

MINUTES OF A REGULAR MEETING OF THE CITY COUNCIL

June 28, 2010

City of Richardson, Texas

A Regular Meeting of the City Council was held at 7:30 p.m., Monday, June 28, 2010 with a quorum of said Council present, to-wit:

Gary Slagel	Mayor
Bob Townsend	Mayor Pro Tem
Mark Solomon	Council member
John Murphy	Council member
Bob Macy	Council member
Steve Mitchell	Council member
Amir Omar	Council member

City staff present:

Bill Keffler	City Manager
Dan Johnson	Deputy City Manager
Michelle Thames (absent)	Assistant City Manager Administrative Services
David Morgan	Assistant City Manager Community Services
Cliff Miller	Assistant City Manager Development Services
EA Hoppe	Assistant to the City Manager
Pamela Schmidt	City Secretary

Mayor Slagel announced that Item 8 of the agenda would not be heard until July 12, 2010.

1. **INVOCATION**
2. **PLEDGE OF ALLEGIANCE: U.S. AND TEXAS FLAGS**
3. **MINUTES OF THE JUNE 14, 2010 MEETING**

ACTION TAKEN: Mr. Murphy moved approval of the minutes as presented; second by Mr. Townsend and the motion was approved with a unanimous vote.

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4. **VISITORS – None**

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5. **CONSIDER ORDINANCE NO. 3776, AUTHORIZING THE ISSUANCE OF CITY OF RICHARDSON, TEXAS, GENERAL OBLIGATION REFUNDING AND IMPROVEMENT BONDS, SERIES 2010 AND RESOLVING OTHER MATTERS INCIDENT AND RELATED THERETO.**

Mr. Keffler stated that the Council would be briefed on Items 5, 6 and 7 at the same time but separate action was required. He noted that the process began in the Fall of 2009 with discussions about bond projects and culminated in the positive vote on May 8, 2010 when the community endorsed the financial support for the four propositions in the \$66 million bond election. In advance of the election, staff was able to coordinate a review that enabled the City to refinance certain debt without extending the term length and added the Certificates of Obligation that the City has historically issued on an annual basis within the context of the

operating budgets. The three ordinances before the Council recognize the \$18.3 million of Certificates of Obligation, \$86 million of General Obligation and Refunding bonds and \$6.1 million taxable bond. He recognized George Williford, Managing Director of First Southwest; Nick Bulaich, Vice President, First Southwest; and Bob Dransfield, Bond Counsel with Fulbright and Jaworski who would be briefing the Council on the three items.

George Williford, Managing Director of First Southwest, provided a report about the negotiated sale and explained the intricacies of a negotiated sale, which provides the City flexibility and an element of control. He stated that the bonds and certificates were all priced by the underwriting group led by Stifel Nicolaus & Co. on Thursday, June 24, 2010. He noted that it was a good time to be in the market and the previous year's emphasis on quality investments played to the City's favor. He stated that the Aaa/AAA ratings are both fresh and based on the up-to-date analysis by the rating agencies of the City's financial condition, management, economic position and outlook. He stated that the Council could take comfort that Richardson is perceived on an ongoing basis at the highest credit level, which is why the rates received were low. He advised that the newly authorized \$66 million and refunding of \$22.31 million of outstanding bonds had an overall True Interest Cost (TIC) rate of 3.798%, and stated that the significant thing was that the new money piece had a TIC of 3.99%. He underscored that it is very rare to obtain funding under 4% for a 20 year debt. Mr. Williford advised that the refunding produced a total dollar savings thorough 2021 of \$2.65 million, which has a present value savings that equaled 10.07% of the refunded amount. He reported that the \$18.3 million Certificates of Obligation had a TIC of 3.288% and the taxable refunding of \$6.005 million produced total savings through 2020 of \$1.35 million with a present value savings of 20.373% of the refunded amount. He recommended approval of the three ordinances before the Council.

