

MURPHY CITY COUNCIL AGENDA
REGULAR CITY COUNCIL MEETING
JUNE 7, 2016 AT 6:00 PM
206 NORTH MURPHY ROAD
MURPHY, TEXAS 75094



Eric Barna
Mayor

Scott Bradley
Mayor Pro Tem

Owais Siddiqui
Deputy Mayor Pro Tem

Jennifer Berthiaume
Councilmember

Betty Spraggins
Councilmember

Sarah Fincanon
Councilmember

Don Reilly
Councilmember

Bill Shipp
Interim City Manager

Susie Quinn
City Secretary

NOTICE is hereby given of a meeting of the City Council of the City of Murphy, Collin County, State of Texas, to be held on June 7, 2016 at Murphy City Hall for the purpose of considering the following items. The City Council of the City of Murphy, Texas, reserves the right to meet in closed session on any of the items listed below should the need arise and if applicable pursuant to authorization by Title 5, Chapter 551, of the Texas Government Code.

1. CALL TO ORDER

2. INVOCATION & PLEDGE OF ALLEGIANCE

3. ROLL CALL & CERTIFICATION OF A QUORUM

4. PRESENTATION

- A. Presentation by Property Protection Classification Oversight Officer Jesse J. Williams of the State Fire Marshal's Office awarding the achievement of the Murphy Fire Department for recognition of Insurance Services Office (ISO) Class 1 designation.
- B. Presentation of a check to the Murphy Chamber of Commerce Scholarship Fund from Tunes, Tails and Ales.

5. PUBLIC COMMENTS

6. CONSENT AGENDA

All consent agenda items are considered to be routine by the City Council and will be enacted by one motion. There will be no separate discussion of these items unless a Councilmember so requests, in which event the item will be removed from the Consent Agenda and voted on separately.

- A. Consider and/or act on the May 16, 2016 Special Council meeting minutes.
- B. Consider and/or act on the May 17, 2016 Regular Council meeting minutes.
- C. Consider and/or act on the May 24, 2016 Special Council meeting minutes.
- D. Consider and take action, if any, on the approval of a resolution authorizing continued participation with the steering committee of cities served by Oncor; and authorizing the payment of 11 cents per capita to the steering committee to fund regulatory and legal proceedings and activities related to Oncor Electric Delivery Company, LLC for 2016.

- E. Consider and/or act upon approval of a resolution authorizing signature authority to sign and endorse checks and drafts of the City of Murphy bank account.

7. INDIVIDUAL CONSIDERATION

- A. Presentation and discussion regarding update on South Maxwell Creek Parallel Trunk Sewer Line.
- B. Discussion with possible action regarding appointing members to various Boards and Commissions to comply with the City Charter.

8. CITY MANAGER/STAFF REPORTS

- A. Radio Systems
- B. Food Truck Court
- C. Betsy Lane
- D. North Murphy Road
- E. Sidewalk Rehabilitation Program
- F. Upcoming events:
 - Sounds at Sundown (7pm until 10:30 pm) – June 10 – Pearl Gem (7-8:30 pm) and Le Freak (9-10:30 pm)
 - Charter Review Commission Town Hall Meeting – June 13 at 6:00 pm in the Community Room at City Hall
 - Sounds at Sundown (7pm until 10 pm) – June 17 – Prophets and Outlaws

9. EXECUTIVE SESSION

In accordance with Texas Government Code, Chapter 551, Subchapter D, the City Council will now recess into Executive Session (closed meeting) to discuss the following:

- A. §551.071 Consultation with Attorney on a matter in which the duty of the attorney to the governmental body under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with this chapter in regard to Safe Routes to Schools project, storm water, charter review, open records, South Maxwell Creek, and trespass claims.
- B. § 551.074 Deliberation regarding the appointment, evaluation, reassignment, duties, discipline or dismissal of the Finance Director, City Manager, Planning and Zoning Commissioners, Board of Adjustment Board Members, Murphy Municipal Development District Members, Murphy Community Development Members,

Ethics Review Commission Members, and/or Building and Fire Code Board of Appeals Members.

- C. §551.072 Deliberation regarding the purchase, exchange, lease, or value of real property.
- D. §551.087 Deliberation regarding Economic Development Negotiations and projects.

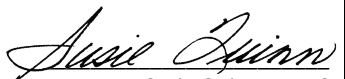
10. RECONVENE INTO REGULAR SESSION

The City Council will reconvene into Regular Session, pursuant to the provisions of Chapter 551, Subchapter D, Texas Government Code, to take any action necessary regarding:

- A. §551.071 Consultation with Attorney on a matter in which the duty of the attorney to the governmental body under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with this chapter in regard to Safe Routes to Schools project, storm water, charter review, open records, South Maxwell Creek, and trespass claims.
- B. §551.074 Deliberation regarding the appointment, evaluation, reassignment, duties, discipline or dismissal of the Finance Director, City Manager, Planning and Zoning Commissioners, Board of Adjustment Board Members, Murphy Municipal Development District Members, Murphy Community Development Members, Ethics Review Commission Members, and/or Building and Fire Code Board of Appeals Members.
- C. §551.072 Deliberation regarding the purchase, exchange, lease, or value of real property.
- D. §551.087 Deliberation regarding Economic Development Negotiations and projects.
- E. Take Action on any Executive Session Items.

10. ADJOURNMENT

I certify that this is a true and correct copy of the Murphy City Council Meeting Agenda and that this notice was posted on the designated bulletin board at Murphy City Hall, 206 North Murphy Road, Murphy, Texas 75094; a place convenient and readily accessible to the public at all times, and said notice was posted on June 3, 2016 by 5:00 p.m. and will remain posted continuously for 72 hours prior to the scheduled meeting pursuant to Chapter 551 of the Texas Government Code.


Susie Quinn, TRMC
City Secretary

In compliance with the American with Disabilities Act, the City of Murphy will provide for reasonable accommodations for persons attending public meetings at City Hall. Requests for accommodations or interpretive services must be received at least 48 hours prior to the meeting. Please contact the City Secretary at 972.468.4011 or squinn@murphytx.org.

Notice of Possible Quorum: There may be a quorum of the Animal Shelter Advisory Committee, the Board of Adjustment, the Building and Fire Code Appeals Board, the Charter Review Commission, the Ethics Review Commission, the Murphy Community Development Corporation, the Murphy Municipal Development District Board, the Park and Recreation Board and/or the Planning and Zoning Commission members who may be present at the meeting, but they will not deliberate on any city or board business.

CITY COUNCIL MINUTES
SPECIAL CITY COUNCIL MEETING
MAY 16, 2016 AT 6:00 PM

1. CALL TO ORDER

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

2. INVOCATION & PLEDGE OF ALLEGIANCE

Mayor Eric Barna gave the invocation and led the Pledge of Allegiance

3. 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 Ben St. Clair
Councilmember Betty Nichols Spraggins
Councilmember Sarah Fincanon
Councilmember Rob Thomas

4. PUBLIC COMMENTS

Keith Huyck, resident thanked the outgoing council for their service. He invited the community to the Murphy Road Baptist Church's "Big Tex BBQ" this Sunday, 12:15pm.

Ray Shahan, resident congratulated the new Councilmembers, he thanked the outgoing Councilmembers for their service. He requested the outgoing Councilmembers give all the documents he provided regarding PD-3-10-590 to the incoming Councilmembers.

5. PRESENTATIONS

Presentation for the Outgoing Councilmembers:

Mayor Barna thanked Ben and Rob for their service and dedication for the city since 2013.

