

MINUTES OF A REGULAR MEETING OF THE CITY COUNCIL
March 26, 2012
City of Richardson, Texas

A Regular Meeting of the City Council was held at 7:30 p.m., Monday, March 26, 2012 with a quorum of said Council present, to-wit:

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| Bob Townsend | Mayor |
| Laura Maczka | Mayor Pro Tem |
| Mark Solomon | Council member |
| Scott Dunn | Council member |
| Kendal Hartley | Council member |
| Steve Mitchell | Council member |
| Amir Omar | Council member |

City staff present:

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| Bill Keffler | City Manager |
| Dan Johnson | Deputy City Manager |
| Michelle Thames | Assistant City Manager Administrative Services |
| David Morgan | Assistant City Manager Community Services |
| Cliff Miller | Assistant City Manager Development Services |
| Samantha Woodmancy | Management Analyst |
| Pamela Schmidt | City Secretary |
| Michael Spicer | Director of Development Services |
| Kent Pfeil | Director of Finances |

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- 1. INVOCATION – MARK SOLOMON**
 - 2. PLEDGE OF ALLEGIANCE: U.S. AND TEXAS FLAGS – MARK SOLOMON**
 - 3. MINUTES OF THE MARCH 12, 2012 WORK SESSION AND REGULAR MEETING**

ACTION TAKEN: Mr. Omar moved approval of the minutes as submitted; second by Mr. Hartley and the motion was approved with a unanimous vote.

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- 4. VISITORS.** *(The City Council invites citizens to address the Council on any topic not already scheduled for public hearing. Prior to the meeting, please complete a "City Council Appearance Card" and present it to the City Secretary. The time limit is five minutes per speaker.)*

No speakers.

ACTION ITEMS:

Mayor Townsend stated Items 5, 6 and 7 would be heard together and acted on separately.

Mr. Keffler referred to the discussions regarding the 2012 Budget with regard to the issuance of Certificates of Obligation (C.O.s). In addition to the C.O.s, there is a taxable issue for a demolition project and also a refunding of debt that would provide the City with a savings of interest. He recognized the attendance of financial advisors George Williford and Nick Bulaich

of First Southwest and bond counsel Bob Dransfield of Fulbright & Jaworski. He stated he was pleased to advise Council that Richardson retained its AAA and Aaa bond ratings and asked Mr. Williford to brief the Council.

Mr. Williford, First Southwest, referred to the booklet provided to Council outlining the results of the sell. He stated the issues were priced by a syndicate of underwriters led by Stifel Nicolaus & Co. and Morgan Keegan, co-managing firms, on Thursday, March 22. He stated that from a timing perspective, the City sold debt during a most favorable time and received excellent interest rates when the tax exempt bond market as indicated by the bond buyer index and municipal market data index hit all time lows. He reported that the rating agencies of Moody's and Standard & Poor's confirmed Aaa and AAA respectively, which is the highest rating that can be achieved, which guarantees a sale at the lowest rate in the market and increases the demand among the buying public. He read key statements from both agencies.

He noted that the term "management" speaks to both the elected and appointed staff. He stated that the \$14.845 million G.O. Refunding Bonds had a True Interest Cost ("TIC") rate of 2.094% and the refunding produced total debt service savings through 2024 of \$1.978 million; and present value savings equaled 11.085% of the \$15.95 million refunded amount. The 2012B tax-exempt Certificates of Obligation issue had a TIC of 2.431% and the taxable Certificates of Obligation have a repayment term of 10 years and had a TIC of 3.127%.

Mr. Dunn asked for an analogy for homeowners likening the bond rating to a person's credit rating and Mr. Williford agreed and stated the AAA and Aaa rating is the highest rating that can be given so on a personal basis, it would be whatever the highest rating a person could achieve. He further noted that the refunding does not extend the debt; it simply reduces the interest to be paid. He further noted that Richardson was one of only five cities in Texas that has a AAA rating.

Bob Dransfield, Fulbright & Jaworski, Bond Counsel, stated the three ordinances are required to effect the transactions described. He explained that his office would process the documents with the Attorney General's Office and in about a month, the transaction should close and the funds available to the City. With adoption of the ordinances, the Council will have completed all of the things required.

5. CONSIDER ORDINANCE NO. 3859, AUTHORIZING THE ISSUANCE OF "CITY OF RICHARDSON, TEXAS, GENERAL OBLIGATION REFUNDING BONDS, SERIES 2012 AND RESOLVING OTHER MATTERS INCIDENT AND RELATED THERETO.

