

CITY COUNCIL MINUTES  
SPECIAL CITY COUNCIL MEETING  
AND WORK SESSION MEETING  
JUNE 28, 2016 AT 6:00 PM

**1. CALL TO ORDER**

Mayor Eric Barna called the meeting to order at 6:00 pm.

**2. ROLL CALL & CERTIFICATION OF A QUORUM**

City Secretary, Susie Quinn, certified a quorum with the following Councilmembers present:

Mayor Eric Barna  
Mayor Pro Tem Scott Bradley  
Deputy Mayor Pro Tem Owais Siddiqui  
Councilmember Jennifer Berthiaume  
Councilmember Betty Nichols Spraggins  
Councilmember Sarah Fincanon  
Councilmember Don Reilly

**3. PUBLIC COMMENTS**

No one signed up to speak during Public Comments.

**4. EXECUTIVE SESSION**

In accordance with Texas Government Code, Chapter 551, Subchapter D, the City Council recessed into Executive Session (closed meeting) at 6:01 pm to discuss the following:

- A. §551.074 Deliberation regarding the appointment, evaluation, reassignment, duties, discipline or dismissal of the City Manager.

**5. RECONVENE INTO REGULAR SESSION**

The City Council reconvened into Regular Session at 6:20 pm, pursuant to the provisions of Chapter 551, Subchapter D, Texas Government Code, to take any action necessary regarding:

- A. §551.074 Deliberation regarding the appointment, evaluation, reassignment, duties, discipline or dismissal of the City Manager.
- B. Take Action on any Executive Session Items.

No action was taken following Executive Session.

**6. ADJOURN SPECIAL MEETING**

With no further business, the Council special meeting adjourned at 6:20 pm.

**7. CONVENE TO THE COMMUNITY ROOM – OPEN SPECIAL WORK SESSION**

Mayor Barna opened the special work session at 6:24 pm.

- A. Discussion on the FY2017 Annual Budget.

Interim City Manager Bill Shipp discussed the Utility Fund with Council. A PowerPoint presentation was presented to Council. The largest increases to the Utility Fund budget are due to pass through costs from the North Texas Municipal Water District (NTMWD). Water and sewer rates were discussed at length and Chris Ekrot, Director of Environmental Practice from NewGen Strategies & Solutions was introduced. He explained that the NTMWD formulas are different for water and wastewater because of several reasons. Wastewater is a service and water is a commodity. The sanitary sewer overflow (SSO) may also be a factor. One issue may be linked with maintenance of the wastewater pipes in Murphy which affect Infiltration and Inflow (I & I). Questions were asked regarding I & I and a request was made to bring someone from NTMWD to explain the various increases and the formulas used to calculate such. Other questions regarding what types of reports are received from NTMWD were asked. Mr. Ekrot stated that other wholesale water groups are charging much more than NTMWD to their customers. The increase on the water bill amounts to about six percent (6%) based on an average water bill.

Reserves in the Utility Fund are very important when Fitch Rating Agency rates utilities for debt issuance. A weak reserve is 25% for cash reserves. A strong reserve is 100% or a year's worth of cash reserves. The impact to the customers is a policy decision when building those reserves. It is recommended that we do not lower our current 35% reserve. Many cities used their reserves when the drought occurred. Catastrophic events also can effect depletion of reserves.

Capital items were discussed next and the VacTron truck was discussed and more information was shared regarding the annual maintenance on purchasing a new truck. The camera trailer combo was discussed to be moved to the 2018 budget to be more in line with the SSO project. The AV (Audio/Video) upgrade in the Council Chambers is to replace equipment which is at least eleven years old. Functionality will also be improved with the upgrades, as well as changing from an analog system to a digital system which is more efficient. The Skype quality will be greatly improved. The Kramer's Via Collage Wireless system was discussed and Council was reminded about the upcoming demonstrations in July.

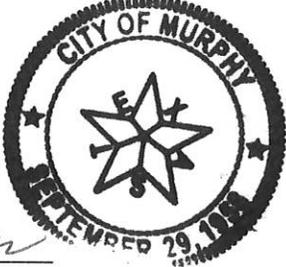
The water rates cannot break out the actual costs on the water bill between the city's rates and the NTMWD rates but a graphic box depicting the actual rates can be shown on the water bill in the special message box. Council like the appearance of the box and agrees it will be a useful communication tool.

**8. ADJOURN SPECIAL WORK SESSION**

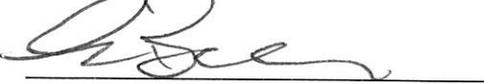
With no further business, the Council work session meeting adjourned at 7:09 pm.

ATTEST:

  
Susie Quinn, City Secretary



APPROVED BY:

  
Eric Barna, Mayor