



Eric Barna
Mayor

Owais Siddiqui
Mayor Pro Tem

Ben St. Clair
Deputy Mayor Pro Tem

Scott Bradley
Councilmember

Betty Spraggins
Councilmember

Bernard Grant
Councilmember

Rob Thomas
Councilmember

James Fisher
City Manager

**MURPHY CITY COUNCIL AGENDA
REGULAR CITY COUNCIL MEETING
JUNE 3, 2014 AT 6:00 P.M.
206 NORTH MURPHY ROAD
MURPHY, TEXAS 75094**

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 3, 2014 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. PUBLIC COMMENTS

5. PRESENTATION ITEMS

A. Presentation of financial report and investment report as of April 30, 2014.

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 upon the May 20, 2014 regular meeting minutes.

7. INDIVIDUAL CONSIDERATION

A. Hold a public hearing and consider and/or act on the application of on the application of Allen & Loucks Venture, LP requesting to amend Ordinance No. 08-10-767 for approval of revising the existing SUP (Specific Use Permit) to allow for a Smoothie King drive-thru on property located at 277 E. FM 544.

B. Consider and/or act on extending outdoor watering restrictions to once every two weeks through October 31, 2014.

C. Discussion on the proposed Water Resource & Emergency Management Plan and the proposed Water Conservation Plan

D. Discussion regarding the FY 2015 budget and Budget Meeting Calendar.

8. CITY MANAGER/STAFF REPORTS

North Murphy Road Construction Update

Animal Shelter Construction Update

Runoff Election – June 21st, Early Voting begins June 9th

Sounds at Sundown – A Hard Days Night, June 13th

Emerald City Band, June 20th

Radio Disney Road Crew, June 27th

9. 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 May 30, 2014 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.



Kristi Gilbert
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 at 972.468.4011 or kgilbert@murphytx.org.

Notice of Possible Quorum: There may be a quorum of the 4B Community Development Corporation, the Animal Shelter Advisory Committee, the Board of Adjustment, the Building and Fire Code Appeals Board, the Ethics Review Commission the Murphy Municipal Development District Board, the Park and Recreation Board and/or the Planning and Zoning Commission may be present at the meeting, but they will not deliberate on any city business.



Unaudited Financial Information

FY 2014

April, 2014

Investment Report

Accounts	<u>11/30/13</u>	<u>12/31/13</u>	<u>01/31/14</u>	<u>2/28/14</u>	<u>3/31/14</u>	<u>4/30/14</u>
Operating	240,048.08	132,528.97	641,954.43	375,310.64	322,214.91	267,284.08
Impact Fees	636,279.82	647,878.18	663,072.81	531,736.85	590,927.55	595,731.34
Park Escrow	208,054.74	208,072.42	208,090.10	208,106.05	208,123.72	208,140.83
General Obligation	1,031,902.20	2,908,151.68	4,140,408.14	1,338,462.27	1,370,976.85	1,393,240.10
Series 2009 GO	3,313,590.71	5,681,697.36	5,992,635.73	5,731,670.97	5,671,721.24	5,672,187.42
Series 2009 CO	1,156,988.41	1,148,632.81	1,122,391.82	1,102,562.06	1,086,407.99	1,086,497.28
General Fund	5,759,210.47	5,258,984.95	6,834,296.17	7,296,915.58	6,715,323.46	6,261,292.35
Water Fund	2,387,722.66	2,580,117.62	2,326,443.69	2,226,767.78	2,576,949.94	2,600,854.31
Murphy Dev Dist	871,328.19	871,361.49	857,169.48	937,997.95	968,449.03	968,496.53
Community Dev Corp	337,798.77	337,827.46	337,856.15	160,514.73	177,018.71	173,286.97
Cap Improvement	205,058.84	157,304.45	34,529.97	34,532.62	34,535.56	34,538.39
Sidewalk Escrow	23,098.10	23,100.07	23,102.03	23,103.80	23,105.76	23,107.66
2010 Tax Notes	30,020.13	30,022.58	30,025.13	30,027.68	30,032.53	30,035.00
Bank Balances	<u>16,201,101.12</u>	<u>19,985,680.04</u>	<u>23,211,975.65</u>	<u>19,997,708.98</u>	<u>19,775,787.25</u>	<u>19,314,692.26</u>
Interest-Monthly	1,267	1,339	1,786	1,604	1,630	1,542
Interest Rate	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%

Investment Report

(continue)

- Interest rate remained at 0.10% from March to 0.10% in April.

Sales Tax – 2%

General Fund/MDD/CDC

	FY 2014	FY 2013	FY 2012	FY 2011
	Oct 13– Sep 14	Oct 12 – Sep 13	Oct 11 – Sep 12	Oct 10- Sep 11
October	230,645	157,460	143,459	132,959
November	293,100	198,329	176,758	146,856
December	230,250	172,479	140,866	132,482
January	236,866	172,469	149,961	128,616
February	332,992	207,853	186,674	181,241
March	183,310	172,297	138,154	120,012
April	211,145	154,700	141,992	115,806
May	303,161	206,260	209,756	201,762
June		215,494	161,305	158,268
July		246,473	171,892	148,063
August		268,213	202,023	227,434
September		<u>225,036</u>	<u>190,842</u>	<u>148,372</u>
Total	<u>2,021,469</u>	<u>2,397,063</u>	<u>2,013,682</u>	<u>1,841,871</u>

Sales Tax – 1%

General Fund

	FY 2014	FY 2013	FY 2012	FY 2011
	Oct 13– Sep 14	Oct 12 – Sep 13	Oct 11 – Sep 12	Oct 10- Sep 11
October	115,794	79,463	71,730	66,479
November	147,399	100,038	88,379	73,428
December	115,626	87,222	70,433	66,241
January	118,840	84,990	74,980	64,308
February	166,923	100,356	93,337	90,621
March	92,148	87,021	69,077	60,006
April	106,017	78,181	70,996	57,903
May	152,156	100,350	104,758	100,881
June		106,154	82,494	79,134
July		125,373	90,961	74,031
August		135,354	101,529	113,717
September		<u>113,474</u>	<u>99,628</u>	<u>74,186</u>
Total	<u>1,014,903</u>	<u>1,197,976</u>	<u>1,018,302</u>	<u>920,935</u>

General Fund

Unaudited FY 2014 Revenues

April, 2014

	FY 2014	YTD	Budget	% of
Revenue	Budget	Actual	Balance	Budget
Property Taxes	5,614,000	5,598,251	15,749	99.72%
Sales Tax	1,724,000	873,898	850,102	50.69%
Franchise Tax	882,200	767,679	114,521	87.02%
Permits & Licenses	753,000	489,617	263,383	65.02%
Solid Waste	859,100	520,995	338,105	60.64%
Other Revenue	906,500	500,435	406,065	55.21%
Court Revenue	375,000	205,485	169,515	54.80%
Misc. Revenue	<u>0</u>	<u>150,000</u>	<u>(150,000)</u>	
Total	<u>11,113,800</u>	<u>9,106,360</u>	<u>2,007,440</u>	81.94%

General Fund FY 2014 Revenue Explanation April, 2014

- Sales tax – collections as of April is 50.69% of budget.
- Permits & Licenses – issued 1 single family building permit in April compared to 23 at this time last year. We have issued a total of 63 single family building permits to date compared to 99 at this time last year.

General Fund

Unaudited FY 2014 Expenditures

April, 2014

	FY 2014	YTD	Budget	% of
Departments	Budget	Actual	Balance	Budget
Administration	423,200	220,496	202,704	52.10%
Human Resources	139,400	76,499	62,901	54.88%
Information Technology	799,600	466,796	332,804	58.38%
City Council	304,200	93,979	210,221	30.89%
City Secretary	148,500	94,086	54,414	63.36%
Economic Development	144,800	39,871	104,929	27.54%
Finance	412,100	181,432	230,668	44.03%
Fire	2,633,500	1,347,167	1,286,333	51.16%
Public Works	398,300	172,975	225,325	43.43%
Facilities	496,000	208,571	287,429	42.05%
Community Services	575,350	289,238	286,112	50.27%
Police	3,234,000	1,693,530	1,540,470	52.37%

General Fund

Unaudited FY 2014 Expenditures

April, 2014

	FY 2014	YTD	Budget	% of
Departments (continued)	Budget	Actual	Balance	Budget
Animal Control	127,800	293,446	(165,646)	229.61%
Recreation	310,600	167,135	143,465	53.81%
Parks	912,600	449,250	463,350	49.23%
Municipal Court	359,300	185,598	173,702	51.66%
Solid Waste	<u>708,500</u>	<u>412,892</u>	<u>295,608</u>	58.28%
 Total	 <u>12,127,750</u>	 <u>6,392,961</u>	 <u>5,734,789</u>	 52.71%

Animal Control – costs for the animal shelter are included in the actuals for Animal Control. The FY 2014 budget was amended and approved at the May 6th Council Meeting and the amended budget will be reflected on the May Financials.

Utility Fund

Unaudited FY 2014 Revenue

April, 2014

	FY 2014	YTD	Budget	% of
Revenue	Budget	Actual	Balance	Budget
Other Revenue	174,700	120,420	54,280	68.93%
Water Revenue	5,037,700	2,229,312	2,808,388	44.25%
Sewer Revenue	<u>2,502,000</u>	<u>1,293,836</u>	<u>1,208,164</u>	51.71%
Total	<u>7,714,400</u>	<u>3,643,568</u>	<u>4,070,832</u>	47.23%

Staff is still concerned about the water and sewer revenues – it still appears that revenues will be short.

Utility Fund

Unaudited FY 2014 Expenditures

April, 2014

	FY 2014	YTD	Budget	% of
Departments	Budget	Actual	Balance	Budget
Water Distribution	4,223,400	2,227,701	1,995,699	52.75%
Wastewater Collection	1,762,200	1,009,443	752,757	57.28%
Customer Service	<u>502,800</u>	<u>255,195</u>	<u>247,605</u>	50.75%
Total	<u>6,488,400</u>	<u>3,492,339</u>	<u>2,996,061</u>	53.82%



CITY OF _____
MURPHY

LIFE LIVED AT YOUR PACE

Questions
FY 2014
April, 2014

CITY COUNCIL MINUTES

MAY 20, 2014 REGULAR CITY COUNCIL MEETING

1. CALL TO ORDER

Mayor Barna called the meeting to order at 6:00 p.m.

2. INVOCATION & PLEDGE OF ALLEGIANCE

Mayor Barna gave the invocation and led the recitation of the Pledge of Allegiance.

3. ROLL CALL & CERTIFICATION OF A QUORUM

City Secretary, Kristi Gilbert, certified a quorum with the following Councilmembers present:

Mayor Eric Barna
 Mayor Pro Tem Owais Siddiqui
 Deputy Mayor Pro Tem Ben St. Clair
 Councilmember Scott Bradley
 Councilmember Betty Nichols Spraggins
 Councilmember Bernard Grant
 Councilmember Rob Thomas

Councilmembers absent: None

4. 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 take action, if any, on the May 6, 2014 Regular Meeting minutes.

B. Consider and/or act upon the approval of a Resolution authorizing continued participation with the steering committee of cities served by Oncor; and authorizing the payment of 10 cents per capita to the steering committee to fund regulatory and legal proceedings and activities related to Oncor Electric Delivery Company, LLC for 2013 and 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 2014.

COUNCIL ACTION (4.A. and 4.B.):

APPROVED

Mayor Pro Tem Siddiqui moved to approve the consent agenda as presented. Deputy Mayor Pro Tem St. Clair seconded the motion. For: Unanimous. The motion carried by a vote of 7 to 0. (*Resolution 14-R-793 – 2013 Rate; Resolution 14-R-794 – 2014 Rate*)

5. ELECTION PROCEDURES:

A. Consider and act upon approval of an ordinance canvassing and declaring the election results of the May 10, 2014 General Election.

COUNCIL ACTION (5.A.):

APPROVED

Deputy Mayor Pro Tem Siddiqui moved to approve an ordinance canvassing and declaring the election results of the May 10, 2014 General Election. Deputy Mayor Pro Tem St. Clair

seconded the motion. For: Unanimous. The motion carried by a vote of 7 to 0. (*Ordinance 14-05-977*)

B. Issuance of Certificate of Election to Mayor and Council Members.

Mayor Pro Tem Siddiqui presented Mayor-Elect Eric Barna with his Certificate of Election.

Mayor Barna presented Councilmember-Elect Scott Bradley with his Certificate of Election.

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

City Secretary Kristi Gilbert administered the Oaths of Office to Mayor-Elect Eric Barna and Councilmember-Elect Scott Bradley.

6. NEWLY ELECTED MAYOR AND COUNCIL MEMBERS ARE SEATED

Mayor Barna and the new council took their seats at the dais.

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

Mayor Barna stated that he felt it was appropriate to consider nominations for Mayor Pro Tem and Deputy Mayor Pro Tem after the June runoff election for Place 5.

COUNCIL ACTION (ITEM 6.A.):

No action taken.

NO ACTION

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

COUNCIL ACTION (ITEM 6.B.):

No action taken.

NO ACTION

7. PUBLIC COMMENTS – *None*.

8. PRESENTATION ITEMS: *None*

9. INDIVIDUAL CONSIDERATION

A. Discuss, consider and/or act upon the Utility Rate Study as presented by NewGen Strategies & Solutions.

Chris Ekret, NewGen Strategies & Solutions, reviewed his recommendations from the May 6, 2014 Council meeting. Mr. Ekret also answered questions from the previous meeting, including breakdowns of customers by meter size and usage. Mr. Ekret reviewed the money that compiles the general fund transfer. Approximately \$716,435 of the transfer includes a portion of Information Technology, Administration, Finance and Human Resources department services attributable to utility expenses. Mr. Ekret stated approximately \$497,459 of the transfer was to pay Utility Fund debt.

Mr. Ekret suggested the Council review additional questions that needed to be answered; whether any changes were warranted to the projected expenses and revenues; what action

MURPHY CITY COUNCIL MINUTES
May 20, 2014

should be taken with regards to the General Fund Transfer and should the City amend or continue it's Leak Adjustment Policy.

Council held discussions with regard to the general fund transfer. Councilmember Bradley stated that in past years he believed that there should not be a transfer to the general fund, however, now, after a thorough analysis of what is included in the transfer he is in favor of leaving the transfer in the Utility Fund.

Mayor Barna stated that he was still trying to determine if the transfer will affect conservation and that he was slowly moving towards Councilmember Bradley's way of thinking.

Councilmember Thomas stated that he felt simpler was better and the transfer should not be included in the amount.

Mayor Pro Tem Siddiqui stated that he felt the conversation was a bit premature as the Council did not have budget numbers yet and that he would like to see a stress test that would provide details if the City was in a Stage 4 drought management for an entire year.

Mr. Ekret stated that the cost of loss was currently embedded into the rates. Mr. Ekret stated the City is currently losing approximately 15% of water and the Texas Commission on Environmental Quality believes between 8% and 12% is acceptable. Mr. Ekret stated that reducing the rate of loss by 3% would cost approximately \$78,000.

Councilmember Bradley stated that he was not as concerned with providing the NTMWD fees indicated on the utility bill, but he did want to see the fees broken out for each budget review.

Council reached a consensus that the rate changes would go into effect on October 1, 2014. Council discussed the need for public education on the rate changes.

COUNCIL ACTION (ITEM 9.A.):

The Council took no action on Item 9.A.

B. Consider and/or act upon the Runoff Election.

Ms. Gilbert explained that the election order and the contract for election services with Collin County specified a runoff date of June 28, 2014 due to state law provisions that prohibit any election from being held within 30 days of a primary election. Ms. Gilbert stated that, due to the May 27th primary runoffs the earliest the runoff election would be able to be held was June 28th. Ms. Gilbert stated that the Secretary of State recently issued a rule that authorized local runoff elections to be held between June 16th and July 5th.

Ms. Gilbert updated the Council on two options for conducting the election. Option 1 would be to contract with Collin County for all election services as had been done in the past at a cost of approximately \$21,946.05. Option 2 would be to contract with Collin County only for the rental of equipment and the City Secretary's Office would be responsible for hiring election workers, receiving and counting mail ballots and tallying the final results. Ms. Gilbert stated that Option 2 would cost approximately \$10,358.045.

MURPHY CITY COUNCIL MINUTES
May 20, 2014

Don Kiertscher, 416 Skyline Dr - Mr. Kiertscher stated that he felt that City should just go with the County so it's neat and clean.

COUNCIL ACTION (ITEM 9.B.):**NON ACTION ITEM**

Mayor Pro Tem Siddiqui moved to approve an ordinance amending Ordinance 14-02-970 to change the runoff election date to June 21, 2014 and authorize the City Manager to execute a Contract for full election services with Collin County utilizing Option 1. Deputy Mayor Pro Tem St. Clair seconded the motion. For: Unanimous. Abstention: Grant. The motion carried by a vote of 6-0-1. (*Ordinance 14-05-978*)

10. CITY MANAGER/STAFF REPORTS

Mr. Fisher provided the Council with an update on the following items:

Annual Memorial Day Observance at Decatur-Maxwell-Murphy Cemetery – Saturday, May 24th
at 9:00 am

Memorial Day – May 26th City Offices will be closed

Moonlight Movies

North Murphy Road

11. ADJOURNMENT

With no further business, the meeting was adjourned at 7:54 p.m.

APPROVED BY:

Eric Barna, Mayor

ATTEST:

Kristi Gilbert, City Secretary

City Council
June 3, 2014

Issue

Hold a public hearing and consider and/or act on the application of on the application of Allen & Loucks Venture, LP requesting to amend Ordinance No. 08-10-767 for approval of revising the existing SUP (Specific Use Permit) to allow for a Smoothie King drive-thru on property located at 277 E. FM 544.

Summary

The applicant is proposing a Smoothie King in the space formerly occupied by Saxby's Coffee in Murphy Marketplace. The property is currently zoned PD (Planned Development) District No. 12-10-923 Murphy Marketplace.

Considerations

1. In 2008, the Planning & Zoning Commission and City Council voted to approve a Special Use Permit for a drive through for a Saxby's Coffee at this location.
 - a. The approval was specific to Saxby's.
 - b. The Ordinance approved by City Council, which allows the drive through at this location, does not specify Saxby's however the motion as reflected in the minutes states specifically Saxby's as the allowed drive through user.
2. This consideration item would replace the user as noted in the 2008 approval (Saxby's) with Smoothie King.
3. This former Saxby's Coffee shop has an existing drive thru lane and drive thru window. Smoothie King would use this same drive thru arrangement for their business and plans to remodel the entire space formerly occupied by Saxby's.
 - a. The remodel is coordinated through Customer Service and does not need Planning & Zoning Commission or City Council action.
4. A public hearing notification for this proposed zoning change was published in the newspaper as well as notification being mailed to the property owners included in the required 200 feet notification radius. No responses were received at the time of this packet.

Board Consideration/Recommendation

At the May 19, 2014 Planning & Zoning Commission meeting, this item was approved unanimously.

City Council
June 3, 2014

Staff Recommendation

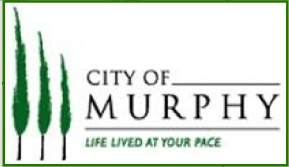
Staff recommends approval of a SUP (Specific Use Permit) to allow a drive-thru window for a Smoothie King at the location formerly occupied by Saxby's Coffee.