Bob Dransfield, Fulbright & Jawroski, stated the three ordinances are the action items that put into place the sale described by Mr. Williford. He stated it authorizes the issuance of the debt and award the sale of the obligations to the underwriting syndicate led by Stifel Nicolaus. He stated that by adopting the ordinances, the Council takes care of all of the action the City needs to take to authorize the issue. Under the current scheduled, it is expected that funds would be received by the City on August 3, 2010.

ACTION TAKEN: Mr. Macy moved approval of the Ordinance No. 3776; second by Mr. Solomon and the motion was approved with a unanimous vote.

6. CONSIDER ORDINANCE NO. 3777 AUTHORIZING THE ISSUANCE OF CITY OF RICHARDSON, TEXAS, GENERAL OBLIGATION REFUNDING BONDS, TAXABLE SERIES 2010A AND RESOLVING OTHER MATTERS INCIDENT AND RELATED THERETO.

ACTION TAKEN: Mr. Mitchell moved approval; second by Mr. Solomon and the motion was approved with a unanimous vote.

7. CONSIDER ORDINANCE NO. 3778 AUTHORIZING THE ISSUANCE OF CITY OF RICHARDSON, TEXAS, COMBINATION TAX AND REVENUE CERTIFICATES OF OBLIGATION, SERIES 2010 AND RESOLVING OTHER MATTERS INCIDENT AND RELATED THERETO.

ACTION TAKEN: Mr. Murphy moved approval; second by Mr. Townsend and the motion was approved with a unanimous vote.

8. PUBLIC HEARING, ZONING FILE 10-09: A REQUEST BY BILL PEAVY, REPRESENTING CLOUDLOFT INVESTMENTS, TO AMEND THE O-M OFFICE ZONING ON A PROPERTY LOCATED ON THE NORTH SIDE OF CAMPBELL ROAD, WEST OF WATERVIEW PARKWAY. THE PROPERTY IS CURRENTLY ZONED O-M OFFICE.

Mr. Keffler noted that a request was received on June 23, 2010 from the applicant for a continuance of the item to the July 12, 2010 Council meeting. He stated it was his understanding that the applicant wanted more time to evaluate the points of issue.

ACTION TAKEN: Mr. Townsend moved to continue ZF 10-09 until July 12, 2010; second by Mr. Mitchell and the motion was approved with a unanimous vote.

9. CONSENT AGENDA:

ACTION TAKEN: Mr. Murphy moved approval of the consent agenda as presented; second by Mr. Macy and the motion was approved with a unanimous vote.

A. Resolution No. 10-16 authorizing the City of Richardson to approve the terms and conditions of the 2010 Byrne Justice Assistance Grant (JAG) Program Funds Sharing and Fiscal Agency Agreement; and authorizing the City Manager to execute said agreement.

B. Receive from the City Plan Commission:

1. Amending Plat for Buckingham Estates Addition, Lot 16A.

C. Approve Award of the Following Bids:

1. Bid #44-10 – award to Jim Bowman Construction, LP., for the Duck Creek Channel Maintenance Program in the amount of \$161,866.70.
2. Bid #45.10 – award to Jim Bowman Construction, LP., for the 2010 Street Rehabilitation Project Custer Road Improvements (from Tyler Street to Twilight Trail) in the amount of \$439,603.40.
3. Bid #48-10 – authorization to issue a Cooperative Annual Requirements Contract with Paradigm Traffic Systems, Inc., for uninterruptible power supply system for traffic operations through the City of Plano pursuant to unit prices.

D. Cancel the Monday, July 5, 2010 City Council Work Session for the Independence Day Holiday.

Mayor Slagel announced at 7:54 p.m. that Council would convene in Executive Session in the Richardson Room after a brief recess:

EXECUTIVE SESSION

- In compliance with Section 551.072 of the Texas Government code, Council convened into a closed session at 8:00 p.m. to discuss the following:

- Deliberation Regarding Real Property
 - Property Consideration in the Arapaho Road/Custer Road area
- Council reconvened into open session at 9:10 p.m. to take action, if any, on matters discussed in executive session.

ACTION TAKEN: None.

Mayor Slagel adjourned the meeting at 9:10 p.m.


MAYOR

ATTEST:


CITY SECRETARY