- a. Ben St. Clair served from 2013 through 2016.
Mayor Barna thanked Ben for his service and specifically for his efforts with the Rainbow Trout Roundup.
- b. Rob Thomas served from 2013 through 2016.
He addressed Rob thanking him for his financial report knowledge and wished him and his wife the best.

6. INDIVIDUAL CONSIDERATION

- A. Consider and act upon approval of Ordinance Number 16-05-1010 canvassing and declaring the election results of the May 7, 2016 General Election.

COUNCIL ACTION (7.A.):

APPROVED

Mayor Pro Tem Bradley moved to approve Ordinance Number 16-05-1010 canvassing and declaring the election results of the May 7, 2016 General Election as submitted. Councilmember Fincanon seconded. For: Unanimous. The motion carried by a vote of 7-0.

B. Issuance of Certificate of Election to newly elected Council Members.

Mayor Barna presented Deputy Mayor Pro Tem Siddiqui, Councilmember Spraggins, Councilmember Berthiaume and Councilmember Reilly with their Certificates of Election.

COUNCIL ACTION (7.B.):

NO ACTION REQUIRED

C. Administer Oath of Office to newly elected Council Members.

Municipal Court Judge Banuelos administered the oath to Deputy Mayor Pro Tem Siddiqui.

Municipal Court Judge Banuelos administered the oath to Councilmember Berthiaume.

Municipal Court Judge Banuelos administered the oath to Councilmember Spraggins.

Municipal Court Judge Banuelos administered the oath to Councilmember Reilly.

All newly elected Council Members signed their individual Oath's of Office.

Mayor Barna opened the floor to the outgoing Councilmembers to address the community.

Councilmember St. Clair expressed his gratitude to the Council, staff and citizens and welcomed the new Councilmembers.

Councilmember Thomas gave a brief background of his journey to Murphy and explained his father tried to be on the Dallas Council but was never able to do so, Thomas felt like this was a way for him to have closure on that. He expressed his thoughts on the kindness of how council worked so well together on all the various projects. He also thanked City Secretary Quinn, Andy Messer and the whole staff, thanked the Leadership Team and Murphy staff, Former Councilmember Bernard Grant, Former Mayor Pro Tem John Daugherty, his brother Paul Thomas, Keith, Don, and his family.

Mayor Barna welcomed the new Councilmembers to their spots on the dais. He also spoke to the Tunes, Tails and Ales event that took place the preceding Saturday. He thanked the city staff for all their hard work and devoting their Saturdays to events like these; specifically Kayla McFarland, Bernie Parker, Matt Foster and Adana Barber for their participation and dedication to this and all events. This event began as a "napkin idea" and thanked Mayor Pro Tem Bradley also for his hard work to make this event happen.

COUNCIL ACTION (7.C.):

NO ACTION REQUIRED

7. ADJOURNMENT

Mayor Barna asked the new City Councilmembers to be seated. With no further business, the Council meeting adjourned at 6:27 PM.

A RECEPTION FOLLOWED THE MEETING.

APPROVED BY:

ATTEST:

Eric Barna, Mayor

Susie Quinn, City Secretary

CITY COUNCIL MINUTES
REGULAR CITY COUNCIL MEETING
MAY 17, 2016 AT 6:00 PM

1. CALL TO ORDER

Mayor Eric Barna called the meeting to order at 6:01 PM.

2. INVOCATION & PLEDGE OF ALLEGIANCE

Mayor Eric Barna gave the invocation and led the Pledge of Allegiance

3. ROLL CALL & CERTIFICATION OF A QUORUM

Susie Quinn, City Secretary 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

4. PUBLIC COMMENTS

Robert Mortonson, resident, expressed his wishes for the property where Goodwill was proposed. He is suggesting a standalone restaurant such as Cheddars, Olive Garden, or Texas Roadhouse. He explained an anchor restaurant like that will be successful in the location even without the frontage of FM 544.

Marv Williams, resident, representing the Exchange Club and Jill Engelking, Assistant Principal at Murphy Middle School informed council of their plans to fly the American Flags on Memorial Day in their normal locations, and fly the American Flags at Murphy Middle School on May 20th to honor Military Day. Veterans will be visiting classes and sharing their experiences, they will be taking donations for the G.I. Go Fund that helps all veterans especially those from Iraq and Iran. There will also be a lesson in the English classes on the poem "*In Flanders Fields*" and students will be "planting" red poppies outside of the school as a remembrance.

Ray Shahan, resident expressed his thoughts on PD 3-10-590, the letter and presentation by City Attorney Andy Messer. He read an excerpt from a letter from D. R. Horton regarding that area of Murphy. Mayor Barna expressed that over 120 hours had been spent working on this along with the City Attorney and Council feels this matter is closed.

5. PRESENTATIONS

A. Proclamation declaring May as Asian-Pacific American Heritage Month.

Deputy Mayor Pro Tem, Owais Siddiqui presented the proclamation to Marian Gallemore, Chair for the Asian-Pacific American Council (APAC). After receiving the award Ms. Gallemore thanked

Council for the proclamation and gave a brief description on what the APAC does and how they encourage people to get involved in their communities and vote.

B. Proclamation declaring May 15-21, 2016 as National Police Week.

Councilmember Fincanon presented the proclamation to many members of the Murphy Police Department. Chief Trey Cotten thanked the Mayor and Council and expressed the difficulties of this week and explained they continue to have a positive outlook. He thanked the Council and residents for all their support. Mayor Barna recognized Lieutenant Adana Barber for her accomplishment of running and completing the Boston Marathon for a second year.

C. Proclamation declaring May 15-21, 2016 as National Public Works Week.

Mayor Barna presented the proclamation to several members of the Public Works Department. Prior to reading the proclamation, Mayor specifically thanked them for all their hard work every day, and how they are the unsung heroes because a lot of their work is never known to the general public. Director of Public Services Bernie Parker thanked Council, residents, Fire Department and Police Department for working so well with each other between all the areas to provide excellent service to Murphy.

D. Proclamation declaring May 15-21, 2016 as Emergency Medical Services Week.

This item was presented second. Councilmember Fincanon presented the proclamation to several members of the Fire Department Emergency Responders. Fire Chief Mark Lee thanked Council and gave praise to the Emergency Medical Services Team for all their hard work.

E. Presentation of financial report and investment report as of April 30, 2016.

Director of Finance, Linda Truitt explained the investment report has dropped approximately one million dollars (\$1,000,000.00), due to construction costs from projects. The interest rate has increased to 0.33% for April. The General Fund/MDD/CDC reflects the city has collected 6% more in sales tax dollars than this time last year. Revenues are at 77.59% permits and licensing have increased during the past several months. Expenditures should be at 58% of the budget; however, many larger expenses will occur at the end of the fiscal year. Currently, expenditures are at 51.58% as of April 2016. Revenues for the Utility Fund are doing well, but will largely be dependent on the weather and usage for the summer to determine if projections are met.

Mayor Barna thanked Linda Truitt for her years of service and expressed high praise of her success here at Murphy. Linda Truitt thanked the Mayor and Council and expressed her praise for the staff at the City of Murphy especially regarding the level of education achieved by many of the employees; staff at the time of her hiring consisted of many individuals without degrees. Now the city have many staff with their Bachelors, Masters and/or are currently working towards those goals without much assistance from the city. She also expressed her desire for

Council to take care of staff and continue making Murphy a better place. Linda was presented with a plaque from Council.