Attachments

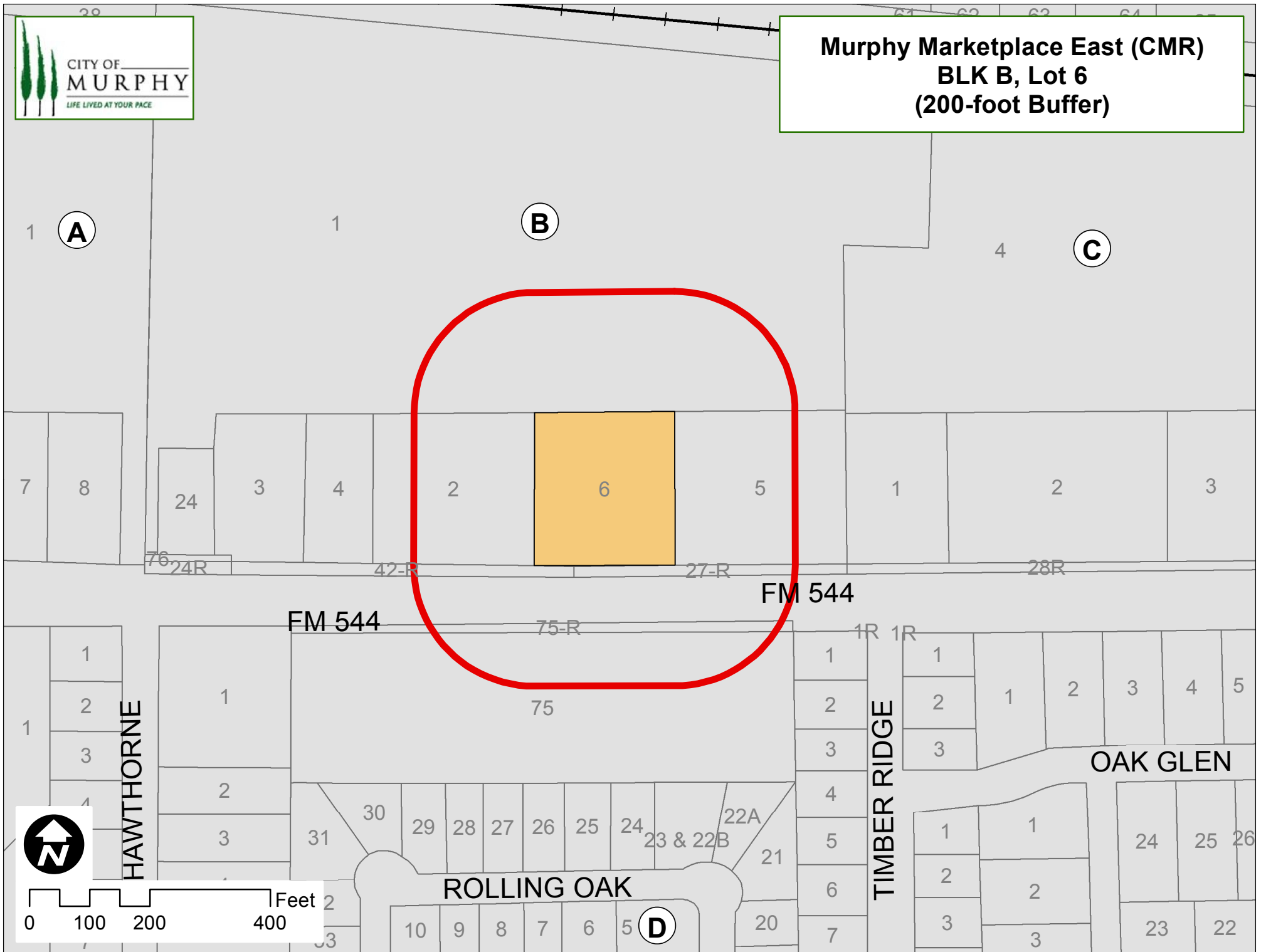
Location Map

Ordinance No. 08-10-767

Minutes from City Council meeting October 20, 2008



**Murphy Marketplace East (CMR)
BLK B, Lot 6
(200-foot Buffer)**



ORDINANCE NO. 08-10-767

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MURPHY, COLLIN COUNTY, TEXAS, AMENDING ITS COMPREHENSIVE ZONING ORDINANCE AND MAP, CHAPTER 86 OF THE CITY OF MURPHY CODE OF ORDINANCES BY APPROVING A SPECIFIC USE PERMIT FOR A RESTAURANT (DRIVE-IN) ON PROPERTY ZONED PLANNED DEVELOPMENT DISTRICT FOR RETAIL USES ON APPROXIMATELY 1.35 ACRES OUT OF THE JAMES MAXWELL SURVEY, ABSTRACT NO. 582, LOCATED IN THE CITY OF MURPHY, COLLIN COUNTY, TEXAS AND MORE PARTICULARLY DESCRIBED ON EXHIBIT "A" ATTACHED HERETO AND INCORPORATED HEREIN BY REFERENCE FOR ALL PURPOSES, APPROVING SPECIFIC USE PERMIT STANDARDS HERETO AS EXHIBIT "B"; PROVIDING A SEVERABILITY CLAUSE, PROVIDING A PENALTY CLAUSE, AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the Planning and Zoning Commission of the City of Murphy and the City Council of the City of Murphy, in compliance with the laws of the State of Texas, have given the requisite notices by publication and otherwise, and have held due hearings and afforded a full and fair hearing to all property owners generally and to all persons interested, and the City Council of the City of Murphy is of the opinion and finds that said changes should be granted and that the Comprehensive Zoning Ordinance should be amended;

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF MURPHY, TEXAS, AS FOLLOWS:

Section 1. That the Comprehensive Zoning Ordinance and Map of the City of Murphy, Texas, be, and the same are hereby, amended so as to approve a Specific Use Permit for a Restaurant (Drive-In) on property zoned PD (Planned Development) District for Retail Uses for the property described as 1.35 acres, more or less, in the James Maxwell Survey, Abstract No. 582, in the City of Murphy, Collin County, Texas, and more particularly described in Exhibit "A" attached hereto and made part hereof for all purposes.

Section 2. That the development standards for this Specific Use Permit are attached hereto as Exhibit "B", and the same are hereby approved for said Specific Use Permit as required by Section 86-635(b), of the City of Murphy, Texas Code of Ordinances.

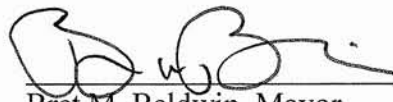
Section 3. That Chapter 86 of the City of Murphy Code of Ordinances, as amended, shall be and remain in full force and effect save and except as amended by this Ordinance.

Section 4. If any word, section, article, phrase, paragraph, sentence, clause or portion of this Ordinance is held to be invalid or unconstitutional by a court of competent jurisdiction, such holding shall not affect, for any reason, the validity of the remaining portions of the Comprehensive Zoning Ordinance, Chapter 86 of the City of Murphy Code of Ordinances, and the remaining portions shall remain in full force and effect.

Section 5. Any person, firm or corporation violating any of the provisions of this ordinance shall be deemed guilty of a misdemeanor and, upon conviction, in the municipal court of the City of Murphy, Texas, shall be punished by a fine not to exceed the sum of two thousand dollars (\$2,000.00) for each offense, and each and every day any such violation shall continue shall be deemed to constitute a separate offense.

Section 6. This Ordinance shall take effect immediately from and after its passage and the publication of the caption, as the law and Charter in such cases provide.

PASSED, APPROVED AND ADOPTED this the 20th day of October 2008.


Bret M. Baldwin, Mayor
City of Murphy

ATTEST:


Aimee Nemer, City Secretary
City of Murphy



EXHIBIT B**ZONING FILE NO. 2006-08**

**NE Corner
FM 544 and FM 2551 (North Murphy Road)
PLANNED DEVELOPMENT CONDITIONS**

- I. **Statement of Intent:** The intent of this Planned Development District is to provide high quality mixed-use, primarily retail, development that is consistent with the Comprehensive Plan and that is beneficial and complementary to the City of Murphy in terms of visual identity.
- II. **Statement of Purpose:** The purpose of this Planned Development District is to ensure that any development that occurs within the area designated by this Planned Development encourage a mixed-use application including, but not limited to the following.
 - Family, sit-down restaurants;
 - Upscale retail shops and boutiques;
- III. **Statement of Effect:** This Planned Development shall not affect any regulation found in the Comprehensive Zoning Ordinance, Ordinance No. 04-05-610, as amended, except as specifically provided herein.
- IV. **General Regulations:** All regulations of the R (Retail) District set forth in Section 29 of the Comprehensive Zoning Ordinance are included by reference and shall apply, except as otherwise specified by this ordinance.
- V. **Development Plans:**
 - A. Concept Plan: Development shall be in general conformance with the approved concept plan set forth in Exhibit C; however, in the event of conflict between the concept plan and the conditions, the conditions shall prevail.
 - B. Landscape Plan: Development shall be in general conformance with the approved landscape plan set forth in Exhibit D; however, in the event of conflict between the landscape plan and the conditions, the conditions shall prevail.
 - C. Exterior Elevation Plan: Development shall be in general conformance with the approved exterior elevations as set forth in Exhibit E; however, in the event of conflict between the exterior elevations and the conditions, the conditions shall prevail.
 - D. Amenities Plan: Development shall be in general conformance with the approved amenities plan as set forth in Exhibit F; however, in the event of conflict between the amenities plan and the conditions, the conditions shall prevail.
 - E. Signage Plan: Development shall be in general conformance with the approved signage plan as set forth in Exhibit G; however, in the event of conflict between the signage plan and the conditions, the conditions shall prevail.
 - F. Concept Plan, Landscape Plan, Exterior Elevation Plan, Amenities Plan and Signage Plan approval shall be for a period of one year from the date of City Council action on the plan. If within that one-year period a site plan has been submitted for a portion of the development, then the Concept Plan shall be

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deemed to have no expiration date. Site plans shall be valid for a period of one year from the date of City Council action on the plan.

- G. Site Plan – A Site Plan shall be submitted in accordance with the requirements set forth in Section 12 of the Comprehensive Zoning Ordinance. The Site Plan may be for all or any part of the land within the Planned Development District.

VI. Specific Regulations:

- A. Permitted Uses. The following uses shall be permitted.

1. Amusement Services (Indoor) (SUP)
2. Antique Shop (household items only)
3. Art Dealer/Gallery
4. Artist Studio
5. Automobile Driving School (SUP)
6. Bakery (Retail)
7. Bank or Credit Union (one only)
8. Barber/Beauty Shop
9. Barber/Beauty Shop College (SUP)
10. Bed and Breakfast Inn
11. Book Store
12. Cafeteria
13. Church/Place of Worship
14. Civic Club
15. Clinic (Medical)
16. Community Center (Municipal)
17. Computer Sales
18. Confectionary Store (Retail) (SUP)
19. Department Store
20. Dinner Theater
21. Electronics - Retail
22. Extended Stay Hotels/Motels
23. Financial Services (Advice/Invest)
24. Florist
25. Furniture Sales (Indoor)
26. Governmental Building (Municipal, State or Federal)
27. Hardware Store
28. Health Club (Indoors)
29. Hotel/Motel
30. Insurance Agency Offices
31. Laundry/Dry Cleaning (Drop Off/Pickup Only)
32. Library (Public)
33. Motion Picture Theater
34. Museum (Indoor)
35. Needlework Shop
36. Non-Profit Activities by Church
37. Offices (Brokerage Services)
38. Offices (Health Services)
39. Offices (Legal Services)

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40. Offices (Medical Office)
41. Offices (Professional)
42. Park and/or Playground (Public)
43. Pet Shop/Supplies
44. Pharmacy (SUP)
45. Photo Studio
46. Photocopying/Duplicating
47. Public Garage/Parking Structure
48. Real Estate Offices
49. Restaurant
50. Retail Store
51. Savings and Loan (in-line only)
52. School, K through 12 (Public)
53. School, Vocational (SUP)
54. Shoe Repair
55. Skating Rink (Ice) (SUP)
56. Tailor Shop
57. Theater (Live Drama)
58. Travel Agency

B. Area and Yard Regulations:

1. **Setbacks From Property Lines Adjacent To Streets:**
 - a. No building of any kind and no part thereof shall be placed within the following setback lines:
 - i. Minimum 15 feet from FM 544 and FM 2551 (Murphy Road).
 - ii. Minimum 15 feet from right-of-way of all other public streets.
2. **Setbacks From Property Lines Not Adjacent To Streets:**
 - a. No building of any kind and no part thereof shall be placed within the following setback lines:
 - i. Minimum 15 feet from rear and side lines or 0 feet with landscaping.
 - ii. Minimum 100 feet abutting residential districts for single story buildings not exceeding 35 feet in height. All pad sites along FM 544 and North Murphy Road shall have a maximum height of 25 feet.
 - b. Maximum 50 feet along the Southern Pacific/DART right-of-way along the north property line.
3. There is no maximum building size as long as fire standards and other site requirements, such as parking and landscaping, etc. are met.

C. Parking, Driveways & Sidewalks:

1. Parking areas shall not be permitted within any landscape buffer strip.

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2. Parking shall not be permitted in front of the building except that parking may be provided in front of the building at a ratio not greater than 15 percent. Retail uses are exempt from this requirement.
3. Fire lanes, driveway, loading areas and access easements shall be paved in accordance with the minimum design standards of the City of Murphy codes and ordinances.
4. The number of required parking spaces shall be dependent upon the use and shall meet the requirements of the City of Murphy Comprehensive Zoning Ordinance.
5. No required parking space may be occupied by signs, cart corrals, merchandise, or display items at any time.
6. A special "signature" paving treatment shall be established as shown on the approved concept plan (Exhibit C). Appropriate locations for the special paving treatment shall include, but not limited to, all street intersections, pedestrian crosswalks and driveway openings.
7. Sidewalks along FM 544 and Murphy Road (FM 2551) shall be a minimum of 8 feet in width.

D. Loading and Unloading

1. Truck loading berths and apron space shall only be required for space that totals 100,000 square feet or more and shall not be located on the street side of any building. However, in those instances where 3 or more sides of the building face dedicated streets, the loading berth shall be screened from view.
2. Truck loading berths and apron space shall not be located within any required setback or landscape buffer strip.

E. Minimum Exterior Construction Standards, Building Materials and Design – Exterior Construction and Design Requirements shall comply with the standards set forth in Section 42 of the Comprehensive Zoning Ordinance, except as provided below.

1. All structures, including all building elevations, shall be constructed utilizing a unified design that is substantially consistent with or contains architectural design elements including but not limited to the following.
 - a. Canopies and awnings.
 - b. Outdoor patios.
 - c. Display windows/decorative windows.
 - d. Architectural details (such as decorative tile or brick work) integrated into the building façade.
 - e. Integrated planters or wing walls that incorporate landscape and/or sitting areas
 - f. Articulated cornice line.
 - g. Peaked roof form.

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- h. Accent materials (minimum 15% of exterior facade)
 - i. Other architectural features as approved with the site plan.
- 2. All exterior elevations shall use a unified design as shown on the approved Exterior Elevation Plan (Exhibit E). At least two masonry materials shall be used in addition to glass on any single building. The following masonry materials shall be allowed.
 - a. Brick
 - b. Cast Stone
 - c. Decorative concrete tilt wall
 - d. EIFS and Stucco (limited to no more than 12% total)
 - e. Spilt-face CMU
 - f. Stone
 - g. Wrought Iron (for decorative overhangs)
- 3. Color schemes shall reflect a certain quality and expression consistent with the architectural character and design of the structure. Accent colors may be used to identify architectural features or highlight details. The use of primary or garish colors shall not be predominately used on the exterior facade of any structure.
- 4. Stand fans, skylights, cooling towers, communication towers, satellite dishes, vents, and any other structures or equipment, whether located on the roof or elsewhere, shall be architecturally compatible or effectively shielded from view from any public or private dedicated street by an architecturally sound method.
- 5. Each commercial building, complex of buildings, or separate commercial business enterprises shall have a trash bin on the premises adequate to handle the trash and waste items generated, manufactured, or acquired thereon by such commercial activities. The sorting, handling, moving, storing, removing and disposing of all waste materials must be housed or screened from view.
- 6. Building roofs shall be so designed and constructed to prevent water ponding and to shed water in a reasonable amount of time. Built-up roofs and roof-top items which include equipment, piping, flashing, and other items shall be maintained for continuity of the roof appearance.
- 7. Roof top equipment, piping, flashing, and other items on the roof shall be screened by a perimeter parapet wall so as not to be visible from roadways.
- 8. In all cases, mechanical equipment on roofs and outcroppings should be clad by a like building material or painted with a color scheme similar to the principal structure walls or roof.
- F. Landscape Standards. Landscaping shall comply with the standards set forth in Section 39 of the Comprehensive Zoning Ordinance, except as provided below.

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1. All landscaping shall use a unified design as shown on the approved Landscape Plan (Exhibit D). Landscaping shall be required on all developments within the Planned Development District and shall be complete prior to the issuance of any certificate of occupancy or final building inspection for the development. An automatic underground irrigation system shall be installed and maintained for all required landscaping and shall be in place and operable at time of planting.
 2. A landscape buffer shall be provided fifteen (15) feet in depth adjacent to the right-of-way of FM 544, fifteen (15) in depth adjacent to Murphy Road (FM 2551) and ten (10) feet in depth adjacent to all other roads (includes public streets and private access drives). No parking may be placed within any landscape buffer. Pedestrian easements may be located within a landscape buffer. The width of the sidewalk may be included in the calculation of the buffer depth.
 3. A landscape buffer shall be provided for an average of fifteen (15) feet in depth adjacent to the Southern Pacific/DART Railroad right-of-way.
 4. Parking Lots:
 - a. A minimum percentage of the parking area shall be landscaped according to the following requirements. Such landscaping shall be distributed within the parking area, occurring within medians, islands, or peninsulas. All such landscape areas shall be protected by concrete curbing or other acceptable devices which prohibit vehicular access to landscaped areas. Bumper overhang shall not be included as part of required landscaping. A permeable area no less than four (4) feet by four (4) feet shall be provided surrounding each tree located in a surface parking area.
 1. A total of five (5) percent of the interior of the entire parking lot regardless of location, shall be landscaped. One large tree or three (3) ornamental trees from the Plant List, shall be provided for each twelve (12) parking spaces, and planted within the five (5) percent area. Trees shall be distributed so that bays of parking spaces shall not exceed eighteen (18) spaces in length.
- G. Screening. Screening shall comply with the standards set forth in Section 41 of the Comprehensive Zoning Ordinance, except as provided below.
1. All screening at the rear of the property will be a live screen where required. Plant materials shall conform to the standards of the approved plant list in Section 50 and the current edition of the "American Standard for Nursery Stock" (as amended), published by the American Association of Nurserymen. Bald Cypress trees are excluded from the approved list. The existing railroad berm will also serve as a natural screen between the nonresidential and residential districts.
 2. All fences required for the North Texas Municipal Water District (NTMWD) pump station site will be of tubular steel with masonry columns at the corners to provide adequate visibility of the pump station building per United States Department of Homeland Security requirements.

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3. All truck docks/loading areas for anchor stores with a footprint greater than 100,000 square feet shall be screened from view through the use of 12-foot all masonry walls (which are the same colors and materials as main building). All other screening of the rear of the site shall be living screens (eight foot height and at least 75 percent capacity within four years of planting unless such areas are screened from public views by a building).
 4. Outside seasonal displays shall be permitted within the Planned Development District. Outside storage shall not be permitted with the Planned Development District.
- H. Site Lighting. Lighting shall comply with the standards set forth in Section 45 of the Comprehensive Zoning Ordinance, except as provided below.
1. Lighting should be provided for vehicular, pedestrian, signage, architectural and site features.
 2. Site lighting fixtures used along entrance driveways and parking areas shall be uniform and a consistent design within the development. Lighting standards for illuminating these areas shall be no taller than 40 ft. high. However, the height of all light standards shall be subject to review of the lighting plan during the Site Plan review.
 3. The pattern of light pooling from each fixture shall be carefully considered to provide smooth, even lighting of driveways and parking, while eliminating light intrusion into adjacent property outside of the planned development district. Parking areas shall have a minimum of 3-foot candles initial and a minimum average of 2-foot candle on a maintained basis. Light sources shall be metal halide, mercury vapor or of similar color. Yellow/orange source lights are prohibited from use. Incandescent source lighting should be considered for pedestrian areas and near buildings.
 4. Pedestrian walkways, courts, gardens and entrance areas shall be illuminated to enhance the pedestrian qualities of the development. Low level fixtures should complement the architectural design and focus on quality landscape lighting that will enhance the development.
 5. General illumination shall commence one half hour before sunset and last until the Building Site is closed for the evening. Parking structures and pedestrian walkways shall be illuminated during all hours of darkness and when poor weather conditions warrant.
- I. Signage and Graphics: Signage shall comply with the standards set forth in Section 47 of the Comprehensive Zoning Ordinance, except as provided below.
1. General
 - a. All signage for the Planned Development District shall be allowed as shown on the approved Signage Plan (Exhibit G).

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- b. Single Tenant Monument signs - One (1) monument sign shall be allowed on each pad site and shall be limited to a maximum sign area of 25 square feet and a maximum structure area of 80 square feet.
- c. Multi Tenant Monument signs - One (1) monument sign shall be allowed as shown on the approved Signage Plan (Exhibit G) and shall be limited to a maximum sign area of 94 square feet and a maximum structure area of 184 square feet.
- d. Pylon signs – Two (2) pylon signs shall be permitted as shown on the approved Signage Plan (Exhibit G). Each pylon sign shall be limited to a maximum sign area of 349 square feet and a maximum structure area of 595 square feet.

2. Single Tenant Monument Signs

- a. Monument signs shall identify individual tenants or uses within a pad site. Monument signs shall be a maximum of seven (7) feet tall.
- b. All single tenant monument signs shall be double-sided, internally illuminated Plexiglas sign panels contained within a masonry structure. Single tenant monument signage may also be lit by ground mounted flood lighting or internal letter illumination either face lit or reverse channel lit. Light fixtures should be screened from view in front of the sign.
- c. Monument signs shall be located at a set back distance of not less than eight (8) feet from the right-of-way line of any adjacent street and incorporated within the landscaping area or buffer.
- d. Construction of monument signs shall include a base of material compatible with the material used for buildings.