ACTION TAKEN: Ms. Maczka moved approval of Ordinance 3859 authorizing the issuance of the City of Richardson, Texas General Obligation Refunding Bonds, Series 2012 and resolving other matters incident and related thereto; second by Mr. Dunn and the motion was approved with a unanimous vote.

6. CONSIDER ORDINANCE NO. 3860, AUTHORIZING THE ISSUANCE OF "CITY OF RICHARDSON, TEXAS, COMBINATION TAX AND REVENUE CERTIFICATES OF OBLIGATION, TAXABLE SERIES 2012A (TAXABLE) AND RESOLVING OTHER MATTERS INCIDENT AND RELATED THERETO.

ACTION TAKEN: Ms. Maczka moved approval of Ordinance No. 3860 authorizing the issuance of the City of Richardson Texas, combination tax and revenue Certificates of Obligation, taxable Series 2012A (taxable) and resolving other matters incident and

related thereto; second by Mr. Dunn and the motion was approved with a unanimous vote.

7. CONSIDER ORDINANCE NO. 3861, AUTHORIZING THE ISSUANCE OF “CITY OF RICHARDSON, TEXAS, COMBINATION TAX AND REVENUE CERTIFICATES OF OBLIGATION, SERIES 2012B (TAX EXEMPT) AND RESOLVING OTHER MATTERS INCIDENT AND RELATED THERETO.

ACTION TAKEN: Ms. Maczka moved approval of Ordinance No. 3861 authorizing the issuance of City of Richardson Texas, combination tax and revenue Certificates of Obligation, Series 2012B (tax exempt) and resolving other matters incident and related thereto; second by Mr. Dunn and the motion was approved with a unanimous vote.

PUBLIC HEARING ITEMS:

8. PUBLIC HEARING, ZONING FILE 12-01: A REQUEST BY JAMES POEN, REPRESENTING RICHARDSON SAW AND LAWNMOWER FOR APPROVAL OF MAJOR MODIFICATIONS OF THE WEST SPRING VALLEY PD PLANNED DEVELOPMENT STANDARDS RELATED TO IMPROVEMENTS TO AN EXISTING NON-CONFORMING 7,933-SQUARE FOOT BUILDING AND RELATED SITE IMPROVEMENTS FOR PROPERTY LOCATED AT 804 S CENTRAL EXPRESSWAY. THE PROPERTY IS CURRENTLY ZONED PD PLANNED DEVELOPMENT (WEST SPRING VALLEY PD).

Mr. Keffler stated the City Plan Commission heard the case on March 6, 2012 and recommended approval with a unanimous vote. He noted that the property was earlier discussed in the context of the West Spring Valley PD District development.

Mr. Spicer stated the subject property is an approximate 0.7 acre parcel located on the west side of Central Expressway, north of Spring Valley within the WSVP Zoning District with all adjacent properties located within the same zoning district. He noted that the applicant addressed the Council during the case with regard to the plan to expand the site. He advised that the adopted plan specifically accommodated the Richardson Saw and Lawnmower business by allowing the use by right and by anticipating the expansion to be presented. He stated the application requests major modifications to the zoning district requiring approval by Council. He used an aerial map to outline the area and reviewed the site plan that would be a part of the ordinance if approved by Council. He specifically noted the changes that would occur on the building and site and range from painting of the building to installation of new overhead doors and repaving. He stated that the applicant has agreed to install alternative lighting in lieu of florescent lighting and therefore that element would not be included in the recommendation from the Plan Commission. The Plan Commission recommended unanimous approval. He explained that there were no speakers regarding the request and no correspondence was submitted.

Mr. Solomon asked for clarification about the lighting and Mr. Spicer stated it would be recessed lighting and is not considered a major modification required to be included, but it could be included in the motion.

Mayor Townsend opened the public hearing and invited the applicant to address the Council.

James Poen, 3012 Spring Branch Drive, Richardson, stated that with regard to the lighting, they were asked to install canned lighting or recessed LED style lighting and he stated he was willing to use the lighting that the soffit would accommodate. He suggested the Council consider the painting issue because it is considered a major modification in the zoning district. In response to Mr. Dunn and Mr. Solomon, he stated that nothing would really change on the site from a consumer viewpoint and noted the changes would also help Service King. He also felt it would be much safer, more attractive and more efficient site along the highway.