There was a short recess for a brief reception in honor of retiring Finance Director, Linda Truitt.

6. CONSENT AGENDA

All consent agenda items are considered to be routine by the City Council and will be enacted by one motion. There will be no separate discussion of these items unless a Councilmember so requests, in which event the item will be removed from the Consent Agenda and voted on separately.

- A. Consider and/or act on the May 2, 2016 Regular Council meeting minutes and Special Work Session minutes.

- B. Consider and/or act upon an ordinance approving a negotiated settlement between the Atmos Cities Steering Committee ("ACSC") and Atmos Energy Corp., Mid-Tex Division regarding the company's 2016 rate review mechanism filings; declaring existing rates to be unreasonable; adopting tariffs that reflect rate adjustments consistent with the negotiated settlement; finding the rates to be set by the settlement tariffs to be just and reasonable and in the public interest; requiring the company to reimburse ACSC's reasonable ratemaking expenses; determining that this ordinance was passed in accordance with the requirements of the Texas open meetings act; adopting a savings clause; declaring an effective date; and requiring delivery of this ordinance to the company and the ACSC's legal counsel.

Agenda Item 6.B. was pulled from consent by Councilmember Reilly.

Finance Director, Linda Truitt explained there is a committee formed to negotiate the gas rates of which the City of Murphy is a member; there are about 150 cities in this group. There was a new process set in place a few years ago, with the proposed gas rates at a much higher rate; the committee was successful and negotiated the rate to be less than the proposed.

COUNCIL ACTION (6.B.):

APPROVED

Councilmember Reilly moved to approve a negotiated settlement between the Atmos Cities Steering Committee ("ACSC") and Atmos Energy Corp., Mid-Tex Division regarding the company's 2016 rate review mechanism filings; declaring existing rates to be unreasonable; adopting tariffs that reflect rate adjustments consistent with the negotiated settlement; finding the rates to be set by the settlement tariffs to be just and reasonable and in the public interest; requiring the company to reimburse ACSC's reasonable ratemaking expenses; determining that this ordinance was passed in accordance with the requirements of the Texas open meetings act; adopting a savings clause; declaring an effective date; and requiring delivery of this ordinance to the company and the ACSC's legal counsel. Councilmember Fincanon seconded the motion. For: Unanimous. The motion carried by a vote of 7-0.

- C. Consider and/or act upon approval of a resolution supporting the nomination of representatives to serve as primary and alternate members to the Regional Transportation Council of the North Central Texas Council of Governments.

COUNCIL ACTION (6.A. and 6.C.):

APPROVED

Mayor Pro Tem Bradley moved to approve the consent agenda items A and C as presented. Deputy Mayor Pro Tem Siddiqui seconded the motion. For: Unanimous. The motion carried by a vote of 7-0.

7. INDIVIDUAL CONSIDERATION

- A. Consider and/or act upon nominations for Mayor Pro Tem.

Councilmember Spraggins nominated Scott Bradley for Mayor Pro Tem.
Councilmember Fincanon nominated Owais Siddiqui for Mayor Pro Tem.

Mayor Barna, Mayor Pro Tem Bradley, Councilmembers Berthiaume, Spraggins and Reilly voted to approve Mayor Pro Tem Bradley to be re-elected. Councilmember Fincanon and Deputy Mayor Pro Tem Siddiqui opposed the nomination of Scott Bradley for Mayor Pro Tem.

COUNCIL ACTION (7.A.):

Mayor Pro Tem Scott Bradley was re-elected as Mayor Pro Tem.

- B. Consider and/or act upon nominations for Deputy Pro Tem.

Councilmember Reilly nominated Owais Siddiqui for Deputy Mayor Pro Tem.
Councilmember Spraggins nominated Sarah Fincanon for Deputy Mayor Pro Tem.

Mayor Barna, Mayor Pro Tem Bradley, Mayor Pro Tem Siddiqui, Councilmembers Berthiaume, and Reilly voted to approve Deputy Mayor Pro Tem Siddiqui to be re-elected. Councilmembers Spraggins and Fincanon opposed the nomination of Owais Siddiqui for Deputy Mayor Pro Tem.

COUNCIL ACTION (7.B.):

Deputy Mayor Pro Tem Owais Siddiqui was re-elected as Deputy Mayor Pro Tem.

- C. Consider and approve an ordinance authorizing the issuance of "City of Murphy Tax Notes, Series 2016", in the par amount of \$1,800,000 for the acquisition, replacement and upgrade of certain City public safety voice, radio dispatch, emergency alert equipment and associated software.

Financial Advisor Jason Hughes from First Southwest explained the request for bids for tax notes and seven bids were received. TIB (Independent Bankers Bank) offered a 1.57% fixed rate; BB&T also provided the exact same rate. Staff is recommending TIB because there is more flexibility with regards to pay-off or refinancing; the City can pay off the tax notes early without penalty if the City determines it to be advantageous. The first payment will be February 2017 and our final payment

will occur February 2023. All public debt sells in the state of Texas go before the Attorney General's Office for review, so the closing is scheduled for June 16, 2016, at which time the money will be deposited. Payments are in February and August for the seven year duration.

Mayor Barna inquired regarding Murphy's bond rating and Hughes confirmed we are a double AA rating with Standards and Poor's which is the third highest rating achievable. There was discussion among council regarding any other fees associated with this bond. Hughes explained there are no other costs other than cost of issuance which is approximately \$30K which will be paid out of the General Fund.

COUNCIL ACTION (7.C.):

APPROVED

Mayor Pro Tem Bradley moved to approve all matters related to the issuance and sale of City of Murphy Tax Note, Series 2016 including the adoption of Ordinance Number 16-05-1012 authorizing the issuance of such tax notes in the amount of \$1,800,000 for the acquisition, replacement and upgrade of certain City public safety voice, radio dispatch, emergency alert equipment and associated software.. Deputy Mayor Pro Tem Siddiqui seconded the motion. For: Unanimous. The motion carried by a vote of 7-0.

- D. Consider and/or act upon approval of a resolution approving an Interlocal Agreement with Collin County for Betsy Lane Paving and Drainage Improvements for Collin County 2007 Bond Project No. 07-053.

Interim City Manager Shipp explained this project is approximately 95% complete with projected costs of \$3.965 million dollars, largely funded by RTR funding at \$2,560,480 with the remaining funds being paid by Collin County funding through a bond passed in 2007. An ILA was approved by Council in 2013 but did not make it to the Commissioners Court for various reasons. The County has the money set aside for \$1.2 million dollars and the ILA is in the amount of \$1,470,750 with the remainder of \$41,770 for the trail/sidewalk which are not covered by County or RTR funds.

City Engineer Gary Hendricks explained in 2005 Collin County had regional transportation funds for projects and the City of Murphy was approved in 2007 for McCreary Road and Betsy Lane. The requirement was for the county to pay for half and the cities pay for half; many cities were having difficulties getting the funds for their half which included the City of Murphy. In 2012, the county requested for applicants to apply to receive RTR (Regional Toll Revenue) funds. Murphy submitted and was awarded the funding for those projects, RTR paid for 80% with a local match of 20%; Collin County allowed their part of the funding to go towards the 20% city match and the RTR funding being the 50%, essentially this was a free project for the City of Murphy. Council asked about potential future RTR funds being used for neighborhood street repaving. Hendricks confirmed RTR funded projects must be used for inter mobility traffic traveled streets to help create traffic capacity and relieve some of the traffic on FM 544. RTR funds are for capacity issues on streets in towns to better connect the region and therefore are not eligible to repairing local streets.