3. Multi Tenant Monument Sign

- a. The multi tenant monument sign shall identify individual tenants or uses within the Planned Development District. The multi tenant monument sign shall be a maximum of ten (10) feet tall.
- b. All multi tenant monument signs shall be double-sided, internally illuminated Plexiglas sign panels contained within a masonry structure. Multi tenant monument signage may also be lit by ground mounted flood lighting or internal letter illumination either face lit or reverse channel lit. Light fixtures should be screened from view in front of the sign.
- c. Monument signs shall be located at a set back distance of not less than eight (8) feet from the right-of-way line of any adjacent street and incorporated within the landscaping area or buffer.
- d. Construction of monument signs shall include a base of material compatible with the material used for buildings.

4. Pylon Signs

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- a. Pylon signs shall be constructed at a height not to exceed twenty-five (35) feet.
 - b. The base of a pylon sign shall be located at a set back distance of not less than eight (8) feet from the right-of-way line of any adjacent street and may be incorporated within the landscaping area or buffer.
 - c. All pylon signs shall be double-sided, internally illuminated Plexiglas sign panels contained within a masonry structure. Pylon signs may also be lit by ground mounted flood lighting or internal letter illumination either face lit or reverse channel lit. Light fixtures should be screened from view in front of the sign.
 - d. Construction of pylon signs shall include a base of material compatible with the material used for buildings.
- 5. Anchor Signs
 - a. Anchor signs will only be allowed for tenants with a total building footprint of 10,000 square feet or above.
 - b. Anchor signs shall be internally illuminated aluminum channel letters with 1/8" Plexiglas front. The maximum letter height shall be 5'6".
 - c. All anchor signs shall be illuminated until 10:00 pm regardless of store hours.
 - d. Ancillary signs shall not exceed the size of the primary signs. The length of the sign shall not exceed 80% of the tenant width or the width of the architectural element.
- 6. Retail Signage
 - a. Retail signage requirements will apply to tenants with a total building footprint of 9,999 square feet or less.
 - b. Retail signs shall be individually backlit aluminum channel letters over 1/8" aluminum "outline" panel to be offset 2".
 - c. Typefaces, logos, and colors are subject to the landlord's approval and subject to the City of Murphy requirements.
 - d. The length of the retail sign shall not exceed 80% of the tenant width or the width of the architectural element.
 - e. The letter height shall range between a minimum of 1' to a maximum of 2'-6".
 - f. For corner tenants and freestanding buildings, secondary signage shall not exceed the size of the primary signage.
- 7. Temporary Marketing Signage
 - a. Two (2) quality temporary marketing signs shall be permitted on the development on FM 2551 (Murphy Road) and on FM 544. These signs shall for a term of twelve (12) months from the date of installation.

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- b. The maximum signage area will be 64 square feet. The maximum height shall be 8 feet. Signage shall be similar to detail shown within the Signage Criteria package.
- c. All other temporary signage not specifically referred to in the Signage Criteria package or in this section shall comply with the City of Murphy standards.
- d. Temporary signs are not required to be constructed of the material used for buildings.

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J. Open Space

1. All open space amenities shall use a unified design as shown on the approved Amenities Plan (Exhibit F). Development within the Planned Development District should make a positive impact to the City by providing defined public spaces and activity centers so that varied activities are encouraged within these areas. This can be accomplished through the incorporation of open spaces that become public amenities and that provide interest within the Tract at the pedestrian level.
 - a. Outdoor Seating. Any establishment serving food for consumption on-premises is encouraged to provide an outdoor seating area and shall be approved with the site plan. The outdoor seating area may be included as a portion of the 7% open space requirement as stated in (b.) below.
 - b. An additional 5% of open space is required in addition to the landscape, setback, and parking lot island requirements. The additional 5% may be located adjacent to the required setbacks or landscaping at the ROW and property lines or in front or in some cases to the side of the structure. The additional open space percentage may not include the building footprint or vehicular parking lot. This area and associated amenities shall be approved on the site plan. At least one of the following amenities shall be located within the additional 5% open space area and count towards the required percentage.
 1. Water feature, such as a fountain or detention pond with constant water level.
 2. Plaza or courtyard with art sculpture piece.
 3. Outdoor patio or gazebo with seating area.
 4. Other areas for pedestrian congregation, as may be approved on the site plan.
2. Outside seasonal displays shall be permitted within the Planned Development District. Outside storage shall not be permitted within the Planned Development District.

VII. **Special Regulations:**

- A. Utility/Power Lines: New utility distribution and service lines for individual business establishments, buildings, signs and for any other site development features shall be placed underground.
- B. Pedestrian Streetscape: Pedestrian spaces throughout the Planned Development District shall be treated with amenities that are selected based upon their ability to unify the streetscape and shall be established on the overall concept plan for each Tract. These features shall include, but are not limited to, benches, trash receptacles, bicycle racks, lighting poles, etc.
- C. Cross-Access Requirement: A joint access (i.e. – ingress, egress) easement shall be required to minimize the number of driveway openings along FM 544

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and FM 2551 (Murphy Road). The location(s) of access easement(s) shall be shown on the site plan and shall comply with the Texas Department of Transportation (TxDOT) Access Management Standards.

- D. Entry/Gateway Features: The intersection of FM 544 and FM 2551 (Murphy Road) is considered a gateway in the City of Murphy and should be an enhanced intersection with the use of landscaping and lighting and entrance monuments, including signage. Developments located within the Planned Development District shall incorporate entrance monuments and enhanced landscaping to provide an entry or gateway feature. These plans should be approved with the site plan for the development.
- E. Building Placement/Orientation: Buildings shall be placed in a manner that is conducive to a pedestrian-oriented atmosphere, wherever possible. Any building within 200 feet of a public right-of-way shall either face such right-of-way or shall have a façade facing such right-of-way that is in keeping with the character of the building's main façade.

**MINUTES
REGULAR CITY COUNCIL MEETING
CITY OF MURPHY
206 North Murphy Road
Murphy, Texas**

**October 20, 2008
6:00 P.M.**

CALL TO ORDER

Mayor Baldwin called the meeting to order at 6:01 p.m.

INVOCATION AND PLEDGE OF ALLEGIANCE

Mayor Baldwin gave the invocation and led the Pledge of Allegiance.

ROLL CALL AND CERTIFICATION OF A QUORUM

City Secretary Nemer certified a quorum with all Councilmembers present.

PRESENTATIONS

- **Employee Service Awards and Employee of the Quarter**

Mayor Baldwin and HR Manager Stacy Buckley presented Employee Service Awards to Police Sergeant Mike Feemster and Police Corporal Fred Mancias for five years of service. Customer Service Manager Candy McQuiston presented Employee of the Quarter awards to Kathy Resmondo and Teresa Thompson. City Manager James Fisher presented Employee of the Quarter awards to Heather McGee and Aimee Nemer.

- **Quarterly Investment Report**

Finance Director Linda Truitt presented the quarterly investment report.

PUBLIC COMMENTS

Public comments were submitted by Greg Matocha and Kathy Shafer regarding cut through traffic on Moonlight Drive, specifically truck traffic.

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. Approval of the Minutes from the Regular City Council Meeting of September 2, 2008, September 15, 2008, October 6, 2008, and the Special Meetings of September 8, 2008 and September 29, 2008.
- B. Consider and/or act on the Site Plan, Landscape Plan and Building Elevations for Metro Addition on property zoned LC (Light Commercial) District. This property is located on West FM 544, east of Brand Road.
- C. Consider and/or act upon approval of a Resolution directing the City Manager to contact the Texas Department of Transportation regarding the Intent of removing FM 2551 (North Murphy Road) from the State Highway System at the appropriate time.

- D. Consider and/or act upon awarding a bid for the South Murphy Road Lighting Project to Roadway Solutions and authorizing the City Manager to execute the contract.**
- E. Consider and/or act upon approval of a resolution to approve an Interlocal Agreement between the cities of Allen, Frisco, Plano, and Murphy for the use of the 800 MHz trunked radio system.**

Council Action

Items C and D were requested to be removed from the Consent Agenda and considered individually. Councilmember Halbert made a motion to approve Items A, B, and E, as presented. Councilmember Bogdan seconded the motion. A vote was taken and passed, 7-0.

(This item was removed from the Consent Agenda and considered individually.)

- C. Consider and/or act upon approval of a Resolution directing the City Manager to contact the Texas Department of Transportation regarding the Intent of removing FM 2551 (North Murphy Road) from the State Highway System at the appropriate time.**

Council Action

Councilmember Halbert made a motion to approve the resolution as presented. Councilmember Daniel seconded the motion. Mayor Baldwin made a motion to amend the motion and insert language "intent of the City of Murphy to explore the option of ..." Councilmember Daniel seconded the amendment to the motion. A vote was taken to approve the amended motion and passed, 5-2 with Councilmember Barna and Councilmember Bradley voting in opposition. A vote was taken and passed to approve the amended resolution, 7-0.

(This item was removed from the Consent Agenda and considered individually.)

- D. Consider and/or act upon awarding a bid for the South Murphy Road Lighting Project to Roadway Solutions and authorizing the City Manager to execute the contract.**

Council Action

Councilmember Daugherty made a motion to approve. Councilmember Halbert seconded the motion. A vote was taken and passed, 7-0.

INDIVIDUAL CONSIDERATION

- 1. Hold a public hearing and consider and/or act upon an ordinances amending an existing PD (Planned Development) District for Retail Uses with conditions to allow Restaurant (Drive-In) uses to be approved by a SUP (Specific Use Permit) and to approve a SUP for a Restaurant (Drive-In) on property located at the northeast corner of East FM 544 and North Murphy Road. (Zoning File 2008-06)**

Council Action

Mayor Baldwin opened the Public Hearing at 6:52 p.m. Chuck Dern addressed Council with concerns about approval of fast food but stated that the drive through for Saxby's should be approved. Jessica Koss, representing Saxby's gave a presentation introducing Saxby's to the Council and requested approval of the drive through. Larry Hoffman addressed Council expressing that businesses have to be able to compete, so concessions sometimes have to be made. He stated that those businesses can also make compromises with additional amenities such as outdoor seating, more landscaping, etc. With no further comments, Mayor Baldwin closed the Public Hearing at 7:03 p.m.

Mayor Baldwin made a motion to amend the Planned Development to allow a Specific Use Permit. Councilmember Halbert seconded the motion. A vote was taken and passed, 7-0. Mayor Baldwin made a motion to approve a Specific Use Permit to allow a drive through for Saxby's. Councilmember Halbert seconded the motion. A vote was taken and passed, 7-0.

2. **Discussion regarding reconsideration of the application of Champion Langford Partners requesting to amend an existing PD (Planned Development) District for Retail Uses with conditions to allow a Drive-In window for a restaurant on property located at the northwest corner of East FM 544 and North Maxwell Creek Road.**

Council Action

There was no Council action on this item. Landscaping and lighting issues were discussed with the developer. There was a consensus from Council to consider a revised plan with improved landscaping and lighting issues addressed in the proposed plan provided by the developer.

3. **Consider and/or act on a request to waive the roadway escrow requirement for Kinney Drive as it relates to Kinney Ranch Addition.**

Council Action

Councilmember Halbert made a motion to waive the roadway escrow requirement for the Kinney Drive Ranch Addition. Councilmember Bradley seconded the motion. A vote was taken and passed, 7-0.

4. **Consider and/or act upon appointing board member to the Murphy Economic Development Corporation (4A) to fill an unexpired term ending June 2009.**

Council Action

Councilmember Halbert made a motion to appoint Brian Epstein to thee Murphy Economic Development Corporation (4A) to fill an unexpired term ending June 2009. Councilmember Bogdan seconded the motion. A vote was taken and passed, 7-0.

5. **Consider and/or act upon approval of budget amendment for the 2007-08 fiscal year.**

Council Action

After clarification from Finance Director Linda Truitt that this budget amendment is necessary to close out the budget year, Councilmember Bradley made a motion to approve a budget amendment for the 2007-2008 fiscal year. Councilmember Halbert seconded the motion. A vote was taken and passed, 7-0.

6. **Discussion regarding a traffic barrier wall along FM 544 for The Timbers 2 subdivision.**

Council Action

There was no action on this item. Council requested a comprehensive plan for the City for streetscapes and screening walls, giving priority to The Timbers. Public comments in support of a wall for The Timbers were submitted by Larry Hoffman, Martin Chavez, Ritchie Earl, and Penny Cook.

7. **Discussion regarding the adoption of an ordinance extending the hours of sale for alcoholic beverages.**

Council Action

There was no action on this item. Staff informed Council of interest from a potential restaurant owner to locate a restaurant in Murphy if extended hours of sale of alcoholic beverages are allowed. After

considerable discussion, there was a consensus of Council that this issue may be considered for certain days of the week, specifically weekend nights, at a future date. Council noted that no formal application from any restaurant has been received to date in order for Council to have reason to consider approval at this time. Public comments were submitted by Martin Chavez and Rhonda Hodge regarding concerns about extending the hours of alcoholic beverage sales.

EXCUSED ABSENCES

No excused absences were reported.

AGENDA REQUESTS FROM THE CITY COUNCIL

Councilmember Bogdan requested staff to look into the issue of WISD providing buses and school zones for the Gables/Ranch subdivisions.

CITY MANAGER UPDATE

City Manager Fisher reported on the following:

- **North Murphy Road** –staff is meeting with PISD, Collin County, and TXDOT regarding the status of North Murphy Road and related issues.
- **Maxwell Creek Fence Agreement** –staff is very close to resolving issues regarding agreement.
- **Boggess/Hunt Elementary Boundary Rezone** –staff is requesting meeting with PISD
- **Holiday Schedule of Activities** –Christmas Tree Lighting will be December 4th from 5 -7 p.m.; Employee Thanksgiving Lunch will be November 20, and Employee Christmas Lunch will be December 18th.
- **Personnel Manual** –staff is working on revised personnel manual and related policies and will have a draft ready in November.
- **Cell Phone Policy** –staff is considering revising this policy to implement a cell phone allowance.
- **Ordinance Reviews** –staff has provided Council with the Pending Agenda list for Council review of upcoming items.
- **Utility Rate Study** –staff has signed a letter of engagement and a draft is due in December.
- **TML/ICSC Conference** –staff and Council will be in San Antonio next week for the Texas Municipal League Conference as well as the International Council of Shopping Centers Conference.
- **November 4th Elections** –Early voting as well as Election Day voting will take place at City Hall. Precinct 144 will vote at Whitt Elementary in Sachse on Election Day.
- **Council Retreat** –staff requested Council to look at schedules for a January Council Retreat for a day and a half.

COMMITTEE REPORTS

No Committee reports were submitted.

EXECUTIVE SESSION

The City Council will hold a closed Executive Session meeting pursuant to the provisions of Chapter 551, Subchapter D, Texas Government Code, in accordance with the authority contained in:

Section 551.071 Consultation with City Attorney regarding pending litigation or contemplated litigation or settlement offer involving Maurice L. Williams vs. City of Murphy, Cause No. 006-761-07, Collin County.

Section 551.071 Consultation with City Attorney regarding pending litigation or contemplated litigation or settlement offer involving Sara Lee Goff d/b/a Sara's Secret/Condoms to Go vs. Jeffrey Bickerstaff et. al. Cause No. 3:08-cv-1660, U.S. District Court, Northern District of Texas.

Council Action

Council convened into Executive Session at 8:20 p.m.

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:

Section 551.071 Consultation with City Attorney regarding pending litigation or contemplated litigation or settlement offer involving Maurice L. Williams vs. City of Murphy, Cause No. 006-761-07, Collin County.

Section 551.071 Consultation with City Attorney regarding pending litigation or contemplated litigation or settlement offer involving Sara Lee Goff d/b/a Sara's Secret/Condoms to Go vs. Jeffrey Bickerstaff et. al. Cause No. 3:08-cv-1660, U.S. District Court, Northern District of Texas.

Council Action

Council reconvened into Regular Session at 8:50 p.m. No action was taken as a result of the Executive Session.

WORK SESSION

• **Discussion regarding Pay Plan**

Council and staff discussed the implementation of the pay plan for the Fire Department.

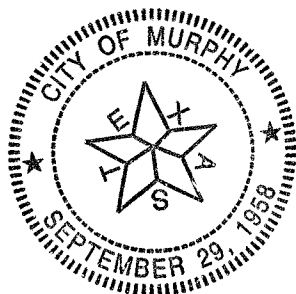
ADJOURNMENT

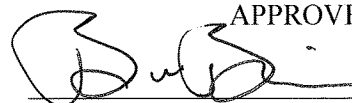
With no further business, the meeting was adjourned at 9:18 p.m.

ATTEST:



Aimee Nemer, City Secretary



APPROVED BY:

Bret M. Baldwin, Mayor

City Council Meeting
June 3, 2014

Issue

Consider and/or act on extending outdoor watering restrictions to once every two weeks through October 31, 2014.

Background

On May 22, 2014, the North Texas Municipal Water District (NTMWD) extended Stage 3 landscape watering with sprinklers or irrigations systems to once every two weeks through October 31, 2014.

Action Requested

Approve extended Stage 3 watering with a schedule as follows:

Odd House Numbers	First and Third Mondays
Even House Numbers	First and Third Wednesdays
Public Schools, non-residential business	First and Third Fridays

Attachments

NTMWD News Release dated 5/22/14



NEWS RELEASE

North Texas
Municipal Water
District

For Immediate Release
Media Contact:
Denise Hickey
(972) 670-2711

NTMWD Extends Outdoor Watering - Once Every Two Weeks Through October 31, 2014

Recent rains had no significant impact to lessen drought conditions

(Wylie, Texas - May 22, 2014) The North Texas Municipal Water District (NTMWD) extends Stage 3 landscape watering with sprinklers or irrigation systems to once every two weeks through October 31, 2014. NTMWD needs greater than a 10% water use reduction to extend available water supplies until drought conditions ease.

“Every gallon we save now will help extend our water supply during the hot, dry summer months and until the drought has ended,” said Thomas Kula, executive director of NTMWD. “NTMWD consumers with automatic sprinkler systems should operate their systems manually to ensure the lawn is watered only when needed and within their cities’ guidelines,” Kula added.

Recent rain events had no significant impact to the reservoir level at Lavon Lake. Lavon Lake received less than a foot of rain inflow and remains 11.47 feet below the normal conservation level. Lake Jim Chapman received inflows but remains 6.92 feet below the normal conservation level. During the summer months, reservoirs can drop as much as ten feet in elevation due to evaporation and usage.

“It’s important to preserve the water supply to maintain adequate supplies for public health, sanitation, and firefighting capabilities,” states Kula. “No one can predict when the drought will ease, and we must all take the correct measures in conserving our water,” he continues. The Lake Texoma water supply coming online later this month will have a positive impact on the water supply; however, drought persists for Lakes Lavon and Chapman.

The Stage 3 water restrictions must remain in place and these actions are in response to, but not limited to, time of year and weather conditions as written in the NTMWD Drought Contingency/ Water Emergency Response Plan. “I encourage everyone to conserve and follow all water management strategies to prevent or delay the initiation of Stage 4.” said Kula.

For more information on water conservation, visit www.northtexaswateriq.org or www.ntmwd.com

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City Council Meeting June 3, 2014

Issue

Discussion on the proposed Water Resource & Emergency Management Plan and the proposed Water Conservation Plan

Background

On June 21, 2011 the City Council adopted the current Water Conservation Plan (Ordinance 11-06-886). On October 18, 2011 the City Council adopted the Drought Contingency and Water Emergency Response Plan (Ordinance No. 11-10-897).

The Texas Commission on Environmental Quality (TCEQ) and the North Texas Municipal Water District (NTMWD) require the City to adopt the revised April 2014 Water Conservation Plan. The staff has been reviewing these plans since April and would like to discuss with City Council prior to preparing an ordinance for consideration of adoption.

Attached is a redline version of the proposed plans for comparison purposes.

Attachments

Redline Water Resource & Emergency Management Plan

Redline Water Conservation Plan

Ordinance 11-06-886 Adopting the Water Conservation Plan

Ordinance 11-10-897 Adopting the Water Resource & Emergency Management Plan

Ordinance 14-03-973 Amending Ordinance 11-10-897

Ordinance 13-11-961 Amending Ordinance 11-10-897

**CITY OF MURPHY
WATER RESOURCE AND EMERGENCY
MANAGEMENT PLAN
NORTH TEXAS MUNICIPAL WATER DISTRICT**

APRIL 2014

FORWARD

This Model Water Resource and Emergency Management Plan (which is an update to the previous Drought Contingency and Water Emergency Response Plan) was prepared by Freese and Nichols for the North Texas Municipal Water District (NTMWD). It is intended to be used by NTMWD Member Cities and Customers as a guide as they develop their own Water Resource and Emergency Management Plans. This plan was prepared pursuant to Texas Commission on Environmental Quality rules. Some material is based on the existing drought contingency plans listed in Appendix A.