Mr. Mitchell moved to close the public hearing; second by Ms. Maczka and the motion was approved with a unanimous vote.

ACTION TAKEN: Mr. Solomon moved approval of ZF 12-01 as presented by the Plan Commission; second by Mr. Dunn and the motion was approved with a unanimous vote.

ALL ITEMS LISTED UNDER ITEM 9 OF THE CONSENT AGENDA ARE CONSIDERED TO BE ROUTINE BY THE CITY COUNCIL AND WILL BE ENACTED BY ONE MOTION IN THE FORM LISTED BELOW. THERE WILL BE NO SEPARATE DISCUSSIONS OF THESE ITEMS. IF DISCUSSION IS DESIRED, THAT ITEM WILL BE REMOVED FROM THE CONSENT AGENDA AND WILL BE CONSIDERED SEPARATELY:

9. CONSENT AGENDA:

Mr. Mitchell asked that Item 9A be removed for separate consideration.

ACTION TAKEN: Mr. Mitchell moved approval of the Consent Agenda with the exception of 9A; second by Ms. Maczka and the motion was approved with a unanimous vote.

- A. Consider approval of Ordinance No. 3858, amending the Comprehensive Zoning Ordinance and zoning map to grant a change in zoning for a 4.71-acre tract from C-M Commercial with Special Conditions to I-M(1) Industrial with Special Conditions, for a 3.49-acre tract being a portion of the 4.71 acre tract, and a change from C-M Commercial with special conditions to C-M Commercial for a 1.22-acre tract, being a portion of the 4.71 acre tract, and to grant a special permit for a self-service warehouse with special conditions on said 3.49-acre tract of land.

This item was removed for separate consideration.

- B. Approve Advertisement of Bid #37-12 – demolition of the former 36-unit apartment complex known as The Willows. Bids to be received by Tuesday, April 17, 2012 at 3:00 P.M.

- C. Award of the following bids:

1. Bid #23-12 – authorize issuance of an annual requirements contract to Big City Crushed Concrete for aggregate flex base material pursuant to unit prices.
2. Bid #31-12 – award to Jim Bowman Construction Company for the 2010 Alley Paving Phase 1 & Sewer Improvements project at Pinecrest, Wateka, Meadowview and Odessa in the amount of \$410,708.83.

3. Bid #40-12 – authorization to issue a cooperative purchase order to Synetra, Inc., for additional EMC Disk Storage through the Department of Information Resources contract #DIR-SDD-1418 in the amount of \$65,312.50.

ITEMS REMOVED FOR SEPARATE CONSIDERATION:

9A. Consider Ordinance No. 3858, amending the Comprehensive Zoning Ordinance and zoning map to grant a change in zoning for a 4.71-acre tract from C-M Commercial with Special Conditions to I-M(1) Industrial with Special Conditions, for a 3.49-acre tract being a portion of the 4.71 acre tract, and a change from C-M Commercial with special conditions to C-M Commercial for a 1.22-acre tract, being a portion of the 4.71 acre tract, and to grant a special permit for a self-service warehouse with special conditions on said 3.49-acre tract of land.

Mr. Mitchell stated he removed the item from the Consent Agenda because he is opposed to the zoning change. He felt that a 20 year permit with two 5-year options for renewal was permanent zoning. He stated it was his opinion that the case was spot zoning where there would be an industrial use in the middle of commercial and residential use. He felt the industrial zoning would cause the area to become industrial. He felt that approval opens the door for more self storage. He stated that Il Creeks is a prime example of what happens when the Council holds out for the highest and best use. He did not believe the use was right for the City or the area and asked the Council to reconsider their votes.

Ms. Maczka clarified her position stating that she does not support industrial zoning near neighborhoods. She felt that in this case, it will probably be okay, but was concerned about the precedent being set and stated that when the area study is completed, it would not include self storage.

ACTION TAKEN: Mr. Solomon moved approval of Ordinance 3858; second by Mr. Dunn and the motion was approved with a vote of 5-2 with Mr. Mitchell and Ms. Maczka voting in opposition.

Mayor Townsend announced that the Council would reconvene the Work Session meeting in the Richardson Room followed by an Executive Session and adjourned the meeting at 8:21 p.m.


MAYOR

ATTEST:


CITY SECRETARY