COUNCIL ACTION (7.D.):

APPROVED

Mayor Pro Tem Bradley moved to approve Resolution No. 16-R-829 approving an Interlocal Agreement with Collin County for Betsy Lane Paving and Drainage Improvements for Collin County

2007 Bond Project No. 07-053 and providing an immediate effective date. Councilmember Fincanon seconded the motion. For: Unanimous. The motion carried by a vote of 7-0.

- E. Consider and/or act to approve a resolution authorizing the creation of the North Central Texas Regional 9-1-1 Emergency Communications District.

Police Chief Trey Cotton gave a brief synopsis of the program. He explained all citizens and businesses are charged fifty (50) cents each month for their telephone lines (land lines as well as cell phones) and those monies go towards the 9-1-1 system. Currently there are forty-three (43) public safety answering points in the North Central Texas COG and to create the proposed district will require 100% participation. Currently the money goes to the state to hold the funds and the state keeps about 15% of those funds. With the creation of these new 9-1-1 districts, the new districts will keep the entire fifty cents. Council asked questions regarding the rate and possible increases. Mark Brown, COG representative explained the State Legislature sets the rate and Brown confirmed the rate has not changed since it was created in 1989. Brown further explained, the collection of the fifty cents per phone line per month, and about how the money collected is held by the State Comptroller and dispersed back. The Legislature appropriates every 2 (two) years the funds to all Region Council Governments for 9-1-1 and some of the dollars are used to balance the State budget. Essentially the creation of the district will give us more ability to control the funds for our citizens and keep local projects and needs at the forefront. There were questions from council regarding what happens if we don't join, how many municipalities have joined so far and how the district board will be appointed. Brown confirmed there must be 100% participation or the district is not created. The current municipalities who have joined are: McKinney, Prosper, Allen, Celina, and Farmersville in Collin County. Other Counties that have joined are: Navarro, Hunt, Parker, Summerville, Johnson and Hood. Cities outside of Collin County who have joined are: Corsicana, Navarro, Waxahachie, Seagoville, Kent, Angus, Bradford, Weatherford and Decatur. Brown further explained home-rule entity cities are not involved in this such as, The City of Dallas, Denton County and Tarrant County. Brown explained if we become a district we will have more flexibility with the funds to purchase equipment instead of having to go back to the State to request appropriated funds every five years. The COG will remain the fiscal agent of record, and the district board will approve and set the budget. Council asked how the board is selected. Brown confirmed once the district is established with the proper resolutions, all the entities will determine the makeup of the board including the State of Texas mandatory requirement that two thirds of the board must be elected officials from within the agencies. From that created district board the Bylaws, Rules and Procedures will be created. Council voiced concerns regarding small cities like Murphy needs to be represented on the board and inquired as to when the Resolution has to be approved. Since the answer was about when the Resolution is approved is not urgent, Council asked for answers to the following questions be brought back to Council before they will vote to approve or not approve the Resolution: 1) How will the revenue share work? 2) What percentage will go towards overhead? 3) What will the mechanics of the board election be? 4) How can the money be spent? 5) Where are we in regards to getting bigger cities/counties to join that are part of this creation? Brown confirmed the questions posed by Council and there was no further discussion at this time. A list of the eligible cities that can participate will be provided. This item was postponed until further information can be provided and evaluated.

COUNCIL ACTION (7.E.):

NO ACTION

- F. Discussion with possible action regarding appointing members to various Boards and Commissions to comply with the City Charter.

City Secretary Susie Quinn explained there are two openings on the MCDC and Planning and Zoning boards. She asked Council for direction as to how they would like to proceed filling those positions. Susie confirmed there is 1 (one) alternate for the P&Z, 1 (one) regular member and 2 (two) vacancies on the MCDC board. Council discussed reconvening the interview committee and include the new Councilmembers. Advertising for this was discussed and decided to advertise for 2 (two) weeks on all public venues (Facebook, website, newspaper if time allows) and have it on the first Council meeting in June. The alternate on the P&Z board was recommended to become a full member and then advertise for both alternate positions on P&Z and the two positions on MCDC. An interview committee will consist of Councilmembers Spraggins, Berthiaume, and Reilly.

COUNCIL ACTION (7.F):

APPROVED

Councilmember Reilly motioned to appoint Julie Kamm, who is currently serving as an alternate to be named as a full Commission member to Planning and Zoning, whose term will end December, 2016, since she will be completing Councilmember Reilly's term. Councilmember Berthiaume seconded. For: Unanimous. The motion passing 7-0.

Prior to item 8, Mayor Pro Tem Bradley wanted to clarify to everyone on the Council that they may make and should make motions for any listed agenda items but specifically if they are driving the conversation.

8. CITY MANAGER/STAFF REPORTS

A. Radio Systems

Moving forward, purchasing agreements are being processed and getting final quotes.

B. Food Truck Court

This project is moving very quickly with approximately 99% of the concrete being completed along with the water, lighting and electricity lines.

C. Betsy Lane

The irrigation and electricity are currently being worked on, once those are finalized and in place Oncor and Farmers Electric services will be connected which will take approximately 6 weeks. The medians and right-of-way are currently being maintained by the contractor.

D. South Maxwell Creek Parallel Trunk Sewer Line

There are many issues with this project and there is a meeting scheduled for Wednesday, May 18, 2016 with the contractor to resolve issues. Public Services staff is visiting and inspecting the site at a minimum of four times per day. They are making sure the streets are being washed daily and holes are being closed if open for more than two days. The contractor was stopped by the City, due to lack of a trench safety plan resulting in pipe not being laid, but it has been resolved and they were given

permission to begin laying pipe, as a trench has been properly installed. There is also an issue regarding the bore under FM 544 which should be resolved soon. Council asked regarding a possible completion date. Shipp confirmed there was a 120 day extension granted and the city is working on getting a concrete date of completion which should be at the end of July. Director of Public Services Bernie Parker explained at this point we are approximately less than 50% complete on this project. Currently the contractor is working on laying pipe and getting out of the residential easement area. Council brought up questions regarding vegetation. Parker confirmed that the contractor will re-sod or replant prior to the completion of the contract in all affected areas.

E. North Murphy Road

TxDOT has decided on a dollar amount for the damage reimbursement for the HOAs that were impacted by the construction of this road. TxDOT will communicate the reimbursement amounts at a meeting with all parties. The longitudinal portion of this issue has not and will not be addressed by TxDOT but may be discussed at a later date with the City.

F. Upcoming events:

Sounds at Sundown will begin June 3rd with Le Freak. Followed by Pearl Gem on June 10th, June 17th will be Providence Outlaws, June 24th Memphis Soul and for the finale Emerald City will perform July 1st. The event opens at 7 pm with the bands playing at 8 pm until 10 pm.

9. ADJOURNMENT

With no further business, the meeting was adjourned at 8:09 pm.

APPROVED BY:

ATTEST:

Eric Barna, Mayor

Susie Quinn, City Secretary

CITY COUNCIL MINUTES
SPECIAL CITY COUNCIL MEETING
MAY 24, 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

Executive Administrative Assistant, Kim McCranie, certified a quorum with the following Councilmembers present:

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

Absent:

Councilmember Jennifer Berthiaume

3. 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.

4. RECONVENE INTO REGULAR SESSION

The City Council reconvened into Regular Session at 6:35 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 taken on the Executive Session items.