Questions regarding this Water Resource and Emergency Management plan should be addressed to the following:

Tom Gooch, P.E.
Freese and Nichols, Inc.
(817) 735-7300
tcg@freese.com

Jeremy Rice
Freese and Nichols, Inc.
(817) 735-7300
jjr@freese.com

Denise Hickey
North Texas Municipal
Water District
(972) 442-5405
dhickey@ntmwd.com

This Water Resource and Emergency Management plan is based on the Texas Administrative Code in effect on June 25, 2013.

WATER RESOURCE AND EMERGENCY MANAGEMENT PLAN CITY OF MURPHY

MAY 2014

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APPENDICES

APPENDIX A	List of References
APPENDIX B	Texas Commission on Environmental Quality Rules on Drought Contingency Plans
	• Texas Administrative Code Title 30, Part 1, Chapter 288, Subchapter B, Rule §288.20 – Drought Contingency Plans for Municipal Uses by Public Water Suppliers
APPENDIX C	Letters to Region C and Region D Water Planning Groups
APPENDIX D	Adoption of Water Resource and Emergency Management Plan
	• Municipal Ordinance Adopting Water Resource and Emergency Management Plan • Municipal Utility District Order Adopting Water Resource and Emergency Management Plan • Special Utility District Order Adopting Water Resource and Emergency Management Plan • Water Supply Corporation Resolution Adopting Water Resource and Emergency Management Plan

1. INTRODUCTION AND OBJECTIVES

This document has been prepared as a Model Water Resource and Emergency Management Plan, intended to be available for use by North Texas Municipal Water District (NTMWD) Member Cities and Customers as they develop their own plans. This model plan addresses all of the current TCEQ requirements for a drought contingency plan¹. This model plan will replace the plans dated August 2004, April 2006 and March 2008. The March 2008 model plan shall continue to apply until such time that the drought contingency or water emergency response stage currently in effect under the March 2008 model plan terminates and a less restrictive stage is applicable. At such time, this model plan shall take effect, replacing the March 2008 model plan, and the appropriate water resource management stage as provided in this model plan shall be initiated.[km1]

The measures included in this Model Water Resource and Emergency Management [km2]Plan are intended to provide short-term water savings during drought or emergency conditions. Water savings associated with ongoing, long-term strategies are discussed in the *Model Water Conservation Plan for North Texas Municipal Water District Member Cities and Customers*.²

The purpose of this model Water Resource and Emergency Management plan is as follows:

- To conserve the available water supply in times of drought and emergency
- To maintain supplies for domestic water use, sanitation, and fire protection
- To protect and preserve public health, welfare, and safety
- To minimize the adverse impacts of water supply shortages
- To minimize the adverse impacts of emergency water supply conditions.

The NTMWD supplies treated potable[km3] water to its Member Cities [km4]and Customers. This model[km5] plan was developed by NTMWD in consultation with its Member Cities and Customers. In order to adopt this model[km6] plan, each NTMWD Member City and Customer [km7]will need to adopt ordinance(s) or regulation(s) implementing the plan, including the determination of fines and enforcement procedures. The model plan calls for Member Cities and Customers [km8]to adopt water resource management [km9]stages initiated by NTMWD during a drought or water supply emergency. Member Cities [km10]and Customers may also adopt more stringent water resource management [km11]stages than NTMWD if conditions warrant.

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Water Resource and Emergency Management Plan

In^[km12] the absence of drought response measures, water demands tend to increase during a drought due to increased^[km13] outdoor irrigation. The severity of a drought depends on the degree of depletion of supplies and on the relationship of demand to available supplies. The NTMWD considers a drought to end when all of its supply reservoirs refill to the conservation storage pool.

¹ Superscripted numbers match references listed in Appendix A. |

[km14]

2. DEFINITIONS^[km15]

1. AQUATIC LIFE means a vertebrate organism dependent upon an aquatic environment to sustain its lifeⁱ.
2. ATHLETIC FIELD means a public sports competition field, the essential feature of which is turf grass, used primarily for organized sports practice, competition or exhibition events for schools, professional sports, or sanctioned league playⁱⁱ.
3. COMMERCIAL FACILITY business or industrial buildings and the associated landscaping, but does not include the fairways, greens, or tees of a golf courseⁱ.
4. COMMERCIAL VEHICLE WASH FACILITY means a permanently-located business that washes vehicles or other mobile equipment with water or water-based products, including but not limited to self-service car washes, full service car washes, roll-over/in-bay style car washes, and facilities managing vehicle fleets or vehicle inventoryⁱ.
5. COOL SEASON GRASSES are varieties of turf grass that grow best in cool climates primarily in northern and central regions of the U.S. Cool season grasses include perennial and annual rye grass, Kentucky blue grass and fescuesⁱⁱⁱ.
6. CUSTOMERS include those entities to whom NTMWD provides water on a customer basis that are not members of NTMWD.
7. DESIGNATED OUTDOOR WATER USE DAY means a day prescribed by rule on which a person is permitted to irrigate outdoorsⁱ.

ⁱ Definitions from City of Austin Water Conservation and Drought Contingency Ordinance adopted August 16, 2012.
http://www.austintexas.gov/sites/default/files/files/Water/Conservation/Planning_and_Policy/ProposedCodeRevision_DRAFT_with_watering_schedule-8-15-2012.pdf

ⁱⁱ Definition from City of San Antonio Water Conservation Ordinance adopted 2005.
http://saws.org/conservation/ordinance/docs/Ch34_Ordinance_2009.pdf

ⁱⁱⁱ Definition developed by Freese and Nichols, Inc.

8. DRIP IRRIGATION is a type of micro-irrigation system that operates at low pressure and delivers water in slow, small drips to individual plants or groups of plants through a network of plastic conduits and emitters; also called trickle irrigation.^{iv}.
9. DROUGHT, for the purposes of this report, means an extended period of time when an area receives insufficient amounts of rainfall to replenish the water supply, causing water supply sources (in this case reservoirs) to be depleted^v.
10. EVAPOTRANSPIRATION abbreviated as ET represents the amount of water lost from plant material to evaporation and transpiration. The amount of ET can be estimated based on the temperature, wind, and relative humidityⁱⁱⁱ.
11. ET/SMART CONTROLLERS are irrigation controllers that adjust their schedule and run times based on weather (ET) data. These controllers are designed to replace the amount of water lost to evapotranspirationⁱⁱⁱ.
12. EXECUTIVE DIRECTOR means the Executive Director of the North Texas Municipal Water District and includes a person the Director has designated to administer or perform any task, duty, function, role, or action related to this plan or on behalf of the Executive Directorⁱⁱⁱ.
13. FOUNDATION WATERING means an application of water to the soils directly abutting the foundation of a building structureⁱ.
14. MEMBER CITIES include the cities of Allen, Farmersville, Forney, Frisco, Garland, McKinney, Mesquite, Plano, Princeton, Richardson, Rockwall, Royce City, and Wylie, Texas.
15. NEW LANDSCAPE means vegetation: installed at the time of the construction of a residential or commercial facility; installed as part of a governmental entity's capital improvement project; installed to stabilize an area disturbed by constructionⁱ.

^{iv} Amy Vickers: Handbook of Water Use and Conservation, Amherst Massachusetts, June 2002

^v Freese and Nichols, Inc.: Water Conservation and Drought Contingency and Water Emergency Response Plan, prepared for North Texas Municipal Water District, Fort Worth, March 2008.

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16. ORNAMENTAL FOUNTAIN means an artificially created structure (up to six feet in diameter) from which a jet, stream, valves and emission devices or flow of water emanates and is not typically utilized for the preservation of aquatic lifeⁱ.
17. PERMANANTLY INSTALLED IRRIGATION SYSTEM means a custom-made, site-specific system of delivering water generally for landscape irrigation via a system of pipes or other conduits installed below groundⁱ.
18. RAIN/FREEZE SENSOR means a device designed to stop the flow of water to an automatic irrigation system when rainfall or freeze event has been detectedⁱⁱ.
19. RECLAIMED WATER means reclaimed municipal wastewater that has been treated to a quality that meets or exceeds the minimum standards of the 30 Texas Administrative Code, Chapter 210 and is used for lawn irrigation, industry, or other non-potable purposesⁱ.
20. SOAKER HOSE means a perforated or permeable garden-type hose or pipe that is laid above ground that provides irrigation at a slow and constant rateⁱ.
21. SPRINKLER means an above-ground water distribution device that may be attached to a garden hoseⁱ.
22. SWIMMING POOL means any structure, basin, chamber, or tank including hot tubs, containing an artificial body of water for swimming, diving, or recreational bathing, and having a depth of two (2) feet or more at any pointⁱⁱ.
23. WATER RESOURCE MANAGEMENT PLAN means a strategy or combination of strategies for temporary supply management and demand management responses to temporary and potentially recurring water supply shortages and other water supply emergencies required by Texas Administrative Code Title 30, Chapter 288, Subchapter B. This is sometimes called a drought contingency planⁱ

3. **TEXAS COMMISSION ON ENVIRONMENTAL QUALITY RULES**^[km16]

The TCEQ rules governing development of drought contingency plans for public water suppliers are contained in Title 30, Part 1, Chapter 288, Subchapter B, Rule 288.20 of the Texas Administrative Code, a current copy of which is included in Appendix B. For the purpose of these rules, a drought contingency plan is defined as “a strategy or combination of strategies for temporary supply and demand management responses to temporary and potentially recurring water supply shortages and other water supply emergencies.”¹

Minimum Requirements

TCEQ’s minimum requirements for drought contingency plans are addressed in the following subsections of this report:

- 288.20(a)(1)(A) – Provisions to Inform the Public and Provide Opportunity for Public Input – Section 4.1^[km17]
- 288.20(a)(1)(B) – Provisions for Continuing Public Education and Information – Section 4.2^[km18]
- 288.20(a)(1)(C) – Coordination with the Regional Water Planning Group – Section 4.6^[km19]
- 288.20(a)(1)(D) – Criteria for Initiation and Termination of Water Resource Management^[km20] Stages – Section 4.3^[km21]
- 288.20(a)(1)(E) – Water Resource Management^[km22] Stages – Section 4.3^[km23]
- 288.20(a)(1)(F) – Specific, Quantified Targets for Water Use Reductions – Section 4.3^[km24]
- 288.20(a)(1)(G) – Water Supply and Demand Management Measures for Each Stage – Section 4.3^[km25]
- 288.20(a)(1)(H) – Procedures for Initiation and Termination of Water Resource Management^[km26] Stages – Section 4.3^[km27]
- 288.20(a)(1)(I) - Procedures for Granting Variances – Section 4.4^[km28]
- 288.20(a)(1)(J) - Procedures for Enforcement of Mandatory Restrictions – Section 4.5^[km29]
- 288.20(a)(3) – Consultation with Wholesale Supplier – Sections 1, 4.2, and 4.3^[km30] 3.8

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- 288.20(b) – Notification of Implementation of Mandatory Measures – Section 4.3^[km31]
- 288.20(c) – Review and Update of Plan – Section 4.7^[km32]

4. WATER RESOURCE AND EMERGENCY MANAGEMENT PLAN^[km33]**4.1 PROVISIONS TO INFORM THE PUBLIC AND OPPORTUNITY FOR PUBLIC INPUT**^[km34]

City of Murphy will provide opportunity for public input in the development of this Water Resource and Emergency Management ^[km35]Plan by the following means:

- Providing written notice of the proposed plan and the opportunity to comment on the plan by newspaper, posted notice, and notice on the City's web site (if available).
- Making the draft plan available on the City's web site (if available).
- Providing the draft plan to anyone requesting a copy.
- Holding a public meeting.

4.2 PROVISIONS FOR CONTINUING PUBLIC EDUCATION AND INFORMATION^[km36]

City of Murphy will inform and educate the public about the Water Resource and Emergency Management ^[km37]Plan by the following means:

- Preparing a bulletin describing the plan and making it available at city hall and other appropriate locations.
- Making the plan available to the public through the City's web site (if available).
- Including information about the Water Resource and Emergency Management ^[km38]Plan on the City's web site (if available).
- Notifying local organizations, schools, and civic groups that staff are available to make presentations on the Water Resource and Emergency Management Plan (usually in conjunction with presentations on water conservation programs).
- At any time that the Water Resource and Emergency Management ^[km39]Plan is activated or the Water Resource and Emergency Management ^[km40]Plan changes, City of Murphy will notify local media of the issues, the water resource management ^[km41]stage (if applicable), and the specific actions required of the public. The information will also be publicized on the City's web site (if available). Billing inserts will also be used as appropriate.

4.3 INITIATION AND TERMINATION OF WATER RESOURCE AND EMERGENCY MANAGEMENT STAGES^[km42]

Initiation of a Water Resource Management^[km43] Stage

The City Manager or official designee may order the implementation of a water resource management^[km44] stage when one or more of the trigger conditions for that stage are met. The following actions will be taken when a water resource management^[km45] stage is initiated:

- The public will be notified through local media and the City's web site (if available) as described in Section 4.2^[km46].
- Wholesale customers (if any) and^[km47] the NTMWD will be notified by e-mail with a follow-up letter or fax that provides details of the reasons for initiation of the water resource management^[km48] stage.
- If any mandatory provisions of the Water Resource and Emergency Management^[km49] Plan are activated, City of Murphy will notify the Executive Director of the TCEQ and the Executive Director of the NTMWD within 5 business days.
- Water Resource and Emergency Management Plan stages imposed by NTMWD action must be initiated by the City of Murphy.^[b50]
- For other trigger conditions internal to City of Murphy, the City Manager or official designee may decide not to order the implementation of a water resource management stage or water emergency even though one or more of the trigger criteria for the stage are met. Factors which could influence such a decision include, but are not limited to, the time of the year, weather conditions, the anticipation of replenished water supplies, or the anticipation that additional facilities will become available to meet needs. The reason for this decision should be documented.^[b51]

Termination of a Water Resource Management Stage

The City Manager or official designee may order the termination of a water resource management stage when the conditions for termination are met or at their discretion. The following actions will be taken when a water resource management stage is terminated:

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- The public will be notified through local media and the City's web site (if available) as described in Section 4.2^[km52].
- Wholesale customers (if any) and ^[km53]the NTMWD will be notified by e-mail with a follow-up letter or fax.
- If any mandatory provisions of the Water Resource and Emergency Management ^[km54]plan that have been activated are terminated, City of Murphy will notify the Executive Director of the TCEQ and the Executive Director of the NTMWD within 5 business days.

The City Manager or official designee may decide not to order the termination of a water resource management ^[km55]stage even though the conditions for termination of the stage are met. Factors which could influence such a decision include, but are not limited to, the time of the year, weather conditions, or the anticipation of potential changed conditions that warrant the continuation of the water resource management ^[km56]stage. The reason for this decision should be documented.

Water Resource and Emergency Management Plan [km57] Stages and Measures**Stage 1****Initiation and Termination Conditions for Stage 1 [b58]**

- The NTMWD has initiated Stage 1, which may be initiated due to one or more of the following:
 - o The NTMWD Executive Director, with the concurrence of the NTMWD Board of Directors, finds that conditions warrant the declaration of Stage 1.
 - o Water demand is projected to approach the limit of the permitted supply.
 - o The storage in Lavon Lake is less than 55[km59] percent of the total conservation pool capacity.
 - o NTMWD's storage in Jim Chapman Lake is less than 55[km60] percent of NTMWD's total conservation pool capacity.
 - o The Sabine River Authority has indicated that its Upper Basin water supplies used by NTMWD (Lake Tawakoni and/or Lake Fork) are in a Mild drought.
 - o NTMWD has concern that Lake Texoma, the East Fork Raw Water Supply Project, or some other NTMWD source may be limited in availability in the next 6 months.
 - o NTMWD water demand exceeds 95[km61] percent of the amount that can be delivered to customers for three consecutive days.
 - o NTMWD water demand for all or part of the delivery system equals delivery capacity because delivery capacity is inadequate[km62].
 - o NTMWD's supply source becomes contaminated.
 - o Supply source is interrupted or unavailable due to invasive species[km63].
 - o NTMWD's water supply system is unable to deliver water due to the failure or damage of major water system components.
- City's[km64] water demand exceeds 95[km65] percent of the amount that can be delivered to customers for three consecutive days.

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- City's water demand for all or part of the delivery system equals^[km66] delivery capacity because delivery capacity is inadequate.
- Supply source becomes contaminated.
- City's water supply system is unable to deliver water due to the failure or damage of major water system components.
- City's individual plan may be implemented if other criteria dictate.

Stage 1 may terminate when NTMWD terminates its Stage 1 condition or when the circumstances that caused the initiation of Stage 1 no longer prevail.

Goal for Use Reduction and Actions Available under Stage 1

The^[km67] goal for water use reduction under Stage 1 is a five percent (5%)^[km68] reduction in the amount of water produced by NTMWD from the previous annual payment period prior to drought restrictions.

If circumstances warrant or if required by NTMWD, the City Manager, or official designee can set a goal for greater or lesser water use reduction.^[km69] The City Manager or official designee may order the implementation of any or all^[km70] of the actions listed below, as deemed necessary to achieve a five percent reduction. Measures described as "requires notification to TCEQ" impose mandatory requirements on customers. The city must notify TCEQ and NTMWD within five business days if these measures are implemented:^[km71]

- Continue actions in the water conservation plan^[km72].
- Notify wholesale customers of actions being taken and request them to implement similar procedures.^[km73]
- Initiate engineering studies to evaluate alternatives should conditions worsen.
- Further accelerate public education efforts on ways to reduce water use.
- Halt non-essential city government water use. (Examples include street cleaning, vehicle washing, operation of ornamental fountains, etc.)
- Encourage the public to wait until the current drought or emergency situation has passed before establishing new landscaping.

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- All users are encouraged to reduce the frequency of draining and refilling swimming pools.^[km74]
- **Requires Notification to TCEQ** – Limit landscape watering with sprinklers or irrigation systems at each service address to no more than two days per week on designated days between April 1 – October 31. Limit landscape watering with sprinklers or irrigation systems at each service address to once every week on designated days between November 1 – March 31. Exceptions are as follows:
 - o An exception is allowed for landscape associated with new construction that may be watered as necessary for 30 days from the installation of new landscape features.
 - o An exemption is also allowed for registered and properly functioning ET/Smart irrigation systems and drip irrigation systems from the designated outdoor water use days limited to no more than two days per week. ET/Smart irrigation and drip irrigation systems are however subject to all other restrictions applicable under this stage.
 - o An exception for additional watering of landscape may be provided by hand held hose with shutoff nozzle, use of dedicated irrigation drip zones, and/or soaker hose provided no runoff occurs.
 - o Foundations, new landscaping, new plantings (first year) of shrubs, and trees (within a ten foot radius of its trunk) may be watered by a hand-held hose, a soaker hose, or a dedicated zone using a drip irrigation system provided no runoff occurs.^[km75]
- **Requires Notification to TCEQ** - Initiate a rate surcharge for all water use over a certain level.^[b76]
- **Requires Notification to TCEQ** – Landscape watering of parks, golf courses and athletic fields using potable water are required to meet the same reduction goals and measures outlined in this stage. Exception for golf course greens and tee boxes which may be hand watered as needed.^[b77]

Stage 2**Initiation and Termination Conditions for Stage 2^[b78]**

- The NTMWD has initiated Stage 2, which may be initiated due to one or more of the following:
 - o The NTMWD Executive Director, with the concurrence of the NTMWD Board of Directors, finds that conditions warrant the declaration of Stage 2^[km79].
 - o Water demand is projected to approach or exceed the limit of the permitted supply.
 - o The storage in Lavon Lake is less than 45 percent of the total conservation pool capacity.
 - o NTMWD's storage in Jim Chapman Lake is less than 45 percent of NTMWD's total conservation pool capacity.
 - o The Sabine River Authority has indicated that its Upper Basin water supplies used by NTMWD (Lake Tawakoni and/or Lake Fork) are in a Moderate drought. (Measures required by SRA under a Moderate drought designation are similar to those under NTMWD's Stage 2^[km80].)
 - o The supply from Lake Texoma, the East Fork Raw Water Supply Project, or some other NTMWD source has become limited in availability within the next 3 months^[km81].
 - o NTMWD water demand exceeds 98 percent of the amount that can be delivered to customers for three consecutive days.
 - o NTMWD water demand for all or part of the delivery system exceeds delivery capacity because delivery capacity is inadequate.
 - o NTMWD's supply source becomes contaminated.
 - o NTMWD's water supply system is unable to deliver water due to the failure or damage of major water system components.
- City's water demand exceeds 98 percent of the amount that can be delivered to customers for three consecutive days.
- City's water demand for all or part of the delivery system exceeds delivery capacity because delivery capacity is inadequate.

