner spoke regarding §4A and §4B sales tax and its use as economic development sales tax within the State of Texas and the allocation of 1 cent for economic development purposes within cities throughout the state. He stated that §4A is primarily targeted at land purchases, developing facilities and things of this nature to help promote economic development and that §4B extends to sports and recreational facilities, and other quality of life measures that may also be related to economic development. Mr. Turner stated that both funds are governed by an economic development board appointed by a Council and which oversees the expenditures of the funds with final approval of the expenditures authorized by the Council. He stated that in most cases the large central cities are not able to participate in this program due to their membership in metropolitan transportation authorities as is the case with the City of Plano. Mr. Turner stated that this creates an uneven playing field with the larger metropolitan cities who cannot participate and the smaller outlying cities who are able to participate. Mr. Turner stated that attention has been brought to the use of §4A and §4B sales tax by cities with the idea being that usage may not be according to the intent of the legislature for purely economic development purposes.

Mr. Turner spoke to placing before the Council consideration of a legislative position that would address some of these concerns. He stated that the belief is that the state would benefit from clearer definition of what is an allowable use of both §4A and §4B economic development sales tax. Mr. Turner stated that it would be wise as a requirement for executing an incentive to a particular business to locate in or expand in a community that the city prepare and publish an economic impact statement to quantify what the intended affect of the incentive would exactly be as well as explain the necessity. He stated that it would be wise if the legislature would prevent use of this sales tax to attract a business away from a community within the same metropolitan area or perhaps from anywhere in the state. Mr. Turner further spoke to internal conflict between usage of sales tax for metropolitan transportation authorities such as DART and the usage of the same one-cent for economic development in the outer ring suburbs. He stated that when cities adopt §4A and §4B they effectively preclude the possibility of joining a metropolitan transportation authority at a later time. Mr. Turner spoke to a mechanism or device to assist with the expansion of metropolitan transit authorities and to allow cities to transition out of this sales tax and become transit members. He stated that if the Council feels that this recommendation is appropriate, Staff recommends that a resolution be brought back to the Council and forwarded on to delegation members for consideration.

Mr. Turner advised the Council that some cities in the east Texas area have used this type of sales tax to offset expenditures such as Police, Fire, and road development that would normally come from the General Fund. City Manager Muehlenbeck advised the Council that they have not necessarily discussed or determined the reaction of other cities who are using this sales tax and stated that wording would need to be carefully chosen.

Mr. Muehlenbeck stated that businesses with proprietary information would not be able to be a part of whatever presentation is made to the elected officials. He stated that this has been discussed with some cities that are not §4A and §4B who seem to be willing to pursue this further. The Council spoke in support of this recommendation. Mayor Evans recommended that a resolution be brought back.

Council Items for Discussion/Action on Future Agendas

City Manager Muehlenbeck affirmed the upcoming Council Retreat scheduled for June 15 at Plano Centre and the followup Council special called worksession on the budget matrix June 19.

Consent and Regular Agenda

Deputy Mayor Pro tem Stovall and Council Member Stahel advised that they will be stepping down on Consent Item "G", Bid for a network server for the Equipment Services Department due to conflicts of interest.

Mayor Evans requested that Consent Item "H", Bid for screening wall panel reconstruction and column repair project be removed for individual consideration. City Manager Muehlenbeck advised Mayor Evans regarding Consent Item "N", resolution to approve a lawsuit, that the amount in the financial summary is correct.

Council Member Lambert advised that he will be stepping down on Regular Items 3 and 4 due to conflicts of interest.

Council Reports

Mayor Pro tem Dyer spoke regarding accolades given to Executive Director Hogan for his assistance given to the City of Celina. He also congratulated the Park and Recreation Department for sponsoring an event at the Heritage Yards Softball Complex facility comprised of war veteran softball teams, bands, and New York City Police Officer and Fire Fighter presentations.

Nothing further was discussed. Mayor Evans recessed the meeting at 6:41 p.m.

Pat Evans, **MAYOR**

ATTEST:

Elaine Bealke, City Secretary