5. ADJOURNMENT

With no further business, the Council meeting adjourned at 6:36 pm.

APPROVED BY:

ATTEST:

Eric Barna, Mayor

Susie Quinn, City Secretary

City Council Meeting
June 7, 2016

Issue

Consider and take action, if any, on the approval of a resolution authorizing continued participation with the steering committee of cities served by Oncor; and authorizing the payment of 11 cents per capita to the steering committee to fund regulatory and legal proceedings and activities related to Oncor Electric Delivery Company, LLC for 2016.

Staff Resource/Department

Steven Ventura, Interim Finance Director

Background

The City of Murphy is a member of a 156-member city coalition known as the Steering Committee of Cities Served by Oncor. The resolution approves the assessment of an eleven cent (\$0.11) per capita fee to fund the activities of the Steering Committee.

Why this Resolution is Necessary

The Steering Committee undertakes activities on behalf of municipalities for which it needs funding support from its members. Municipalities have original jurisdiction over the electric distribution rates and services within the city. The Steering Committee has been in existence since the late 1980s. It took on a formal structure in the early 1990s. Empowered by city resolutions and funded by per capita assessments, the Steering Committee has been the primary public interest advocate before the Public Utility Commission, ERCOT, the courts, and the Legislature on electric utility regulation matters for over two decades.

The Steering Committee is actively involved in rate cases, appeals, rulemakings, and legislative efforts impacting the rates charged by Oncor Electric Delivery Company, LLC with the City. Steering Committee representation is also strong at ERCOT. It is possible that additional efforts will be necessary on new issues that arise during the year, and it is important that the Steering Committee be able to fund its participation on behalf of its member cities. A per capita assessment has historically been used, and is a fair method for the members to bear the burdens associated with the benefits received from that membership.

The work undertaken by the Steering Committee has saved cities and ratepayers millions of dollars in unreasonable charges. In order to continue to be an effective voice before the Public Utility Commission of Texas ("Commission" or "PUC"), ERCOT, the Legislature, and in the courts, the Steering Committee must have your support. The membership assessment is deposited in an account which funds Steering Committee activities.

In 2015, Oncor filed for approval of a change in ownership. The Steering Committee has been an active participant in that process seeking to ensure that ratepayers are not harmed. In addition, the Steering Committee remained involved in numerous rulemakings and projects at the PUC. The Steering Committee also participated in Oncor's Energy Efficiency Cost Recovery

City Council Meeting
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Factor (“EECRF”) proceeding, which is the annual proceeding to determine the surcharge to fund the Commission’s energy efficiency program.

On December 16, 2015, the Steering Committee approved the 2016 assessment for Steering Committee membership. Based upon the population-based assessment protocol previously adopted by the Steering Committee, the assessment for 2016 is a per capita fee of \$0.11 based upon the population figures for each city shown in the latest TML Directory of City Officials.

Explanation of “Be It Resolved” Paragraphs

- I. The City is currently a member of the Steering Committee; this paragraph authorizes the continuation of the City’s membership.
- II. This paragraph authorizes the payment of the City’s assessment to the Steering Committee in the amount of eleven cents (\$0.11) per capita, based on the population figure for the City as shown in the latest TML Directory of City Officials.
- III. This paragraph requires notification to the Chair of the Steering Committee, Paige Mims, that the City has adopted the Resolution.

Financial Considerations

The city’s 2016 membership assessment is \$0.11 per population of 20,230 which equates to \$2,225.30 for FY 2016.

Staff Recommendation

Approval of Resolution Number 16-R-830 authorizing continued participation with the steering committee of cities served by Oncor; and authorizing the payment of 11 cents per capita to the steering committee to fund regulatory and legal proceedings and activities related to Oncor Electric Delivery Company, LLC for 2016.

Attachments

- 1) Resolution No. 16-R-830 for 2016 Assessment
- 2) Memorandum regarding 2016 Assessment
- 3) 2016 Assessment Invoice
- 4) 2016 List of OCSC Cities Revised
- 5) 2015 OCSC Year in Review

RESOLUTION NO. 16-R-830

A RESOLUTION AUTHORIZING CONTINUED PARTICIPATION WITH THE STEERING COMMITTEE OF CITIES SERVED BY ONCOR; AND AUTHORIZING THE PAYMENT OF 11 CENTS PER CAPITA TO THE STEERING COMMITTEE TO FUND REGULATORY AND LEGAL PROCEEDINGS AND ACTIVITIES RELATED TO ONCOR ELECTRIC DELIVERY COMPANY, LLC.

WHEREAS, the City of Murphy is a regulatory authority under the Public Utility Regulatory Act (PURA) and has exclusive original jurisdiction over the rates and services of Oncor Electric Delivery Company, LLC (Oncor) within the municipal boundaries of the city; and

WHEREAS, the Steering Committee has historically intervened in Oncor rate proceedings and electric utility related rulemakings to protect the interests of municipalities and electric customers residing within municipal boundaries; and

WHEREAS, the Steering Committee is participating in Public Utility Commission dockets and projects, as well as court proceedings, and legislative activity, affecting transmission and distribution utility rates; and

WHEREAS, the City is a member of the Steering Committee of Cities Served by Oncor; and

WHEREAS, the Steering Committee functions under the direction of an Executive Committee which sets an annual budget and directs interventions before state and federal agencies, courts and legislatures, subject to the right of any member to request and cause its party status to be withdrawn from such activities; and

WHEREAS, the Executive Committee in its December 2015 meeting set a budget for 2016 that compels an assessment of eleven cents (\$0.11) per capita; and

WHEREAS, in order for the Steering Committee to continue its participation in these activities which affects the provision of electric utility service and the rates to be charged, it must assess its members for such costs.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MURPHY, TEXAS:

SECTION I. That the City is authorized to continue its membership with the Steering Committee of Cities Served by Oncor to protect the interests of the City of Murphy and protect the interests of the customers of Oncor Electric Delivery Company, LLC residing and conducting business within the City limits.

SECTION II. The City is further authorized to pay its assessment to the Steering Committee of eleven cents (\$0.11) per capita based on the population figures for the City shown in the latest TML Directory of City Officials.

SECTION III. A copy of this Resolution and the assessment payment check made payable to “*Steering Committee of Cities Served by Oncor*” shall be sent to Brandi Stigler, Steering Committee of Cities

Served by Oncor, c/o City Attorney's Office, Mail Stop 63-0300, 101 S. Mesquite St., Suite 300, Arlington, Texas 76010.

PRESENTED AND PASSED on this the 7th day of June, 2016, by a vote of _____ ayes and _____ nays at a regular meeting of the City Council of the City of Murphy, Texas.

Eric Barna, Mayor
City of Murphy

ATTEST:

Susie Quinn, City Secretary
City of Murphy

APPROVED AS TO FORM:

Wm. Andrew Messer, City Attorney
City Attorney

MEMORANDUM

TO: Steering Committee of Cities Served by Oncor

FROM: Paige Mims, Chair

DATE: May 6, 2016

RE: **Action Needed – 2016 Membership Assessment Invoice**

Enclosed please find the 2016 Steering Committee of Cities Served by Oncor (“Steering Committee”) membership assessment invoice and draft resolution. These items are discussed below. We ask that your city please take action on the membership assessment as soon as possible.

Although the Steering Committee does not require that your city take action by resolution to approve the assessment, some members have requested a resolution authorizing payment of the 2016 membership assessment. Payment of the membership assessment fee shall be deemed to be in agreement with the terms of the Steering Committee participation agreement.