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- Supply source becomes contaminated.
- Supply source is interrupted or unavailable due to invasive species.^[km82]
- City's water supply system is unable to deliver water due to the failure or damage of major water system components.
- City's individual plan may be implemented if other criteria dictate.
- Stage 2 may terminate when NTMWD terminates its Stage 2 condition or when the circumstances that caused the initiation of Stage 2 no longer prevail.^[km83]

Goals for Use Reduction and Actions Available under Stage 2^[km84]

The goal for water use reduction under Stage 2^[km85] is a reduction of ten percent (10%)^[km86] in the amount of water obtained from NTMWD from the previous annual payment period prior to drought restrictions^[km87]. **If circumstances warrant or if required by NTMWD, the City Manager, or official designee can set a goal for greater or lesser water use reduction.** The City Manager or official designee may order the implementation of any or all of the actions listed below, as deemed necessary to achieve a ten percent reduction^[km88]. Measures described as "requires notification to TCEQ" impose mandatory requirements on customers. The City must notify TCEQ and NTMWD within five business days if these measures are implemented:

- Continue or initiate any actions available under Stage 1^[km89].
- Notify wholesale customers of actions being taken and request them to implement similar procedures.^[km90]
- Implement viable alternative water supply strategies.
- All users are encouraged to reduce the frequency of draining and refilling swimming pools.
- **Requires Notification to TCEQ** – Limit landscape watering with sprinklers or irrigation systems at each service address to once per week on designated days between April 1 – October 31. Limit landscape watering with sprinklers or irrigation systems at each service address to once every other week on designated days between November 1 – March 31. Exceptions are as follows:
 - o New construction may be watered as necessary for 30 days from the date of the installation of new landscape features. .

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- o Foundations, new plantings (first year) of shrubs, and trees (within a ten foot radius of its trunk) may be watered for up to two hours on any day by a hand-held hose, a dedicated zone using a drip irrigation system and/or soaker hose provided no runoff occurs. [b91]
- o Public athletic fields used for competition may be watered twice per week.
- o Locations using alternative sources of water supply only for irrigation may irrigate without day of the week restrictions provided proper signage is employed. However, irrigation using alternative sources of supply is subject all other restrictions applicable to this stage. If the alternative supply source is a well, proper proof of well registration with the North Texas Groundwater Conservation District or Red River Ground Water Conservation District is required. Other sources of water supply may not include imported treated water. [b92]
- o An exemption is allowed for registered and properly functioning ET/Smart irrigation systems and drip irrigation systems from the designated outdoor water use day limited to no more than one day per week. ET/Smart irrigation and drip irrigation systems are however subject to all other restrictions applicable under this stage. [b93]
- o Hand watering with shutoff nozzle, drip lines, and soaker hoses is allowed before 10 am and after 6 pm provided no runoff occurs. [b94]
- **Requires Notification to TCEQ** – Prohibit hydro seeding, hydro mulching, and sprigging.
- **Requires Notification to TCEQ** - Initiate a rate surcharge as requested by NTMWD.
- **Requires Notification to TCEQ** - Initiate a rate surcharge for all water use over a certain level.
- **Requires Notification to TCEQ** – If NTMWD has imposed a reduction in water available to City of Murphy, impose the same percent reduction on wholesale customers.
- **Requires Notification to TCEQ** – Landscape watering of parks and golf courses using potable water are required to meet the same reduction goals and measures outlined in this stage. Exception for golf course greens and tee boxes which may be hand watered as needed. [km95]

Stage 3**Initiation and Termination Conditions for Stage 3** [b96]

- The NTMWD has initiated Stage 3, which may be initiated due to one or more of the following:
 - o The NTMWD Executive Director, with the concurrence of the NTMWD Board of Directors, finds that conditions warrant the declaration of Stage 3.
 - o Water demand is projected to approach or exceed the limit of the permitted supply.
 - o The storage in Lavon Lake is less than 35 percent of the total conservation pool capacity.
 - o NTMWD's storage in Jim Chapman Lake is less than 35 percent of NTMWD's total conservation pool capacity.
 - o The Sabine River Authority has indicated that its Upper Basin water supplies used by NTMWD (Lake Tawakoni and/or Lake Fork) are in a Severe drought or Emergency.
 - o The supply from Lake Texoma, the East Fork Raw Water Supply Project, or some other NTMWD source has become severely limited in availability.
 - o NTMWD water demand exceeds the amount that can be delivered to customers.
 - o NTMWD water demand for all or part of the delivery system seriously exceeds delivery capacity because the delivery capacity is inadequate.
 - o NTMWD's supply source becomes contaminated.
 - o NTMWD's water supply system is unable to deliver water due to the failure or damage of major water system components.
- City's water demand exceeds the amount that can be delivered to customers.
- City's water demand for all or part of the delivery system seriously exceeds delivery capacity because the delivery capacity is inadequate.
- Supply source becomes contaminated.
- City's water supply system is unable to deliver water due to the failure or damage of major water system components.
- City's individual plan may be implemented if other criteria dictate.

The City of Murphy

Water Resource and Emergency Management Plan

- Stage 3^[km97] may terminate when NTMWD terminates its Stage 3^[km98] condition or when the circumstances that caused the initiation of Stage 3^[km99] no longer prevail.

Goals for Use Reduction and Actions Available under Stage 3^[km100]

The goal for water use reduction under Stage 3^[km101] is a reduction of whatever amount is necessary in the amount of water obtained from NTMWD from the previous annual payment period prior to drought restrictions.^[km102] **If circumstances warrant or if required by NTMWD, the City Manager, or official designee can set a goal for greater or lesser water use reduction**^[km103].

The City Manager or official designee may order the implementation of any or all^[km104] of the actions listed below, as deemed necessary. Measures described as “requires notification to TCEQ” impose mandatory requirements on the City of Murphy^[km105]. The City^[km106] must notify TCEQ and NTMWD within five business days if these measures are implemented.

- Continue or initiate any actions available under Stages 1, and 2.^[km107]
- Notify wholesale customers of actions being taken and request them to implement similar procedures.^[km108]
- Implement viable alternative water supply strategies.
- **Requires Notification to TCEQ** – Initiate mandatory water use restrictions as follows:
 - o Hosing and washing of paved areas, buildings, structures, windows or other surfaces is prohibited except by variance and performed by a professional service using high efficiency equipment.^[b109]
 - o Prohibit operation of ornamental fountains or ponds that use potable water except where supporting aquatic life or water quality.^[b110]
- **Requires Notification to TCEQ** – Prohibit new sod, hydro seeding, hydro mulching, and sprigging.^[b111]
- **Requires Notification to TCEQ** – Prohibit the use of potable water for the irrigation of new landscaping.
- **Requires Notification to TCEQ** – Prohibit all commercial and residential landscape watering, except that foundations and trees (within a ten foot radius of its trunk) may be watered for

- two hours one day per week with a hand-held hose, a dedicated zone using a drip irrigation system and/or soaker hose provided no runoff occurs. ET/Smart irrigation systems and drip irrigation systems are not exempt from this requirement.^[b112]
- **Requires Notification to TCEQ** – Prohibit washing of vehicles except at commercial vehicle wash facilities.
 - **Requires Notification to TCEQ** – Landscape watering of parks, golf courses, and athletic fields with potable water is prohibited. Exception for golf course greens and tee boxes which may be hand watered as needed. Variances may be granted by the water provider under special circumstances.^[b113]
 - **Requires Notification to TCEQ** – Prohibit the filling, draining and refilling of existing swimming pools, wading pools, Jacuzzi and hot tubs except to maintain structural integrity, proper operation and maintenance or to alleviate a public safety risk. Existing pools may add water to replace losses from normal use and evaporation. Permitting of new swimming pools, wading pools, Jacuzzi and hot tubs is prohibited.^[b114]
 - **Requires Notification to TCEQ** – Prohibit the operation of interactive water features such as water sprays, dancing water jets, waterfalls, dumping buckets, shooting water cannons, or splash pads that are maintained for public recreation.^[b115]
 - **Requires Notification to TCEQ** – Require all commercial water users to reduce water use by a percentage established by the City Manager or official designee.
 - **Requires Notification to TCEQ** – If NTMWD has imposed a reduction in water available to City of Murphy, impose the same percent reduction on wholesale customers.^[km116]^[b117]
 - **Requires Notification to TCEQ** - Initiate a rate surcharge for all water use over normal rates for all water use.

4.4 **PROCEDURES FOR GRANTING VARIANCES TO THE PLAN**^[km118]

The City Manager or official designee may grant temporary variances for existing water uses otherwise prohibited under this **Water Resource and Emergency Management Plan**^[km119] if one or more of the following conditions are met:

- Failure to grant such a variance would cause an emergency condition adversely affecting health, sanitation, or fire safety for the public or the person or entity requesting the variance.
- Compliance with this plan cannot be accomplished due to technical or other limitations.
- Alternative methods that achieve the same level of reduction in water use can be implemented.
- Variances shall be granted or denied at the discretion of the City Manager or official designee. All petitions for variances should be in writing and should include the following information:
 - o Name and address of the petitioners
 - o Purpose of water use
 - o Specific provisions from which relief is requested
 - o Detailed statement of the adverse effect of the provision from which relief is requested
 - o Description of the relief requested
 - o Period of time for which the variance is sought
 - o Alternative measures that will be taken to reduce water use
 - o Other pertinent information.

4.5 PROCEDURES FOR ENFORCING MANDATORY WATER USE RESTRICTIONS^[km120]

Mandatory water use restrictions may be imposed in Stage 1, Stage 2 and Stage 3 Water Resource and Emergency Management Plan ^[km121]stages. The penalties associated with the mandatory water use restrictions will be determined by City Ordinance.

Appendix D contains potential ordinances, resolutions, and orders that may be adopted by the city council, board, or governing body approving the Water Resource and Emergency Management plan and water response plan, including enforcement of same.^[km122]

4.6 COORDINATION WITH THE REGIONAL WATER PLANNING GROUP AND NTMWD^[km123]

Appendix C includes a copy of a letter sent to the Chairs of the Region C Water Planning Group and the North East Texas Water Planning Group with this model Water Resource and Emergency Management plan.^[km124]

The City^[km125] will send a draft of its ordinance(s) or other regulation(s) implementing this plan to NTMWD for their review and comment. The City^[km126] will also send the final ordinance(s) or other regulation(s) to NTMWD.

4.7 REVIEW AND UPDATE OF WATER RESOURCE AND EMERGENCY MANAGEMENT PLAN^[km127]

As required by TCEQ rules, the City of Murphy^[km128] must review the Water Resource and Emergency Management^[km129] plan every five years^[km130]. The plan will be updated as appropriate based on new or updated information.

WATER CONSERVATION PLAN CITY OF MURPHY

APRIL 2014

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APPENDICES

APPENDIX A List of References

APPENDIX B Texas Commission on Environmental Quality Rules on Municipal Water Conservation Plans

- Texas Administrative Code Title 30, Part 1, Chapter 288, Subchapter A, Rule §288.1 – Definitions (Page B-1)
- Texas Administrative Code Title 30, Part 1, Chapter 288, Subchapter A, Rule §288.2 – Water Conservation Plans for Municipal Uses by Public Water Suppliers (Page B-4)

APPENDIX C TCEQ Water Utility Profile

APPENDIX D NTMWD Member City and Customer Annual Water Conservation Report

APPENDIX E Considerations for Landscape Water Management Regulations

APPENDIX F Letters to Region C and Region D Water Planning Groups

APPENDIX G Adoption of Water Conservation Plan

- Municipal Ordinance Adopting Water Conservation Plan

APPENDIX H TCEQ Water Conservation Implementation Report

[b1]

1. INTRODUCTION AND OBJECTIVES

Water supply has always been a key issue in the development of Texas. In recent years, the increasing^[b2] population and economic development of North Central Texas have led to growing demands for water supplies. At the same time, local and less expensive sources of water supply are largely already developed. Additional supplies to meet future demands will be expensive and difficult to secure. Severe drought conditions in recent years have highlighted the importance of efficient use of our existing supplies to make them last as long as possible. ^[b3]This will delay the need for new supplies, minimize the environmental impacts associated with developing new supplies, and delay the high cost of additional water supply development.

Recognizing the need for efficient use of existing water supplies, the Texas Commission on Environmental Quality (TCEQ) has developed guidelines and requirements governing the development of water conservation and drought contingency plans^[b4] for wholesale^[b5] water suppliers². The TCEQ guidelines and requirements for wholesale^[b6] suppliers are included in Appendix B. The North Texas Municipal Water District (NTMWD) has developed this model water conservation plan pursuant to TCEQ guidelines and requirements. The best management practices established by the Water Conservation Implementation Task Force³ were also considered in the development of the water conservation measures.

This model water conservation plan includes measures that are intended to result in ongoing, long-term water savings. This plan replaces the previous plans dated August 2004, April 2006 and March 2008⁴^[b7].

The objectives of this water conservation plan are as follows:

- To reduce water consumption from the levels that would prevail without conservation efforts.
- To reduce the loss and waste of water.
- To improve efficiency in the use of water.
- Encourage efficient outdoor water use.^[b8]
- To document the level of recycling and reuse in the water supply.

- To extend the life of current water supplies by reducing the rate of growth in demand.

In order to adopt this plan, the City of Murphy will need to do the following:

- Complete the water utility profile (provided in Appendix C).
- Complete the annual water conservation implementation report (in Appendix H).
- Set five-year and ten-year goals for per capita water use.
- Adopt ordinance(s) or regulation(s) approving the model plan.

The water utility profile, goals, and ordinance(s) or regulations should be provided to NTMWD in draft form for review and comments. Final adopted versions should also be provided to NTMWD, as well as TCEQ. This model plan includes all of the elements required by TCEQ. Some elements of this model plan go beyond TCEQ requirements. Any water supplier wishing to adjust elements of the plan should coordinate with NTMWD.

¹ Superscripted numbers match references listed in Appendix A.

2. DEFINITIONS

1. **ATHLETIC FIELD** means a public sports competition field, the essential feature of which is turf grass, used primarily for organized sports practice, competition or exhibition events for schools, professional sports, or sanctioned league play.
2. **COOL SEASON GRASSES** are varieties of turf grass that grow best in cool climates primarily in northern and central regions of the U.S. Cool season grasses include perennial and annual rye grass, Kentucky blue grass and fescues.
3. **CUSTOMERS** include those entities to whom NTMWD provides water on a customer basis that are not members of NTMWD.
4. **EVAPOTRANSPIRATION** abbreviated as ET represents the amount of water lost from plant material to evaporation and transpiration. The amount of ET can be estimated based on the temperature, wind, and relative humidity.
5. **ET/SMART CONTROLLERS** are irrigation controllers that adjust their schedule and run times based on weather (ET) data. These controllers are designed to replace the amount of water lost to evapotranspiration.
6. **EXECUTIVE DIRECTOR** means the Executive Director of the North Texas Municipal Water District and includes a person the Director has designated to administer or perform any task, duty, function, role, or action related to this plan or on behalf of the Executive Director.
7. **INSTITUTIONAL USE** means the use of water by an establishment dedicated to public service, such as a school, university, church, hospital, nursing home, prison or government facility. All facilities dedicated to public service are considered institutional regardless of ownership.
8. **MEMBER CITIES** include the cities of Allen, Farmersville, Forney, Frisco, Garland, McKinney, Mesquite, Plano, Princeton, Richardson, Rockwall, Royce City, and Wylie, Texas.
9. **MULTI-FAMILY PROPERTY** means a property containing five or more dwelling units.

10. MUNICIPAL USE means the use of potable water provided by a public water supplier as well as the use of treated wastewater effluent for residential, commercial, industrial, agricultural, institutional, and wholesale uses.
11. RECLAIMED WATER means reclaimed municipal wastewater that has been treated to a quality that meets or exceeds the minimum standards of the 30 Texas Administrative Code, Chapter 210 and is used for lawn irrigation, industry, or other non-potable purposes.
12. REGULATED IRRIGATION PROPERTY means any property that uses 1 million gallons of water or more for irrigation purposes in a single calendar year or is greater than 1 acre in size.
13. RESIDENTIAL GALLONS PER CAPITA PER DAY (Residential GPCD) the total gallons sold for residential use by a public water supplier divided by the residential population served and then divided by the number of days in the year.
14. TOTAL GALLONS PER CAPITA PER DAY (Total GPCD) The total amount of water diverted and/or pumped for potable use divided by the total permanent population divided by the days of the year. Diversion volumes of reuse as defined in TAC 288.1 shall be credited against total diversion volumes for the purposes of calculating GPCD for targets and goals.
15. WATER CONSERVATION PLAN means this water conservation plan approved and adopted by the NTMWD Board of Directors in 2014. |

[b9]

3. REGULATORY BASIS FOR WATER CONSERVATION PLAN

3.1 TCEQ Rules Governing Conservation Plans

The TCEQ rules governing development of water conservation plans for public water suppliers are contained in Title 30, Part 1, Chapter 288, Subchapter A, Rule 288.2 of the Texas Administrative Code, which is included in Appendix B. For the purpose of these rules, a water conservation plan is defined as “A strategy or combination of strategies for reducing the volume of water withdrawn from a water supply source, for reducing the loss or waste of water, for maintaining or improving the efficiency in the use of water, for increasing the recycling and reuse of water, and for preventing the pollution of water².” The elements in the TCEQ water conservation rules covered in this conservation plan are listed below.

Minimum Conservation Plan Requirements

The minimum requirements in the Texas Administrative Code for Water Conservation Plans for Public Water Suppliers are covered in this report as follows:

- 288.2(a)(1)(A) – Utility Profile – Section 4[b10] and Appendix C
- 288.2(a)(1)(B) – Specification of Goals – Section 5[b11]
- 288.2(a)(1)(C) – Specific, Quantified Goals – Section 5[b12]
- 288.2(a)(1)(D) – Accurate Metering – Section 6.1.1[b13]
- 288.2(a)(1)(E) – Universal Metering – Section 6.1.2[b14]
- 288.2(a)(1)(F) – Determination and Control of Water Loss – Section 6.1.3[b15]
- 288.2(a)(1)(G) – Public Education and Information Program – Section 6.2[b16]
- 288.2(a)(1)(H) – Non-Promotional Water Rate Structure – Section 7.1[b17]
- 288.2(a)(1)(I) – Reservoir System Operation Plan – Section 6.3[b18]
- 288.2(a)(1)(J) – Means of Implementation and Enforcement – Section 8[b19]
- 288.2(a)(1)(K) – Coordination with Regional Water Planning Group – Section 6.4 [b20] and Appendix F
- 288.2(c) – Review and Update of Plan – Section 9[b21]

Conservation Additional Requirements (Population over 5,000)

- The Texas Administrative Code includes additional requirements for water conservation plans for drinking water supplies serving a population over 5,000
- 288.2(a)(2)(A) – Leak Detection, Repair, and Water Loss Accounting – Sections 6.1.4
- 288.2(a)(2)(B) – Record Management System – Section 6.1.5
- 288.2(a)(2)(C) – Requirement for Water Conservation Plans by Wholesale Customers – Section 6.6

Additional Conservation Strategies

The TCEQ requires that a water conservation implementation report be completed and submitted on an annual basis. The template for this report is included in Appendix H. [b22]

In addition to the TCEQ required water conservation strategies, the NTMWD also requires the following strategy to be included in the Member City and Customer plans:

- 288.2(a)(3)(F) – Considerations for Landscape Water Management Regulations – Section 7.5 and Appendix E

TCEQ rules also include optional, but not required, conservation may be adopted by suppliers. The NTMWD recommends that the following strategies be included in the Member City and Customer water conservation plans:

- 288.2(a)(3)(A) – Conservation Oriented Water Rates – Section 7.1
- 288.2(a)(3)(B) – Ordinances, Plumbing Codes or Rules on Water-Conserving Fixtures – Section 7.2
- 288.2(a)(3)(C) – Replacement or Retrofit of Water-Conserving Plumbing Fixtures – Section 7.6
- 288.2(a)(3)(D) – Reuse and Recycling of Wastewater – Section 7.3
- 288.2(a)(3)(F) – Considerations for Landscape Water Management Regulations – Section 7.4, 7.5 and Appendix E
- 288.2(a)(3)(G) – Monitoring Method – Section 7.7
- 288.2(a)(3)(H) – Additional Conservation Ordinance Provisions – Section 7.6

3.2 Guidance and Methodology for Reporting on Water Conservation and Water Use

In addition to TCEQ rules regarding water conservation, this plan also incorporates elements of the Guidance and Methodology for Reporting on Water Conservation and Water Use developed by TWDB and TCEQ, in consultation with the Water Conservation Advisory Council (the “Guidance”). The Guidance was developed in response to a charge by the 82nd Texas Legislature to develop water use and calculation methodology and guidance for preparation of water use reports and water conservation plans in accordance with TCEQ rules.^[b23]

4. WATER UTILITY PROFILE^[b24]

Appendix C to this water conservation plan is a water utility profile based on the format recommended by the TCEQ. In adopting this model water conservation plan, the City of Murphy will provide a water utility profile to NTMWD for review and comment. A final water utility profile will be provided to NTMWD.

5. SPECIFICATION^[b25] OF WATER CONSERVATION GOALS

TCEQ rules require the adoption of specific water conservation goals for a water conservation plan. As part of plan adoption, the City of Murphy must develop 5-year and 10-year goals for per capita municipal use. These goals should be submitted to NTMWD. The goals for this water conservation plan include the following:

- Maintain the total and residential per capita water use below the specified amount in gallons per capita per day in a dry year, as shown in the completed Table 5-1^[b26].
- Maintain the water loss percentage in the system below 12 percent annually in 2013 and subsequent years, as discussed in Section 6.1.3. ^[b27](The 12 percent goal for water loss is recommended but is not required. Systems with long distances between customers may adopt a higher percent water loss goal.)
- Implement and maintain a program of universal metering and meter replacement and repair, as discussed in Section 6.1.2^[b28].
- Increase efficient water usage through a water conservation ordinance, order or resolution as discussed in Section 7.5 and Appendix E. (This ordinance is required by the NTMWD.)^[b29]
- Decrease waste in lawn irrigation by implementation and enforcement of landscape water management regulations, as discussed in Section 7.6^[b30]. (These landscape water management regulations are recommended but are not required.)
- Raise public awareness of water conservation and encourage responsible public behavior by a public education and information program, as discussed in Section 6.2.
- Develop a system specific strategy to conserve water during peak demands, thereby reducing the peak use.

Table 5-1 Five-Year and Ten-Year Per Capita Water Use Goals (gpcd)

Description	Current Average (gpcd)	5-Year Goal (gpcd)	10-Year Goal (gpcd)
Current 5-Year Average Total Per Capita Use with Credit for Reuse	195.6	230	225
Current 5-Year Average Residential Per Capita Use	176	211	206
Water Loss (GPCD) ¹	23.8	<20.1	<20.1
Water Loss (Percentage) ²	14.12%	<12%	<12%
Expected Reduction due to Low-Flow Plumbing Fixtures		3	3
Projected Reduction Due to Elements in this Plan			
Water Conservation Goals (with credit for reuse)			

1. Water Loss GPCD = (Total Water Loss ÷ Permanent Population) ÷ 365

2. Water Loss Percentage = (Total Water Loss ÷ Total Gallons in System) x 100; or (Water Loss GPCD ÷ Total GPCD) x 100

[b31]

6. BASIC WATER CONSERVATION STRATEGIES [b32]

6.1 Metering [b33], Water Use Records, Control of Water Loss, and Leak Detection and Repair

One of the key elements of water conservation is tracking water use and controlling losses through illegal diversions and leaks. It is important to carefully meter water use, detect and repair leaks in the distribution system and provide regular monitoring of real losses.

6.1.1 Accurate [b34] Metering of Treated Water Deliveries from NTMWD

Water deliveries from NTMWD are metered by NTMWD using meters with accuracy of $\pm 2\%$. These meters are calibrated on an annual basis by NTMWD to maintain the required accuracy.

6.1.2 Metering [b35] of Customer and Public Uses and Meter Testing, Repair, and Replacement

The provision of water to all customers, including public and governmental users, shall be metered. In many cases, the City of Murphy already meter retail and wholesale water users.

The City of Murphy tests and replaces their customer meters on a regular basis. All customer meters should be replaced on a minimum of a 15-year cycle. [b36]

6.1.3 Determination [b37] and Control of Water Loss

Total water loss [b38] is the difference between water delivered to the City of Murphy from NTMWD and metered water sales to customers plus authorized for use but not sold. (Authorized for use but not sold would include use for fire fighting, releases for flushing of lines, uses associated with new construction, etc.) Total water loss includes three categories: [b39]

- Apparent Losses – including inaccuracies in customer meters. (Customer meters tend to run more slowly as they age and under-report actual use.) Losses due to illegal connections and theft. (Ordinance No. 09-08-809) addresses unlawful use of water.) Accounts which are being used but have not yet been added to the billing system.

- Real Losses – includes physical losses from the system or mains, reported breaks and leaks, storage overflow.
- Unidentified Water Losses – (System Input - Total Authorized - Apparent Losses - Real Losses)

Measures to control water loss should be part of the routine operations of the City of Murphy. Maintenance crews and personnel should look for and report evidence of leaks in the water distribution system. A leak detection and repair program is described in Section 6.1.4 [b40] below. Meter readers should watch for and report signs of illegal connections, so they can be quickly addressed.

Total water loss [b41] should be calculated in accordance with the provisions of Appendix H. With the measures described in this plan, City Of Murphy should maintain water loss percentage below 12 percent in 2013 and subsequent years. If total water loss exceeds this goal, the Member City or Customer should implement a more intensive audit to determine the source(s) of and reduce the water loss. The annual conservation report described below is the primary tool that should be used to monitor water loss.

6.1.4 Leak [b42] Detection and Repair

As described above, city crews and personnel should look for and report evidence of leaks in the water distribution system. Areas of the water distribution system in which numerous leaks and line breaks occur should be targeted for replacement as funds are available.

6.1.5 Record [b43] Management System

As required by TAC Title 30, Part 1, Chapter 288, Subchapter A, Rule 288.2(a)(2)(B), a record management system should allow for the separation of water sales and uses into residential, commercial, public/institutional, and industrial categories. This information should be included in an annual water conservation report, as described in Section 7.7 below. Those entities whose record management systems do not currently comply with this requirement should move to implement such a system within the next five years.

6.2 Continuing [b44] Public Education and Information Campaign

The continuing public education and information campaign on water conservation includes the following elements:

- Utilize the “Water IQ: Know Your Water” and other public education materials produced by the NTMWD.
- Insert water conservation information with water bills. Inserts will include material developed by the City of Murphy staff and material obtained from the TWDB, the TCEQ, and other sources.
- Encourage local media coverage of water conservation issues and the importance of water conservation.
- Notify local organizations, schools, and civic groups that the City of Murphy staff and staff of the NTMWD are available to make presentations on the importance of water conservation and ways to save water.
- Promote the *Texas Smartscape* web site (www.txsmartscape.com) and provide water conservation brochures and other water conservation materials available to the public at City Hall and other public places.
- Make information on water conservation available on its website (if applicable) and include links to the “Water IQ: Know Your Water” website, *Texas Smartscape* website and to information on water conservation on the TWDB and TCEQ web sites and other resources.
- NTMWD is an EPA Water Sense Partner and participates in the EPA Water Sense sponsored “Fix a Leak Week.” NTMWD encourages all member cities and customers to become EPA Water Sense Partners.
- Utilize the Water My Yard website and encourage customers to sign-up to receive weekly watering advice. [b45]

6.3 NTMWD System Operation Plan

The City of Murphy purchases treated water from NTMWD. The City of Murphy does not have surface water supplies for which to implement a system operation plan. NTMWD operates multiple sources of water supply as a system. The operation of the reservoir system is intended to optimize the use of the District’s sources (within the constraints of existing water rights) while minimizing energy use cost for pumping, maintaining water quality, minimizing potential impacts on recreational users of the reservoirs and fish and wildlife. [b46]

6.4 Coordination^[b47] with Regional Water Planning Group and NTMWD

Appendix F includes a letter sent to the Chair of the Region C and Region D water planning group with this model water conservation plan. The City of Murphy will send a copy of their draft ordinance(s) or regulation(s) implementing the plan and their water utility profile to NTMWD for review and comment. The adopted ordinance(s) or regulation(s) and the adopted water utility profile will be sent to the Chair of the appropriate Water Planning Group and to NTMWD.

6.5 Requirement^[b48] for Water Conservation Plans by Wholesale Customers

Every contract for the wholesale sale of water by the City of Murphy that is entered into, renewed, or extended after the adoption of this water conservation plan will include a requirement that the wholesale customer and any wholesale customers of that wholesale customer develop and implement a water conservation plan meeting the requirements of Title 30, Part 1, Chapter 288, Subchapter A, Rule 288.2 of the Texas Administrative Code. The requirement will also extend to each successive wholesale customer in the resale of the water.

7. ENHANCED WATER CONSERVATION STRATEGIES

7.1 Water Rate Structure

The City of Murphy has an increasing block rate water structure that is to encourage water conservation and discourage excessive use and waste of water. The water rate structure is in accordance with the adopted fee schedule. The adopted fee schedule can be located on the City's website. |

[b49]

7.2 **Ordinances**^[b50], **Plumbing Codes, or Rules on Water-Conserving Fixtures**

The state has required water-conserving fixtures in new construction and renovations since 1992. The state standards call for flows of no more than 2.5 gallons per minute (gpm) for faucets, 2.5 gpm^[b51] for showerheads, and 1.6 gallons per flush for toilets. Similar standards are now required nationally under federal law. These state and federal standards assure that all new construction and renovations will use water-conserving fixtures. Rebate programs to encourage replacement of older fixtures with water conservation programs are discussed in Section 7.6.^[b52]

7.3 **Reuse**^[b53] **and Recycling of Wastewater**

The City of Murphy does not own and operate their wastewater treatment plants. The City's wastewater is treated by NTMWD. NTMWD currently has the largest wastewater reuse program in the state. NTMWD has water rights allowing reuse of up to 71,882 acre-feet per year of this treated wastewater through Lavon Lake for municipal purposes. In addition, NTMWD has also developed the East Fork Raw Water Supply Project which can divert up to 157,393 acre-feet per year based on treated wastewater discharges by the NTMWD. When fully developed, these two reuse projects will provide up to 44 percent of the NTMWD's currently permitted water supplies. NTMWD also provides treated effluent from its wastewater treatment plants available for direct reuse for landscape irrigation and industrial use.

7.4 **Interactive Weather Stations / Water My Yard Program**

NTMWD has developed the Water My Yard program to install weather stations throughout its service area to provide consumers with a weekly e-mail and information through the Water My Yard website in determining an adequate amount of supplemental water that is needed to maintain healthy grass in specific locations. This service represents the largest network of weather stations providing ET-based irrigation recommendations in the State of Texas, and provides the public advanced information regarding outdoor irrigation needs, thereby reducing water use. Through a series of selections on the type of irrigation system a consumer has, a weekly email is provided that will determine how long (in minutes) that an irrigation system needs to run based on the past seven days of weather. This recommendation provides the actual amount of supplemental water that is required for a healthy lawn based on research of the Texas A&M Agrilife Extension Service and proven technologies. This innovative program has been available to those within the NTMWD service area since May 2013.^[b54]

7.5 **Compulsory** ^[b55] Landscape and Water Management Measures

The following landscape water management measures are required by the NTMWD for this plan. These measures represent minimum measures to be implemented and enforced in order to irrigate the landscape appropriately, and are to remain in effect on a permanent basis unless water resource management stages are declared.

1. Landscape Water Management Measures

- Limit landscape watering with sprinklers or irrigation systems at each service address to no more than two days per week (April 1 – October 31), with education that less than twice per week is usually adequate. Additional watering of landscape may be provided by hand-held hose with shutoff nozzle, use of dedicated irrigation drip zones, and/or soaker hose provided no runoff occurs. ^[b56]
- Limit landscape watering with sprinklers or irrigation systems at each service address to no more than one day per week beginning November 1 and ending March 31 of each year, with education that less than once per week is usually adequate. ^[b57]
- Prohibit lawn irrigation watering from 10 AM to 6 PM (April 1 – October 31).
- Prohibit the use of irrigation systems that water impervious surfaces. (Wind driven water drift will be taken into consideration.)
- Prohibit outdoor watering during precipitation or freeze events.
- Prohibition of use of poorly maintained sprinkler systems that waste water. ^[b58]
- Prohibit excess water runoff or other obvious waste. ^[b59]
- Require rain and freeze sensors and/or ET or Smart controllers on all new irrigation systems. Rain and freeze sensors and/or ET or Smart controllers must be maintained to function properly.
- Prohibit overseeding, sodding, sprigging, broadcasting or plugging with cool season grasses or watering cool season grasses, except for golf courses and athletic fields.
- Require that irrigation systems be inspected at the same time as initial backflow preventer inspection.
- Requirement that all new irrigation systems be in compliance with state design and installation regulations (TAC Title 30, Part 1, Chapter 344).

- Require the owner of a regulated irrigation property to obtain an evaluation of any permanently installed irrigation system on a periodic basis. The irrigation evaluation shall be conducted by an licensed irrigator in the state of Texas and be submitted to your local water provider (i.e., city, water supply corporation).^[b60]

2. Additional Water Management Measures

- Prohibit the use of potable water to fill or refill residential, amenity, and any other natural or manmade ponds. A pond is considered to be a still body of water with a surface area of 500 square feet or more.
- Non –commercial car washing can be done only when using a water hose with a shut-off nozzle.
- Hotels and motels shall offer a linen reuse water conservation option to customers.
- Restaurants, bars, and other commercial food or beverage establishments may not provide drinking water to customers unless a specific request is made by the customer for drinking water.

The City of Murphy is responsible for developing regulations, ordinances, policies, or procedures for enforcement of water conservation guidelines.^[b61]

Appendix E is a summary of considerations for landscape water management regulations adopted as part of the development of this water conservation plan. These regulations are intended to minimize waste in landscape irrigation. Appendix E includes the required landscape water measures in this section.

7.6 Additional Water Conservation Measures (Not Required)

NTMWD also urges the City of Murphy to consider including the following additional water conservation measures from the NTMWD Model Water Conservation Plan in their plans: The City of Murphy is responsible for developing regulations, ordinances, policies, or procedures for enforcement of water conservation guidelines.

1. Landscape Water Management Regulations

- Requirement that all existing irrigation systems be retrofitted with rain and freeze sensors and/or ET or Smart controllers capable of multiple programming. Rain and freeze sensors and/or ET or Smart controllers must be maintained to function properly.

- Requirement that all new athletic fields be irrigated by a separate irrigation system from surrounding areas.
- Implementation of other measures to encourage off-peak water use.

2. Landscape Ordinance

- Landscape ordinances are developed by cities to guide developers in landscaping requirements for the city. A sample landscape ordinance is provided in Appendix I and is intended as a guideline for adopting a landscape ordinance to promote water efficient landscape design.
- Native, drought tolerant or adaptive plants should be encouraged.
- Drip irrigation systems should be promoted.
- ET/Smart controllers that only allow sprinkler systems to irrigate when necessary should be promoted.

3. Water Audits

- Water audits are useful in finding ways in which water can be used more efficiently at a specific location. NTMWD recommends that City of Murphy offer water audits to customers.

4. Rebates

- In addition to the conservation measures described above, the NTMWD also recommends the following water conservation incentive programs for consideration by Member Cities and Customers:
 - Low-flow toilet replacement and rebate programs,
 - Rebates for rain/freeze sensors and/or ET or Smart controllers,
 - Low-flow showerhead and sink aerators replacement programs or rebates,
 - Water efficient clothes washer rebates,
 - Pressure reducing valve installation programs or rebates,
 - Rain barrel rebates,
 - Pool covers,
 - On-demand hot water heater rebates, and/or
 - Other water conservation incentive programs.

7.7 **Monitoring^[b62] of Effectiveness and Efficiency - Annual Water Conservation Report**

Appendix D is a form that should be used in the development of an annual water conservation report by the City of Murphy. This form should be completed by March 31 of the following year and used to monitor the effectiveness and efficiency of the water conservation program and to plan conservation-related activities for the next year. The form records the water use by category, per capita municipal use, and total water loss for the current year and compares them to historical values. As part of the development of Appendix D, the City of Murphy will complete the tracking tool by March 31 of the following year and submit them to NTMWD. The annual water conservation report should be sent to NTMWD, which will monitor NTMWD Member Cities' and Customers' water conservation trends.

7.8 **Water^[b63] Conservation Implementation Report**

Appendix H includes the TCEQ-required water conservation implementation report. The report is due to the TCEQ by May 1 of every year. This report lists the various water conservation strategies that have been implemented, including the date the strategy was implemented. The report also calls for the five-year and ten-year per capita water use goals from the previous water conservation plan. The reporting

entity must answer whether or not these goals have been met and if not, why not. The amount of water saved is also requested.

8. IMPLEMENTATION^[b64] AND ENFORCEMENT OF THE WATER CONSERVATION PLAN

Appendix G contains a draft ordinance which will be tailored to meet the City of Murphy's needs and be adopted by the City Council regarding the water conservation plan. The ordinance designates responsible officials to implement and enforce the water conservation plan. Appendix E, the considerations for landscape water management regulations, also includes information about enforcement.

9. REVIEW^[b65] AND UPDATE OF WATER CONSERVATION PLAN

TCEQ requires that the water conservation plans be updated prior to May 1, 2014. The plans are required to be updated every five years thereafter. The plan will be updated as required and as appropriate based on new or updated information.

APPENDIX G

ORDINANCE NO. 11-06-886

AN ORDINANCE ADOPTING A WATER CONSERVATION PLAN FOR THE CITY OF MURPHY TO PROMOTE RESPONSIBLE USE OF WATER WITH THE PROVISIONS OF THE WATER CONSERVATION PLAN PROVIDING A SEVERABILITY CLAUSE; PROVIDING A CUMULATIVE/REPEALER CLAUSE; PROVIDING A SAVINGS CLAUSE; AND PROVIDING FOR SAID ORDINANCE TO TAKE EFFECT FROM AND AFTER ITS DATE OF PUBLICATION.

WHEREAS, the City of Murphy, recognizes that the amount of water available to its water customers is limited; and

WHEREAS, the City recognizes that due to natural limitations, drought conditions, system failures and other acts of God which may occur, the City cannot guarantee an uninterrupted water supply for all purposes at all times; and

WHEREAS, the Water Code and the regulations of the Texas Commission on Environmental Quality (the “Commission”) require that the City adopt a Water Conservation Plan; and

WHEREAS, the City has determined an urgent need in the best interest of the public to adopt a Water Conservation Plan; and

WHEREAS, pursuant to Chapter 54 of the Local Government Code, the City is authorized to adopt such Ordinances necessary to preserve and conserve its water resources; and

WHEREAS, the City Council of the City of Murphy desires to adopt the North Texas Municipal Water District (the “NTMWD”) Model Water Conservation Plan as official City policy for the conservation of water.

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

Section 1. Findings Incorporated.

The findings contained in the preamble set forth above are determined to be true and correct and are hereby incorporated into the body of this ordinance as if fully set forth herein.

Section 2. Water Conservation Plan.

The City Council hereby approves and adopts the NTMWD Model Water Conservation Plan (the “Plan”), attached hereto as Addendum A, as if recited verbatim herein. The City commits to implement the requirements and procedures set forth in the adopted Plan.

Section 3. Notification.

The City Council does hereby find and declare that sufficient written notice of the date, hour, place and subject of the meeting adopting this Ordinance was posted at a designated place convenient to the public for the time required by law preceding the meeting, that such place of posting was readily accessible at all times to the general public, and that all of the foregoing was done as required by law at all times during which this Ordinance and the subject matter thereof has been discussed, considered and formally acted upon. The City Council further ratifies, approves and confirms such written notice and the posting thereof.

Section 4. Severability Clause.

It is hereby declared to be the intention of the City Council that the phrases, clauses, sentences, paragraphs and sections of this ordinance are severable, and if any phrase, clause, sentence, paragraph or section of this ordinance shall be declared unconstitutional by the valid judgment or decree of any court of competent jurisdiction, such unconstitutionality shall not affect any of the remaining phrases, clauses, sentences, paragraphs and sections of this ordinance, since the same would have been enacted by the City Council without the incorporation of this ordinance of any such unconstitutional phrase, clause, sentence, paragraph or section.

Section 5. Cumulative/Repealer Clause.

This ordinance shall be cumulative of all provisions of State or Federal law and other ordinances of the City of Murphy, Texas, whether codified or uncoded, except where the provisions of this ordinance are in direct conflict with the provisions of such ordinances, in which event the conflicting provisions of such ordinances are hereby repealed to the extent of such conflict.

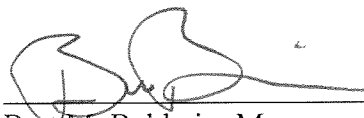
Section 6. Savings Clause.

All rights and remedies of the City of Murphy, Texas, are expressly saved as to any and all violations of the provisions of this ordinance or any other ordinance which have accrued at the time of the effective date of this ordinance; and, as to such accrued violations and all pending litigation, both civil and criminal, whether pending in court or not, under such ordinances, same shall not be affected by this ordinance but may be prosecuted until final disposition by the courts.