Please forward the membership assessment fee and, if applicable, the signed resolution to Brandi Stigler, Steering Committee of Cities Served by Oncor, c/o City Attorney’s Office, Mail Stop 63-0300, 101 S. Mesquite St., Suite 300, Arlington, Texas 76010. Checks should be made payable to: *Steering Committee of Cities Served by Oncor*. If you have any questions, please feel free to contact me at (972/941-7125) or Geoffrey Gay (ggay@lglawfirm.com, 512/322-5875) or Thomas Brocato (tbrocato@lglawfirm.com, 512/322-5857).

Membership Assessment Invoice and Resolution

The Steering Committee is the most active consumer group advocating the interests of cities and residential and small commercial customers within the cities to keep electric transmission and distribution (*i.e.*, wires) rates reasonable. Steering Committee activities protect the authority of municipalities over the regulated wires service and rates charged by Oncor Electric Delivery Company, LLC (“Oncor”).

The work undertaken by the Steering Committee has saved cities and ratepayers millions of dollars in unreasonable charges. In order to continue to be an effective voice before the Public Utility Commission of Texas (“Commission” or “PUC”), ERCOT, the Legislature, and in the courts, the Steering Committee must have your support. The membership assessment is deposited in an account which funds Steering Committee activities.

In 2015, Oncor filed for approval of a change in ownership. The Steering Committee has been an active participant in that process seeking to ensure that ratepayers are not harmed. In addition, the Steering Committee remained involved in numerous rulemakings and projects at the PUC. The Steering Committee also participated in Oncor’s Energy Efficiency Cost Recovery Factor (“EECRF”) proceeding, which is the annual proceeding to determine the surcharge to fund the Commission’s energy efficiency program.

On December 16, 2015, the Steering Committee approved the 2016 assessment for Steering Committee membership. Based upon the population-based assessment protocol previously adopted by the Steering Committee, the assessment for 2016 is a per capita fee of \$0.11 based upon the population figures for each city shown in the latest TML Directory of City Officials. The enclosed invoice represents your city's assessment amount.

To assist you in the assessment process, we have attached several documents to this memorandum for your use:

- OCSC 2015 Year in Review
- Model resolution approving the 2016 assessment (optional, provided for those cities that have requested a resolution to authorize payment)
- Model staff report supporting the resolution
- List of Steering Committee members
- 2016 Assessment invoice
- 2015 Assessment invoice and statement (only if not yet paid)
- Blank member contact form to update distribution lists

City of Arlington, c/o Oncor Cities
Steering Committee
Attn: David Barber, Asst. City Attorney
Post Office Box 90231
MS # 63-0300
Arlington, TX 76004-3231

Invoice

Date	Invoice #
5/1/2016	16-102

Bill To
City of Murphy

Item	Population	Per capita	Amount
2016 Membership Assessment	20,230	0.11	2,225.30
Total			\$2,225.30

Please make check payable to: Oncor Cities Steering Committee and mail to Oncor Cities Steering Committee, c/o David Barber, Arlington City Attorney's Office, PO Box 90231, Mail Stop 63-0300, Arlington, Texas 76004-3231

STEERING COMMITTEE CITIES SERVED BY ONCOR (Total 156)

Addison	Flower Mound	Oak Leaf
Allen	Forest Hill	Oak Point
Alvarado	Fort Worth	Odessa
Andrews	Frisco	O'Donnell
Anna	Frost	Ovilla
Archer City	Gainesville	Palestine
Argyle	Garland	Pantego
Arlington	Glenn Heights	Paris
Azle	Grand Prairie	Plano
Bedford	Granger	Pottsboro
Bellmead	Grapevine	Prosper
Belton	Haltom City	Ranger
Benbrook	Harker Heights	Rhome
Beverly Hills	Haslet	Richardson
Big Spring	Heath	Richland
Breckenridge	Henrietta	Richland Hills
Bridgeport	Hewitt	River Oaks
Brownwood	Highland Park	Roanoke
Buffalo	Honey Grove	Robinson
Burkburnett	Howe	Rockwall
Burleson	Hurst	Rosser
Caddo Mills	Hutto	Rowlett
Cameron	Iowa Park	Sachse
Canton	Irving	Saginaw
Carrollton	Jolly	Sansom Park
Cedar Hill	Josephine	Seagoville
Celina	Justin	Sherman
Centerville	Kaufman	Snyder
Cleburne	Keller	Southlake
Coahoma	Kennedale	Springtown
Colleyville	Kerens	Stephenville
Collinsville	Killeen	Sulphur Springs
Comanche	Krum	Sunnyvale
Commerce	Lake Worth	Sweetwater
Coppell	Lakeside	Temple
Copperas Cove	Lamesa	Terrell
Corinth	Lancaster	The Colony
Crowley	Lewisville	Trophy Club
Dallas	Lindale	Tyler
Dalworthington Gardens	Little Elm	University Park
DeLeon	Little River Academy	Venus
De Soto	Malakoff	Waco
Denison	Mansfield	Watauga
Duncanville	McKinney	Waxahachie
Early	Mesquite	Westover Hills
Eastland	Midland	White Settlement
Edgecliff Village	Midlothian	Wichita Falls
Ennis	Murchison	Willow Park
Euless	Murphy	Woodway
Everman	Nacogdoches	Wylie
Fairview	New Chapel Hill	
Farmers Branch	North Richland Hills	
Fate	Northlake	

Steering Committee of Cities Served by Oncor

2015 Year in Review



Steering Committee Membership:

2015 was a big year for the Steering Committee of Cities Served by Oncor ("OCSC" or "Cities"). With the Texas Legislature in session and the proposed sale of Oncor pending PUC approval, Cities were very active. This annual review serves to highlight these and other activities, as well as what proceedings OCSC will continue to be involved in during 2016.

Sincerely,
Paige Mims, OCSC Chair

EFH Bankruptcy and Oncor Sale



OCSC's biggest case last year was the proposed sale of Oncor Electric Delivery Company LLC ("Oncor") to a group led by Dallas billionaire Ray L. Hunt as part of the bankruptcy exit plan of Oncor's parent company Energy Future Holdings ("EFH"). Cities have been involved in this case since EFH filed for bankruptcy in April 2014 and are currently preparing for the Public Utility Commission ("Commission" or "PUC") hearing where the PUC Commissioners will decide whether to approve the Oncor sale.

After 19 months of absurdly costly bankruptcy proceedings, EFH was finally cleared in December to move forward with a bankruptcy exit plan by U.S. Bankruptcy Judge Christopher Sontchi. The plan centers on EFH selling its transmission and distribution utility giant Oncor to the Hunt

group, a move which has received large media attention and stakeholder scrutiny. OCSC, industrial consumers, and the Office of Public Utility Counsel intervened and filed testimony last month. The PUC Commissioners will hear the case themselves as opposed to the State Office of Administrative Hearings, where the Commission usually refers its cases. The hearing is scheduled to begin January 11 and the Commission's decision is due in March. For the Commission to approve the sale, it must find that it serves the public interest by providing tangible and quantifiable benefits to ratepayers.

Much of the focus of the Oncor sale has been centered on the unusual structure Hunt is proposing and how it would impact ratepayers. Hunt intends to restructure Oncor into a real estate investment trust ("REIT"), essentially dividing Oncor into two companies: one owning the assets (power lines, trucks, and transformers), while the other rents the equipment, operates it, and deals with customers. REITs are commonly used for properties such as shopping malls, but have never been used for a large utility like Oncor.