Section 7. Effective Date.

This ordinance shall become effective immediately upon its passage and publication as required by law.

DULY PASSED, APPROVED AND ADOPTED by the City Council of the City of Murphy, Texas, on this the 21st day of June, 2011.

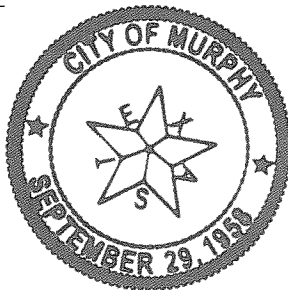


Bret M. Baldwin, Mayor
City of Murphy

ATTEST:



Aimee Nemer, City Secretary
City of Murphy



Water Conservation Plan

City of Murphy

North Texas Municipal Water District Customer

Water Conservation Plan City of Murphy NTMWD Customer

1. INTRODUCTION AND OBJECTIVES

Water supply has always been a key issue in the development of Texas. In recent years, the growing population and economic development of North Central Texas has led to increasing demands for water supplies. At the same time, local and less expensive sources of water supply are largely developed. Additional supplies to meet higher demands will be expensive and difficult to develop. It is therefore important that NTMWD and its Member Cities and Customers make the most efficient use of existing supplies. This will delay the need for new supplies, minimize the environmental impacts associated with developing new supplies, and delay the high cost of additional water supply development.

Recognizing the need for efficient use of existing water supplies, the Texas Commission on Environmental Quality (TCEQ) has developed guidelines and requirements governing the development of water conservation plans for public water suppliers¹. TCEQ guidelines and requirements are included in Appendix B. The best management practices established by the Water Conservation Implementation Task Force², established pursuant to SB1094 by the 78th Legislature, were also considered in the development of the water conservation measures. The North Texas Municipal Water District (NTMWD) has developed this model water conservation plan for its Member Cities and Customers following TCEQ guidelines and requirements. This model water conservation plan was developed in concert with the NTMWD's water conservation and drought contingency/water emergency response plan³. This model water conservation plan replaces the model plan dated August 2004 and April 2006.

This water conservation plan includes measures that are intended to result in ongoing, long-term water savings.

The objectives of this water conservation plan are as follows:

- To reduce water consumption from the levels that would prevail without conservation efforts.
- To reduce the loss and waste of water.
- To improve efficiency in the use of water.
- To document the level of recycling and reuse in the water supply.
- To extend the life of current water supplies by reducing the rate of growth in demand.

¹ Superscripted numbers match references listed in Appendix A.

This water conservation plan is a water conservation plan intended for adoption by the City of Murphy. In order to adopt this plan, the City of Murphy will need to do the following:

- Complete the water utility profile (provided in Appendix C).
- Complete the annual water conservation implementation report (in Appendix I).
- Set five-year and ten-year goals for per capita water use.
- Adopt an ordinance or approving the Plan.

The water utility profile, goals, and ordinance(s) or regulations should be provided to NTMWD in draft form for review and comments. Final adopted versions should also be provided to NTMWD, as well as TCEQ.

This Water Conservation Plan for the City of Murphy, Texas (City Plan) applies to all users of the City of Murphy water supply.

This City Plan includes all of the elements required by TCEQ.

2. TEXAS COMMISSION ON ENVIRONMENTAL QUALITY RULES

The TCEQ rules governing development of water conservation plans for public water suppliers are contained in Title 30, Part 1, Chapter 288, Subchapter A, Rule 288.2 of the Texas Administrative Code, which is included in Appendix B. For the purpose of these rules, a water conservation plan is defined as “A strategy or combination of strategies for reducing the volume of water withdrawn from a water supply source, for reducing the loss or waste of water, for maintaining or improving the efficiency in the use of water, for increasing the recycling and reuse of water, and for preventing the pollution of water.”¹ The elements in the TCEQ water conservation rules covered in this conservation plan are listed below.

Minimum Conservation Plan Requirements

The minimum requirements in the Texas Administrative Code for Water Conservation Plans for Public Water Suppliers are covered in this report as follows:

- 288.2(a)(1)(A) – Utility Profile – Section 3 and Appendix C
- 288.2(a)(1)(B) – Specification of Goals – Section 4
- 288.2(a)(1)(C) – Specific, Quantified Goals – Section 4
- 288.2(a)(1)(D) – Accurate Metering – Sections 5.1 and 5.2
- 288.2(a)(1)(E) – Universal Metering – Section 5.2
- 288.2(a)(1)(F) – Determination and Control of Unaccounted Water – Section 5.4
- 288.2(a)(1)(G) – Public Education and Information Program – Section 6
- 288.2(a)(1)(H) – Non-Promotional Water Rate Structure – Section 7
- 288.2(a)(1)(I) – Reservoir System Operation Plan – Section 8.1
- 288.2(a)(1)(J) – Means of Implementation and Enforcement – Section 9
- 288.2(a)(1)(K) – Coordination with Regional Water Planning Group – Section 8.7 and Appendix F
- 288.2(c) – Review and Update of Plan – Section 10

Conservation Additional Requirements (Population over 5,000)

The Texas Administrative Code includes additional requirements for water conservation plans for drinking water supplies serving a population over 5,000:

- 288.2(a)(2)(A) – Leak Detection, Repair, and Water Loss Accounting – Sections 5.4, 5.5, and 5.6
- 288.2(a)(2)(B) – Record Management System – Section 5.3
- 288.2(a)(2)(C) – Requirement for Water Conservation Plans by Wholesale Customers – Section 8.6

Additional Conservation Strategies

The TCEQ requires that a water conservation implementation report be completed and submitted on an annual basis. This report is included in Appendix I.

In addition to the TCEQ required water conservation strategies, the NTMWD also requires the following strategy to be included in the Member City and Customer plans:

- 288.2(a)(3)(F) – Considerations for Landscape Water Management Regulations – Section 8.4 and Appendix E

TCEQ rules also include optional, but not required, conservation strategies, which may be adopted by suppliers. The NTMWD recommends that the following strategies be included in the Member City and Customer water conservation plans:

- 288.2(a)(3)(A) – Conservation Oriented Water Rates – Section 7
- 288.2(a)(3)(B) – Ordinances, Plumbing Codes or Rules on Water-Conserving Fixtures – Section 8.3
- 288.2(a)(3)(C) – Replacement or Retrofit of Water-Conserving Plumbing Fixtures – Section 8.5
- 288.2(a)(3)(D) – Reuse and Recycling of Wastewater – Section 8.2
- 288.2(a)(3)(F) – Considerations for Landscape Water Management Regulations – Section 8.5 and Appendix E
- 288.2(a)(3)(G) – Monitoring Method – Section 5.6
- 288.2(a)(3)(H) – Additional Conservation Ordinance Provisions – Section 8.5

3. WATER UTILITY PROFILE

Appendix C to this City Plan is the City of Murphy water utility profile based on the format recommended by the TCEQ. In adopting this City Plan, the City of Murphy will provide a draft water utility profile to NTMWD for review and comment. A final water utility profile will be provided to NTMWD.

4. SPECIFICATION OF WATER CONSERVATION GOALS

TCEQ rules require the adoption of specific water conservation goals for a water conservation plan. As part of plan adoption, the City of Murphy must develop 5-year and 10-year goals for per capita municipal use. These goals should be submitted to NTMWD in draft form for review. The goals for this water conservation plan include the following:

- Maintain the per capita municipal water use below the specified amount in gallons per capita per day in a dry year, as shown in the completed Table 4.1.
- Maintain the level of unaccounted water in the system below 12 percent annually in 2008 and subsequent years, as discussed in Section 5.4. (The 12 percent goal for unaccounted water is recommended but is not required. Systems with long distances between customers may adopt a higher unaccounted water goal.)
- Implement and maintain a program of universal metering and meter replacement and repair, as discussed in Section 5.2.
- Increase efficient water usage through a water conservation ordinance, required by the NTMWD.
- Decrease waste in lawn irrigation by implementation and enforcement of landscape water management regulations, as discussed in Section 8.5. (These landscape water management regulations are recommended but are not required.)
- Raise public awareness of water conservation and encourage responsible public behavior by a public education and information program, as discussed in Section 6.
- Develop a system specific strategy to conserve water during peak demands, thereby reducing the peak use.

Table 4.1
Five-Year and Ten-Year Municipal Per Capita Water Use Goals (gpcd)

Description	Current Average (gpcd)	5-Year Goal (gpcd)	10-Year Goal (gpcd)
Current 5-Year Average Per Capita Municipal Use with Credit for Reuse	254	250	244
Expected Reduction due to Low-Flow Plumbing Fixtures	0	1	3
Projected Reduction Due to Elements in this Plan	0	3	3
Water Conservation Goals (with credit for reuse)	254	250	244

5. METERING, WATER USE RECORDS, CONTROL OF UNACCOUNTED WATER, AND LEAK DETECTION AND REPAIR

One of the key elements of water conservation is tracking water use and controlling losses through illegal diversions and leaks. It is important to carefully meter water use, detect and repair leaks in the distribution system and provide regular monitoring of unaccounted water.

5.1 Accurate Metering of Treated Water Deliveries from NTMWD

Water deliveries from NTMWD are metered by NTMWD using meters with accuracy of $\pm 2\%$. These meters are calibrated on a monthly basis by NTMWD to maintain the required accuracy.

5.2 Metering of Customer and Public Uses and Meter Testing, Repair, and Replacement

The provision of water to all customers, including public and governmental users, should be metered. The City of Murphy already meters retail water users. The City of Murphy will test and replace their customer meters on a regular basis. All customer meters should be replaced as recommended by the manufacturer. Additionally, large meters will be regularly tested on no less than a 5-year interval and either maintained or replaced when their test flow is more than a 3 percent difference from actual flow.

5.3 Record Management System

As required by TAC Title 30, Part 1, Chapter 288, Subchapter A, Rule 288.2(a)(2)(B), the City of Murphy will maintain a customer billing and record management system that allows for the separation of water sales and uses into residential, commercial, public/institutional, and industrial categories. This information will be included in an annual water conservation report, as described in Section 5.6 below. Should TCEQ, TWDB, or NTMWD require the inclusion of additional customer classes, the City will add the required classes to its billing and records management system.

5.4 Determination and Control of Unaccounted Water

Unaccounted water is the difference between water delivered to the City of Murphy from NTMWD (and other supplies, if applicable) and metered water sales to customers plus authorized but unmetered uses. (Authorized but unmetered uses would include use for fire fighting, releases for flushing of lines, uses associated with new construction, etc.) Unaccounted water can include several categories:

- Inaccuracies in customer meters. (Customer meters tend to run more slowly as they age and under-report actual use.)
- Accounts which are being used but have not yet been added to the billing system.
- Losses due to water main breaks and leaks in the water distribution system.
- Losses due to illegal connections and theft. (Included in Appendix G.)

- Other.

Measures to control unaccounted water should be part of the routine operations of the City of Murphy. Maintenance crews and personnel should look for and report evidence of leaks in the water distribution system. A leak detection and repair program is described in Section 5.5 below. Meter readers should watch for and report signs of illegal connections, so they can be quickly addressed.

Unaccounted water should be calculated in accordance with the provisions of Appendix C. With the measures described in this plan, the City of Murphy should maintain unaccounted water below 12 percent in 2009 and subsequent years. If unaccounted water exceeds this goal, the City of Murphy will implement a more intensive audit to determine the source(s) of and reduce the unaccounted water. The annual conservation report described below is the primary tool that should be used to monitor unaccounted water.

5.5 Leak Detection and Repair

As described above, city crews and personnel should look for and report evidence of leaks in the water distribution system. Areas of the water distribution system in which numerous leaks and line breaks occur should be targeted for replacement as funds are available.

5.6 Monitoring of Effectiveness and Efficiency - Annual Water Conservation Report

Appendix D is a form that should be used in the development of an annual water conservation report by the City of Murphy. This form should be completed by March 31 of the following year and used to monitor the effectiveness and efficiency of the water conservation program and to plan conservation-related activities for the next year. The form records the water use by category, per capita municipal use, and unaccounted water for the current year and compares them to historical values. The annual water conservation report should be sent to NTMWD, which will monitor NTMWD Member Cities' and Customers' water conservation trends.

5.7 Water Conservation Implementation Report

Appendix I includes the TCEQ-required water conservation implementation report. The report is due to the TCEQ by May 1 of every year, starting in the year 2010. This report lists the various water conservation strategies that have been implemented, including the date the strategy was implemented. The report also calls for the five-year and ten-year per capita water use goals from the previous water conservation plan. The reporting entity must answer whether or not these goals have been met and if not, why not. The amount of water saved is also requested.

6. CONTINUING PUBLIC EDUCATION AND INFORMATION CAMPAIGN

The continuing public education and information campaign on water conservation includes the following elements:

- Utilize the “Water IQ: Know Your Water” and other public education materials produced by the NTMWD.
- Insert water conservation information with water bills. Inserts will include material developed by Member Cities’ and Customers’ staff and material obtained from the TWDB, the TCEQ, and other sources.
- Encourage local media coverage of water conservation issues and the importance of water conservation.
- Notify local organizations, schools, and civic groups that Member City or Customer staff and staff of the NTMWD are available to make presentations on the importance of water conservation and ways to save water.
- Promote the *Texas Smartscape* web site (www.txsmartscape.com) and provide water conservation brochures and other water conservation materials available to the public at City Hall and other public places.
- Make information on water conservation available on its website (if applicable) and include links to the “Water IQ: Know Your Water” website, *Texas Smartscape* website and to information on water conservation on the TWDB and TCEQ web sites and other resources.

7. WATER RATE STRUCTURE

The City of Murphy developed an increasing block rate water structure that is intended to encourage water conservation and discourage excessive use and waste of water upon completion of the next rate study or within five years.

Murphy Residential Rates

1. Monthly minimum base rate charge.
2. Rate per 1,000 gallons up to the approximate average residential use (0-15,000 gallons).
3. 2nd tier (2 times the average of 15,000) at 1.0 to 2.0 times the 1,000 gallon rate.
4. 3rd tier (3 times the average of 15,000) at 1.0 to 2.0 times the second tier rate.
5. 4th tier (4 times the average of 15,000 upward) at 1.0 to 2.0 times the third tier rate.

Murphy Irrigation Meter Rates

1. Monthly minimum base rate charge.
2. Rate per 1,000 gallons up to the approximate average residential use (0-15,000 gallons).
3. 2nd tier (2 times the average of 15,000) at 1.0 to 2.0 times the 1,000 gallon rate.
4. 3rd tier (3 times the average of 15,000) at 1.0 to 2.0 times the second tier rate.
5. 4th tier (4 times the average of 15,000 upward) at 1.0 to 2.0 times the third tier rate.

8. OTHER WATER CONSERVATION MEASURES

8.1 NTMWD System Operation Plan

The City of Murphy purchases treated water from NTMWD and does not have surface water supplies for which to implement a system operation plan. NTMWD's permits do allow some coordinated operation of its water supply sources, and NTMWD is seeking additional water rights for coordinated operation to optimize its available water supplies.

8.2 Reuse and Recycling of Wastewater

The City of Murphy does not own and operate its own wastewater treatment plants. City of Murphy wastewater is treated by NTMWD. NTMWD currently has the largest wastewater reuse program in the state. NTMWD has water rights allowing reuse of up to 71,882 acre-feet per year of this treated wastewater through Lake Lavon for municipal purposes. In addition, NTMWD has also developed the East Fork Raw Water Supply Project which can divert up to 157,393 acre-feet per year based on treated wastewater discharges by the NTMWD. When fully developed, these two reuse projects will provide up to 44 percent of the NTMWD's currently permitted water supplies. NTMWD also provides treated effluent from its wastewater treatment plants available for direct reuse for landscape irrigation and industrial use.

8.3 Ordinances, Plumbing Codes, or Rules on Water-Conserving Fixtures

The state has required water-conserving fixtures in new construction and renovations since 1992. The state standards call for flows of no more than 2.5 gallons per minute (gpm) for faucets, 3.0 gpm for showerheads, and 1.6 gallons per flush for toilets. Similar standards are now required nationally under federal law. These state and federal standards assure that all new construction and renovations will use water-conserving fixtures. The City of Murphy will explore optional rebate programs to encourage replacement of older fixtures with water conservation programs are discussed in Section 8.5.

8.4 Landscape Water Management Measures

The following landscape water management measures are required by the NTMWD for this plan. These are the minimal measures that should be implemented and enforced in order to irrigate the landscape appropriately.

- Time of day restrictions prohibiting lawn irrigation watering from 10 AM to 6 PM beginning April 1 and ending October 31 of each year.
- Prohibition of watering of impervious surfaces. (Wind driven water drift will be taken into consideration.)
- Prohibition of outdoor watering during precipitation or freeze events.
- Lawn and landscape irrigation will be limited to twice per week.

- Rain and freeze sensors and/or ET or Smart controllers required on all new irrigation systems. Rain and freeze sensors and/or ET or Smart controllers must be maintained to function properly.
- “At home” car washing can be done only when using a water hose with a shut-off nozzle.
- Prohibition of watering areas that have been overseeded with cool season grasses (such as rye grass or other similar grasses), except for golf courses and public athletic fields.

8.5 Additional Water Conservation Measures (Not Required)

The following water conservation measures are also included in this Plan as options to be considered by the City of Murphy:

- Additional landscape water management regulations
- Landscape ordinance
- Water audits
- Rebates

Appendix E is a summary of considerations for landscape water management regulations adopted as part of the development of this water conservation plan. These regulations are intended to minimize waste in landscape irrigation. Appendix E includes the required landscape water measures in 8.4. In addition, NTMWD recommends the following measures, but they are not required:

- Encourage all existing irrigation systems be retrofitted with rain and freeze sensors and/or ET or Smart controllers capable of multiple programming. Rain and freeze sensors and/or ET or Smart controllers must be maintained to function properly.
- Prohibition of use of poorly maintained irrigation systems that waste water.
- Requirement that all new athletic fields be irrigated by a separate irrigation system from surrounding areas.
- Implementation of other measures to encourage off-peak water use.

Landscape ordinances are developed by cities to guide developers in landscaping requirements for the city. NTMWD recommends that the following measures be included in the entity’s landscape ordinance:

- Requirement that all new irrigation systems be in compliance with state design and installation regulations (TAC Title 30, Part 1, Chapter 344). Including rain and freeze sensors and/or ET or Smart controllers capable of multiple programming.
- Native, drought tolerant, or adaptive plants should be encouraged.
- Drip irrigation systems should be promoted.

- Evapotranspiration (ET) / Smart controllers that only allow sprinkler systems to irrigate when necessary should be promoted.

Water audits are useful in finding ways in which water can be used more efficiently at a specific location. NTMWD recommends that the City of Murphy offer water audits to its customers.

In addition to the conservation measures described above, the NTMWD considers the following water conservation incentive programs as options that might be included in the plan:

- Low-flow toilet replacement and rebate programs,
- Rebates for rain/freeze sensors and/or ET or Smart controllers,
- Low-flow showerhead and sink aerators replacement programs or rebates,
- ET/Smart irrigation controller rebates,
- Water efficient clothes washer rebates,
- Pressure reducing valve installation programs or rebates,
- Rain barrel rebates,
- On-demand hot water heater rebates, or
- Other water conservation incentive programs.

8.6 Requirement for Water Conservation Plans by Wholesale Customers

Every contract for the wholesale sale of water by Member Cities and/or Customers that is entered into, renewed, or extended after the adoption of this water conservation plan will include a requirement that the wholesale customer and any wholesale customers of that wholesale customer develop and implement a water conservation plan meeting the requirements of Title 30, Part 1, Chapter 288, Subchapter A, Rule 288.2 of the Texas Administrative Code. The requirement will also extend to each successive wholesale customer in the resale of the water.

8.7 Coordination with Regional Water Planning Group and NTMWD

Appendix F includes a letter sent to the Chair of the Region C water planning group with this model water conservation plan. The City of Murphy will send a copy of its draft ordinance implementing the plan and their water utility profile to NTMWD for review and comment. The adopted ordinance and the adopted water utility profile will be sent to the Chair of the Region C Water Planning Group and to NTMWD.

9. IMPLEMENTATION AND ENFORCEMENT OF THE WATER CONSERVATION PLAN

Appendix G contains a copy of an ordinance, order, or resolution which may be tailored to meet Member or Customer City needs and be adopted by the City Council or governing board regarding the model water conservation plan. The ordinance, order, or resolution designates responsible officials to implement and enforce the water conservation plan. Appendix E, the considerations for landscape water management regulations, also includes information about enforcement. Appendix H includes a copy of an ordinance, order, or resolution that may be adopted related to illegal connections and water theft.