At the hearing next week, Cities will seek to ensure that if the sale is approved, the Hunt group commits to maintain Oncor's current rates and service quality standards and any tax benefits provided by the REIT are passed on to ratepayers.

PUC Discovery Rulemaking Pulled

Cities received great news in 2015 when the PUC pulled the plug on its proposed discovery rulemaking that OCSC, along with many other consumer groups, vehemently opposed.

The rulemaking, Project No. 42330, opened in March 2014 and sought to amend the PUC procedural rule governing discovery in rate proceedings, making it more difficult for parties to review utility rate increase filings. Generally, the proposed Rule 22.146 would have limited parties, including cities, to submitting no more than 20 requests for information, 20 requests for admissions and conducting no more than 10 hours of depositions. For context, according to PUC staff, an average case will have 78 requests for

information. PUC Staff would have been exempt from the limitations.

Not surprisingly, the rulemaking was spearheaded and supported by utilities alleging the rule was a measure to reduce litigation costs. OCSC, along with over 20 other parties including industrial consumer groups, municipalities, and individuals, filed comments criticizing the proposed rule as an arbitrary and severe limitation on the only process customers have to protect against monopoly utilities' overcharging. Fortunately, the Commission chose not to formally adopt the rule, saving cities from the unnecessary and unfair discovery limitations the rule would have imposed.

84th Regular Legislative Session

Texas' 84th Regular Legislative Session was a major event for OCSC in 2015. From January through June, Cities played a large role at the Capitol advocating for consumers on utility issues, which as usual, received significant attention from lobbyists and legislators alike. Approximately 120 utility-related bills were filed this session and Cities were active on many of them, including being responsible for four bills and three associated companion bills. Like most sessions, there were disappointments and accomplishments, but overall, Cities are pleased that no major utility legislation negatively impacting cities' interests was adopted. This is particularly satisfying given the attacks on municipalities raised in other areas throughout the session.

Despite favorable hearings and committee approval on two of OCSC's bills, the powerful utility lobby ultimately prevented one of OCSC's bills from passing, the Public Utility Commission ("PUC") system-wide bills (HB 3084 / SB 1271). These bills would have clarified that rate case expenses at the PUC are to be collected on a system-wide basis but because of widespread opposition and strategic reasons, they did not receive a hearing. Nevertheless, although some reservation was expressed, the PUC recently ruled to implement its longstanding practice of system-wide collection of expenses in a recent rate case where this issue was considered.

Disappointingly, Sen. Larry Taylor's (R – Friendswood) SB 1444 died after emerging from committee in the Senate. This bill would have facilitated the creation of public-private partnerships between cities and utilities for the purpose of creating hike-and-bike trails. Cities sought this legislation because it would have allowed for the expansion of these public trails, but at little or no cost for property acquisition. SB 1444 would have facilitated these partnerships by lifting some legal liability that utilities face for the public use of their property, prompting trial attorneys to rigorously fight and, ultimately, kill the bill.

There were, however, a few bills that city coalitions supported or had a major influence on that did get adopted. In particular, Rep. Sylvester Turner's (D – Houston), House Bill

1101, represents the session's biggest victory for Texas energy consumers by providing more than \$200 million in discounts to low-income electric ratepayers. Money for the discounts comes not from tax dollars, but through fees paid by electric users statewide into a special government fund, the System Benefit Fund — that was created as part of delicate negotiations with consumer groups during the adoption of the 1999 electric deregulation law. HB 1101 extends the period over which the System Benefit Fund's balance is to be eliminated and was signed by Governor Abbot on June 17, effective immediately.

Also signed by the Governor are Rep. John Frullo's (R – Lubbock) HB 1535 and Sen. Troy Fraser's (R – Horseshoe Bay) SB 776. HB 1535, effective immediately, allows electric utilities located outside the state's main power grid to more easily increase their rates by various methods, including the allowance of accelerated hikes that correspond with transmission system investments. Although originally opposed to this legislation, advocates for cities and business consumers lifted their opposition after successfully negotiating changes to help protect the electric consumers' interests. SB 776 impacts municipal-owned utilities by requiring them to obtain certificates of convenience and necessity when extending a transmission facility outside its home service territory. This bill takes effect on August 1.

Now city coalitions are beginning work for the 2017 legislative session. During the interim, city representatives will continue to meet with legislators and legislative staff to educate them on utility issues and engage with stakeholders to identify additional needs.



Court of Appeals Rules City Pays Utility Relocation Costs

For the past several years, the City of Richardson ("Richardson") has been embroiled in litigation with Oncor over who is responsible for the costs of relocating Oncor's electric equipment in the City's public alleys for the purpose of widening the alleys. The latest decision in this dispute was issued in February 2015 by the Fifth Court of Appeals in Dallas, finding in favor of Oncor by holding that Oncor's tariff controls and Richardson is an entity requesting relocation that must pay the associated costs.

This dispute arose when Oncor refused for the first time to relocate its equipment in Richardson's alleys at its own expense to allow for alley reconstruction and widening. At the time, Richardson's electric franchise incorporated Richardson's rights-of-way ("ROW") ordinance and required Oncor to relocate its facilities in the ROW, including alleys, at Oncor's cost when necessary for city construction.

The Fifth Court of Appeals heard the case in 2015 and issued its decision in August siding with Oncor that its tariff controls. Moreover, the appellate court concluded the tariff's provision requiring an entity requesting relocation to pay the associated costs is a pro-forma tariff provision, which pursuant to the Administrative Code must be included in every electric utility provider's tariff and may not be modified by a city. Further, the appellate court rejected Richardson's argument that Oncor's prior conduct of paying for previous alley equipment relocations obligated it to continue to do so.

Richardson's motion for rehearing at the court of appeals was denied. Richardson may now file a petition for review at the Supreme Court in February of this year. If it chooses to do so, Cities will likely file an amicus brief supporting Richardson.

ERCOT Successes

Cities had a good year at the Electric Reliability Council of Texas (“ERCOT”) in 2015. An abusive Nodal Protocol Revision Request (“NPRR”) was defeated and the implementation of a reserve margin metric change long-supported by Cities proved to be a success.

Cities benefitted when ERCOT’s Technical Advisory Board (“TAC”) rejected NPRR 649, which the Protocol Revision Subcommittee had been discussing since October 2014 and recommended for TAC’s approval last November. The overreaching NPRR 649 would have been costly for consumers by giving payments to generators for power they did not produce. If NPRR 649 had passed, generators would have received “make whole” payments from ERCOT if ERCOT directed a generator to reduce its output below what SCED, ERCOT’s complex computer system that selects what combination of power plants should run to meet demand, indicated. This situation occurs when voltage issues arise that SCED is incapable of detecting. However, generators themselves are able to model and predict when such a voltage issue will arise and could potentially game the system by artificially inflating the price of the offer curve they submit to ERCOT in order to pump up the “make whole”

payment they would receive under NPRR 649 when, ultimately, ERCOT directs the generator to reduce output due to the voltage issue the generator predicted but SCED did not. Because NPRR 649 could have resulted in these unfair payments to generators, Cities consider its rejection by TAC a major victory of 2015.

This year, Cities also celebrated the success of ERCOT’s new forecasting methodology. Cities had supported changing the metric ERCOT uses to model its 10-year outlook on Capacity, Demand and Reserves (“CDR”) for years, arguing ERCOT was using a simplistic look-back metric that did not accurately account for all factors affecting market health. ERCOT staff developed an updated load forecasting methodology that was implemented in 2014. The new model uses growth trends in customer accounts to project future growth in electric demand for each region served by the ERCOT grid. In 2015, the new model proved to work. The year’s CDR reports predicted healthy market conditions that market participants agreed more accurately reflected true conditions. More accurate predictions showing a healthy market is a win-win for everyone.

Oncor’s 2008 Rate Case Appealed to Texas Supreme Court

OCSC continued work on the 2008 Oncor rate case, Docket No. 35717, last year. Several parties, including Cities, filed petitions for review at the Supreme Court. This case involves the Commission’s decision to deny Oncor’s recovery of certain franchise fee payments OCSC and Oncor had negotiated, meaning Cities were denied millions of dollars of franchise fee payments. OCSC is currently working on a brief to file in this case at the end of the month. It remains to be seen whether the Supreme Court will grant the petition.



2016 OCSC Meetings

March 10
May 12
August 11
December 8

2016 Officers

Paige Mims—Chair
Don Knight—Vice Chair
Joel Welch—Secretary

Questions?

For questions about any OCSC matter or communication, please feel free to contact:

Geoffrey Gay
(512) 322-5875
ggay@lglawfirm.com

Thomas Brocato
(512) 322-5857
tbrocato@lglawfirm.com



Lloyd Gosselink Rochelle and Townsend, P.C.
816 Congress Avenue Suite 1900
Austin, Texas 78701

City Council Meeting
June 7, 2016

Issue

Consider and/or act upon approval of a resolution authorizing signature authority to sign and endorse checks and drafts of the City of Murphy bank accounts.

Staff Resource/Department

Steven Ventura, Interim Finance Director

Background/History

As City staff and elected officers change, this resolution must be updated with current signatures. This resolution will add Susie Quinn, City Secretary and remove Linda Truitt as authorized signatures on the City of Murphy bank accounts. Current staff authorized signatures include Bill Shipp, Interim City Manager and Steven Ventura, Interim Finance Director. City Council authorized signatures include Eric Barna, Mayor, Scott Bradley, Mayor Pro Tem and Owais Siddiqui, Deputy Mayor Pro Tem. The City requires two signatures on all checks. Checks are signed by staff; however, if two staff members are not available, the Mayor, Mayor Pro Tem or Deputy Mayor Pro Tem may be asked to sign checks.

Financial Considerations

N/A

Action Requested

Approval of Resolution No. 16-R-831 authorizing signature authority to sign and endorse checks and drafts of the City of Murphy bank accounts.

Attachments

- 1) Resolution 16-R-831

RESOLUTION NO. 16-R-831

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MURPHY, TEXAS, AUTHORIZING CERTAIN OFFICERS OF THE CITY TO SIGN AND ENDORSE CHECKS AND DRAFTS OF THE CITY OF MURPHY BANK ACCOUNTS; AND PROVIDING FOR AN EFFECTIVE DATE.

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MURPHY:

Section 1. That any two (2) or more of the following officers of the City shall be authorized to endorse and cash checks, drafts and similar documents on behalf of the City of Murphy in connection with any bank account of the City of Murphy:

NAME OF SIGNING OFFICER

Eric Barna
Bill Shipp
Steven Ventura
Susie Quinn
Scott Bradley
Owais Siddiqui

TITLE OF SIGNING OFFICER

Mayor
Interim City Manager
Interim Finance Director
City Secretary
Mayor Pro Tem
Deputy Mayor Pro Tem

Section 2. That any two (2) or more of the signing officers referenced in Section 1 hereof are authorized to receive statements and canceled vouchers of the City of Murphy and to appoint an agent or agents to do the same; furthermore, such officers are authorized to stop payment of checks of the City of Murphy, to revoke stop payment orders, and to open or close banking accounts.

Section 3. That the bank which is now depository for city funds is hereby authorized to honor or accept all drafts, checks and similar documents executed or endorsed on behalf of the City of Murphy in the manner provided in Section 1 hereof for the credit of or in payment of any obligations of or by the payee or any other holder.

Section 4. That a certified copy of this Resolution shall be complete and full evidence of the enactment of this Resolution and of the authority of the respective officers herein named, and said authority shall remain in full force until written notice of revocation thereof shall be received by the bank or a certified copy of a Resolution designating different officers is received by the bank.

Section 5. That any and all resolution, ordinances or other orders of the City Council of the City of Murphy which may be in conflict herewith or any provisions thereof are hereby repealed to the extent of such inconsistency.

Section 6. This resolution shall become effective immediately upon approval.

DULY RESOLVED by the City Council of the City of Murphy, Collin County, Texas,
on this the 7th day of June, 2016.

Eric Barna, Mayor
City of Murphy

ATTEST:

Susie Quinn, City Secretary
City of Murphy

City Council Meeting**June 7, 2016**

Issue

Discussion with possible action regarding appointing members to various Boards and Commissions to comply with the City Charter.

Staff Resource/Department

Susie Quinn, City Secretary

Background/History

Councilmember Betty Spraggins, Councilmember Jennifer Berthiaume and Councilmember Don Reilly volunteered to serve as the Council Interview Panel. Interviews were conducted on May 31st, and June 2nd with thirteen applicants.

Currently four positions are officially open for the appointment process. Two alternates for Planning and Zoning and two for Murphy Community Development Corporation. More may be open following determination of City Council in Executive Session.

Pursuant to City Charter, Article VIII, Section 8.01 Authority, Composition and Procedures:

(1) The City Council shall create, establish or appoint, as may be required by the laws of the State of Texas or this Charter, or deemed desirable by the City Council, such boards, commissions and committees as it deems necessary to carry out the functions and obligations of the City. The City Council shall, by ordinance or resolution, prescribe the purpose, composition, function, duties, accountability and tenure of each board, commission and committee where such are not prescribed by law or this Charter.

(2) Individuals who are qualified voters in the City may be appointed by the City Council to serve on one (1) or more boards, commissions or committees. Such appointees shall serve at the pleasure of the City Council and may be removed at the discretion of the City Council, except for the members of the Board of Adjustment, who may be removed only for cause. Except as otherwise provided in this Charter, members of any such board, commission or committee shall serve without compensation, but may be reimbursed for actual expenses as approved by the City Council.

(3) All boards, commissions or committees of the City shall, at the discretion of the City Council, keep and maintain minutes of any proceedings held.

(4) No officer or employee of the City nor any person who holds a compensated appointive position with the City shall be a member of any board, commission or committee created or established by state law or this Charter other than in an advisory and/or ex officio capacity except as allowed by state law.

(5) Any member of a board, commission or committee who is absent from three (3) consecutive regular meetings, or twenty-five percent (25%) of regularly scheduled meetings during the twelve (12)-month period immediately preceding and including the absence in question, without explanation acceptable to a majority of the other members, shall be deemed to have forfeited his or her position on the board, commission or committee.

Action Requested

Appointments named for the various boards and commissions openings.

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Issue

Presentation and discussion regarding an update on South Maxwell Creek Parallel Trunk Sewer Line.

Staff Resource/Department

Bernie Parker, Director of Public Services
Gary Hendricks, City Engineer

Background/History

South Maxwell Trunk Sewer Line Project was designed to increase capacity in Murphy's Sanitary Sewer System. Contract was awarded in 2015 to P.C. Contractors.

In order to keep Council better informed, we will be providing this and similar updates on major capital projects from time to time.

Financial Considerations

None

Action Requested

No action as this is an update.