The City of Murphy is responsible for developing regulations, ordinances, policies, or procedures for enforcement of water conservation guidelines. The City of Murphy will adopt an ordinance(s) implementing the City Plan, which incorporates the NTMWD Model Plan, including the determination of fines and enforcement procedures.

10. REVIEW AND UPDATE OF WATER CONSERVATION PLAN

The City Plan is required to be updated every five years thereafter. The plan will be updated as required and as appropriate based on new or updated information, and as required by the TCEQ.

ORDINANCE NO. 11-10-897

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MURPHY, TEXAS, AMENDING 11-08-890 TO INCLUDE NOVEMBER 1 TO MARCH 31 STAGE 3 WATERING SCHEDULE; REPEALING ORDINANCE NO. 06-07-699 IN ITS ENTIRETY; REPEALING ORDINANCE NO. 06-08-703 IN ITS ENTIRETY; REPEALING ORDINANCE NO. 11-03-875 IN ITS ENTIRETY; REPEALING CHAPTER 82, ARTICLE IX., SECTIONS 82-371 THROUGH 82-377 OF THE CITY OF MURPHY CODE OF ORDINANCES IN ITS ENTIRETY; AMENDING THE CITY OF MURPHY CODE OF ORDINANCES BY AMENDING CHAPTER 82, ARTICLE IX, TO ESTABLISH A NEW DROUGHT CONTINGENCY AND WATER EMERGENCY RESPONSE PLAN; ESTABLISHING MANDATORY WATERING SCHEDULE FOR STAGE 2, INCLUDING PROHIBITED WATERING HOURS; ESTABLISHING MANDATORY WATERING SCHEDULE FOR STAGE 3, INCLUDING PROHIBITED WATERING HOURS; ESTABLISHING A WATER RATE SURCHARGE FOR STAGE 4; ESTABLISHING PROCEDURES FOR GRANTING VARIANCES; ESTABLISHING PENALTIES FOR VIOLATING THE RESTRICTIONS AND PROVISIONS FOR ENFORCEMENT OF THESE RESTRICTIONS; PROVIDING FOR MANDATORY PROVISIONS IN WHOLESALE WATER CONTRACTS; PROVIDING FOR FILING OF THE PLAN WITH THE TCEQ; PROVIDING A SEVERABILITY CLAUSE; PROVIDING A CUMULATIVE/REPEALER CLAUSE; PROVIDING A SAVINGS CLAUSE; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City of Murphy, Texas (the “City”), recognizes that the amount of water available to its water customers is limited; and

WHEREAS, the City recognizes that due to natural limitations, drought conditions, system failures and other acts of God which may occur, the City cannot guarantee an uninterrupted water supply for all purposes at all times; and

WHEREAS, the Water Code and the regulations of the Texas Commission on Environmental Quality (the “Commission”) require that the City adopt a Drought Contingency and Water Emergency Response Plan; and

WHEREAS, the City has determined an urgent need in the best interest of the public to adopt a Drought Contingency and Water Emergency Response Plan; and

WHEREAS, pursuant to Chapter 54 of the Local Government Code, the City is authorized to adopt such Ordinances necessary to preserve and conserve its water resources; and

WHEREAS, the City Council of the City of Murphy desires to adopt the North Texas Municipal Water District (the “NTMWD”) Model Drought Contingency and Water Emergency Response Plan as official City policy for the conservation of water.

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

SECTION 1. FINDINGS INCORPORATED.

The findings set forth above are incorporated into the body of this ordinance as if fully set forth herein.

SECTION 2. AMENDMENT OF CHAPTER 82, ARTICLE IX., CODE OF ORDINANCES.

That Chapter 82, Article IX., Sections 82-371 through 82-377 of the Code of Ordinances of the City of Murphy, Texas are hereby repealed and Chapter 82, Article IX., is hereby amended to adopt a new Drought Contingency and Water Emergency Response Plan to read as follows:

“Sec. 82-371. Adoption of Plan.

The City Council hereby approves and adopts the NTMWD Model Drought Contingency and Water Emergency Response Plan, as modified for the City of Murphy (the “Plan”), attached hereto as Addendum A, as if recited verbatim herein. The City commits to implement the requirements and procedures set forth in the adopted Plan.

Sec. 82-372. Mandatory Watering Schedule for Stage 2; Prohibited Hours.

In the event the City Manager declares Stage 2, customers shall comply with the following schedule for irrigation of existing landscape areas with hose-end sprinklers or irrigation systems:

- A. Schedule:
 - a) Residential Street addresses ending in odd numbers (1,3,5,7,9) may water on Mondays and Thursdays only.
 - b) Residential Street addresses ending in even numbers (0,2,4,6,8) may water on Wednesdays and Saturdays only.
 - c) Public Schools, All Non-Residential Businesses, City and HOA entries/medians may water on Fridays and Tuesdays only.
- B. Prohibited Watering Hours. All watering is prohibited during the hours of 10:00 a.m. – 6:00 p.m.

Sec. 82-373. Mandatory Watering Schedule for Stage 3; Prohibited Hours.

In the event the City Manager declares Stage 3, all of the requirements of Stages 1 and 2 remain in effect during Stage 3, except customers shall comply with the following

schedule for irrigation of existing landscape areas with hose-end sprinklers or irrigation systems:

- A. Schedule between April 1 and October 31:
 - a) Residential Street addresses ending in odd numbers (1,3,5,7,9) may water on Mondays only.
 - b) Residential Street addresses ending in even numbers (0,2,4,6,8) may water on Wednesdays only.
 - c) Public Schools, All Non-Residential Businesses, City and HOA entries/medians may water on Fridays only.
- B. Schedule between November 1 and March 31:
 - a) Limit landscape watering with sprinklers or irrigation systems between November 1 and March 31 to once every two weeks. All water customers using sprinklers or irrigation systems may only operate those systems on Thursdays, if needed. Specific dates will be published on the city website of designated watering days for designated service zones and water customers.
- C. Prohibited Watering Hours. All watering is prohibited during the hours of 10:00 a.m. – 6:00 p.m.

Sec. 82-374. Water Rate Surcharge.

In the event the City Manager declares Stage 4, all of the requirements of Stages 2 and 3 remain in effect during Stage 4 with the same mandatory irrigation schedule listed in Stage 3 and, in addition, a customer will be charged a water rate surcharge for water usage as follows:

<u>Gallons</u>	<u>Rate</u>
0 – 15,000	1.25 times the regular rate
15,001-30,000	2 times the regular rate
30,001 – 45,000	2.5 times the regular rate
45,001 +	3 times the regular rate

The regular rate shall be established pursuant to the City's fee ordinance on an annual basis.

Sec. 82-375. Variances to the Plan.

- (a) Customers may water new planting of grass within the first thirty (30) days up to four (4) hours a day by any means. Watering is prohibited from 10:00 a.m. to 6:00 p.m.
 - (1) Prior to the first day of the thirty (30) day watering period, residents or businesses must provide the following information to the City:
 - i. Address;
 - ii. Company name;
 - iii. Superintendent name;
 - iv. Superintendent contact number;

- v. First day of thirty (30) day watering period;
- vi. Expiration date of thirty (30) day watering period; and
- vii. Starting and ending time of watering period.

(2) Customers are required to have a weather proof sign, capable of lasting the full thirty (30) day watering period, posted in the front yard. The sign shall be separate and not attached to any other signs. In addition, a window sign shall be posted on the inside of a window, on the front of the building. The sign shall be legible from the street on neon colored paper with black print. Window signs shall include the following information:

- i. Company name;
- ii. Address;
- iii. Approved thirty (30) day watering period;
- iv. Approved day of the week, as specified in Stage 3 Restrictions;
- v. Starting date and ending date of thirty (30) day water period; and
- vi. Starting and ending time of watering period.

(b) The City Manager or his/her designee may, in writing, grant a temporary variance of existing water uses otherwise prohibited under the Plan if the City Manager or his/her designee determines that the failure to grant such a variance would cause an emergency condition adversely affecting the public health, safety or welfare, or the person requesting the variance would suffer an undue hardship and the person demonstrates that:

- (1) Compliance with the Plan cannot be technically accomplished during the duration of the water supply shortage or other condition for which the Plan is in effect; or
- (2) Alternative methods can be implemented which will achieve a similar level of compliance.

(c) Plan or a particular drought response stage has been initiated. A petition for a variance must include the following:

- (1) The name and address of petitioners;
- (2) The purpose of the intended water use;
- (3) The specific requirement of the Plan from which the petitioner is requesting relief;
- (4) A detailed statement as to how the specific requirement creates a hardship unique to the petitioner or adversely affects the petitioner, and a statement as to what damage or harm will occur to the petitioner or others if the petitioner complies with this article;
- (5) A description of the relief requested;
- (6) The period of time for which the variance is sought; and
- (7) A description of what alternative water use restrictions or other measures the petitioner is taking or proposes to take in order to meet the intent of this Plan.

- (d) Unless waived or modified in writing by the City Manager or his/her designee, a variance granted under this section shall include a timetable for compliance and shall contain a condition terminating the variance if the petitioner fails to meet a specified requirement of the variance.
- (e) A variance expires when a particular Drought Response Stage is no longer in effect. No variance will be retroactive or otherwise justify any violation of this Plan that occurs prior to the issuance of the variance.

Sec. 82-376. Penalty; Enforcement of Restrictions.

- (a) Any customer, defined pursuant to 30 Tex. Admin. Code Chapter 291, failing to comply with the provisions of the Plan and/or this ordinance shall be subject to a fine of up to two thousand dollars (\$2,000.00) and/or discontinuance of water service by the City. Proof of a culpable mental state is not required for a conviction of an offense under this section. Each day a customer fails to comply with the Plan is a separate violation. The City's authority to seek injunctive or other civil relief available under the law is not limited by this section.
- (b) Each day that one or more of the provisions in the Plan and/or this ordinance are violated shall constitute a separate offense. If a customer is convicted of three (3) or more distinct violations of the Plan and/or this ordinance, the City Manager or his/her designee shall, upon due notice to the customer, be authorized to discontinue water service to the premises where such violations occur. Services discontinued under such circumstances shall be restored only upon payment of a re-connection charge, hereby established at \$50, and any other costs incurred by the City in discontinuing service. In addition, suitable assurance must be given to the City Manager or his/her designee that the same action shall not be repeated while the Plan and/or this ordinance is in effect. Compliance with this Plan and/or this ordinance may also be sought through injunctive relief in the district court.
- (c) Any person, including a person classified as a customer of the City, in apparent control of the property where a violation occurs or originates shall be presumed to be the violator, and proof that the violation occurred on the person's property shall constitute a rebuttable presumption that the person in apparent control of the property committed the violation, but any such person shall have the right to show that he/she did not commit the violation. Parents shall be presumed to be responsible for violations of their minor children and proof that a violation, committed by a child, occurred on property within the parents' control shall constitute a rebuttable presumption that the parent committed the violation, but any such parent may be excused if he/she proves that he/she had previously directed the child not to use the water as it was used in violation of the Plan and that the parent could not have reasonably known of the violation.
- (d) Any employee of the city, police officer, or other employee designated by the City Manager, may issue a citation to a person he/she reasonably believes to be in violation of the Plan and/or this ordinance. The citation shall be prepared in duplicate and shall contain the name and address of the alleged violator, if known, the offense charged, and shall direct him/her to appear in the municipal court on the date shown on the citation for

which the date shall not be less than three (3) days nor more than five (5) days from the date the citation was issued. The alleged violator shall be served a copy of the citation. Service of the citation shall be complete upon delivery of the citation to the alleged violator, to an agent or employee of a violator, or to a person over eighteen (18) years of age who is a member of the violator's immediate family or is a resident of the violator's residence. The alleged violator shall appear in municipal court to enter a plea of guilty or not guilty for the violation of the Plan. If the alleged violator fails to appear in municipal court, a warrant for his/her arrest may be issued. A summons to appear may be issued in lieu of an arrest warrant. These cases shall be expedited and given preferential setting in municipal court before all other cases.

Sec. 82-377. Mandatory Provisions in Wholesale Water Contracts.

All wholesale water contracts entered into or renewed after adoption of the Plan and/or this ordinance, including contract extensions, shall include a provision that requires all wholesale water customers of the City to comply with the provisions of the Plan and/or this ordinance."

SECTION 3. Filing of Plan.

The City Manager or his designee is hereby directed to file a copy of the Plan and this Ordinance with the Commission in accordance with Title 30, Chapter 288 of the Texas Administrative Code.

SECTION 4. Severability Clause.

If any word, section, article, phrase, paragraph, sentence, clause or portion of this Ordinance is held to be invalid or unconstitutional by a court of competent jurisdiction, such holding shall not affect, for any reason, the validity of the remaining portions of this ordinance and the remaining portions shall remain in full force and effect.

SECTION 5. Cumulative/Repealer Clause.

This ordinance shall be cumulative of all provisions of State or Federal law and other ordinances of the City of Murphy, Texas, including the Plan attached hereto as Addendum A, whether codified or uncoded, except where the provisions of this ordinance are in direct conflict with the provisions of such ordinances, in which event the conflicting provisions of such ordinances are hereby repealed to the extent of such conflict. Notwithstanding the foregoing, this ordinance repeals, in their entirety, Ordinance Nos. 06-07-699, 06-08-703 and 11-03-875.

SECTION 6. Savings Clause.

All rights and remedies of the City of Murphy, Texas, are expressly saved as to any and all violations of the provisions of this ordinance or any other ordinance which have accrued at the time of the effective date of this ordinance; and, as to such accrued violations and all pending litigation, both civil and criminal, whether pending in court or

not, under such ordinances, same shall not be affected by this ordinance but may be prosecuted until final disposition by the courts.

SECTION 7. Effective Date.

This ordinance shall become effective immediately upon its passage and publication as required by law.

DULY PASSED, APPROVED AND ADOPTED by the City Council of the City of Murphy, Texas, on this the 18th day of October, 2011.

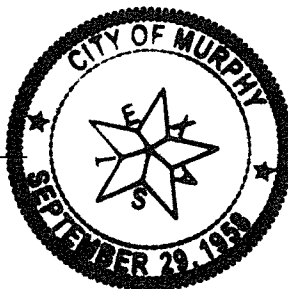


Bret M. Baldwin, Mayor
City of Murphy

ATTEST:



Aimee Nemer, City Secretary
City of Murphy



APPROVED AS TO FORM:

Wm. Andrew Messer, City Attorney

ADDENDUM A

**City of Murphy
Drought Contingency and
Water Emergency Response Plan
AS A North Texas Municipal Water District Customer**

**City of Murphy
Drought Contingency and
Water Emergency Response Plan
AS A North Texas Municipal Water District Customer**

1. INTRODUCTION AND OBJECTIVES

This plan addresses all of the current TCEQ requirements for a drought contingency plan. .

The measures included in this drought contingency and water emergency response plan are intended to provide short-term water savings during drought or emergency conditions. Water savings associated with ongoing, long-term strategies are discussed in the *Model Water Conservation Plan for North Texas Municipal Water District Member Cities and Customers*.²

The purpose of this drought contingency and water emergency response plan is as follows:

- To conserve the available water supply in times of drought and emergency
- To maintain supplies for domestic water use, sanitation, and fire protection
- To protect and preserve public health, welfare, and safety
- To minimize the adverse impacts of water supply shortages
- To minimize the adverse impacts of emergency water supply conditions.

The NTMWD supplies treated water to its Customers. This plan was developed by NTMWD in consultation with its Member Cities. In order to adopt this plan, each NTMWD Customer will need to adopt ordinance(s) or regulation(s) implementing the plan, including the determination of fines and enforcement procedures. The plan calls for Customers to adopt drought stages initiated by NTMWD during a drought or water supply emergency. NTMWD Customers may also adopt more stringent drought or water emergency response stages than NTMWD if conditions warrant.

A drought is defined as an extended period of time when an area receives insufficient amounts of rainfall to replenish the water supply, causing water supply sources, in this case reservoirs, to be depleted. In the absence of drought response measures, water demands tend to increase during a drought due to the need for additional outdoor irrigation. The severity of a drought depends on the degree of depletion of supplies and on the relationship of demand to available supplies. The NTMWD considers a drought to end when all of its supply reservoirs refill to the conservation storage pool.

2. TEXAS COMMISSION ON ENVIRONMENTAL QUALITY RULES

The TCEQ rules governing development of drought contingency plans for public water suppliers are contained in Title 30, Part 1, Chapter 288, Subchapter B, Rule 288.20 of the

Texas Administrative Code, a current copy of which is included in Appendix B. For the purpose of these rules, a drought contingency plan is defined as “a strategy or combination of strategies for temporary supply and demand management responses to temporary and potentially recurring water supply shortages and other water supply emergencies.”¹

Minimum Requirements

TCEQ’s minimum requirements for drought contingency plans are addressed in the following subsections of this report:

- 288.20(a)(1)(A) – Provisions to Inform the Public and Provide Opportunity for Public Input – Section 3.1
- 288.20(a)(1)(B) – Provisions for Continuing Public Education and Information – Section 3.2
- 288.20(a)(1)(C) – Coordination with the Regional Water Planning Group – Section 3.7
- 288.20(a)(1)(D) – Criteria for Initiation and Termination of Drought Stages – Section 3.3
- 288.20(a)(1)(E) – Drought and Emergency Response Stages – Section 3.4
- 288.20(a)(1)(F) – Specific, Quantified Targets for Water Use Reductions – Section 3.4
- 288.20(a)(1)(G) – Water Supply and Demand Management Measures for Each Stage – Section 3.4
- 288.20(a)(1)(H) – Procedures for Initiation and Termination of Drought Stages – Section 3.3
- 288.20(a)(1)(I) - Procedures for Granting Variances – Section 3.5
- 288.20(a)(1)(J) - Procedures for Enforcement of Mandatory Restrictions – Section 3.6
- 288.20(a)(3) – Consultation with Wholesale Supplier – Sections 1, 3.3, and 3.4
- 288.20(b) – Notification of Implementation of Mandatory Measures – Section 3.3
- 288.20(c)– Review and Update of Plan – Section 3.8

3. DROUGHT CONTINGENCY AND WATER EMERGENCY RESPONSE PLAN

3.1 Provisions to Inform the Public and Opportunity for Public Input

City of Murphy will provide opportunity for public input in the development of this drought contingency and water emergency response plan by the following means:

- Providing written notice of the proposed plan and the opportunity to comment on the plan by newspaper, posted notice, and notice on the City’s web site.
- Making the draft plan available on the City’s web site.
- Providing the draft plan to anyone requesting a copy.
- Holding a public meeting.

3.2 Provisions for Continuing Public Education and Information

City of Murphy will inform and educate the public about the drought contingency and water emergency response plan by the following means:

- Preparing a bulletin describing the plan and making it available at city hall and other appropriate locations.
- Making the plan available to the public through the City's web site.
- Including information about the drought contingency and water emergency response plan on the City's web site.
- Notifying local organizations, schools, and civic groups that staff are available to make presentations on the drought contingency and water emergency response plan (usually in conjunction with presentations on water conservation programs).

At any time that the drought contingency and water emergency response plan is activated or the drought stage or water emergency response stage changes, City of Murphy will notify local media of the issues, the drought response stage or water emergency response stage (if applicable), and the specific actions required of the public. The information will also be publicized on the City's web site. Billing inserts will also be used as appropriate.

3.3 Initiation and Termination of Drought or Water Emergency Response Stages

Initiation of a Drought or Water Emergency Response Stage

The City Manager, or official designee may order the implementation of a drought or water emergency response stage when one or more of the trigger conditions for that stage is met. The following actions will be taken when a drought or water emergency response stage is initiated:

- The public will be notified through local media and the City's web site as described in Section 3.2.
- The NTMWD will be notified by e-mail with a follow-up letter or fax that provides details of the reasons for initiation of the drought/water emergency response stage.
- If any mandatory provisions of the drought contingency and water emergency response plan are activated, City of Murphy will notify the Executive Director of the TCEQ and the Executive Director of the NTMWD within 5 business days.

Drought contingency and water emergency response stages imposed by NTMWD action must be initiated by Member Cities and Customers. For other trigger conditions internal to City of Murphy, the City Manager, or official designee may decide not to order the implementation of a drought response stage or water emergency even though one or more of the trigger criteria for the stage are met. Factors which could influence such a decision include, but are not limited to, the time of the year, weather conditions, the anticipation of replenished water supplies, or the anticipation that additional facilities will become available to meet needs. The reason for this decision should be documented.

Termination of a Drought or Water Emergency Response Stage

The City Manager or official designee may order the termination of a drought or water emergency response stage when the conditions for termination are met or at their discretion. The following actions will be taken when a drought or emergency response stage is terminated:

- The public will be notified through local media and the City's web site as described in Section 3.2.

- The NTMWD will be notified by e-mail with a follow-up letter or fax. If any mandatory provisions of the drought contingency and water emergency response plan that have been activated are terminated, City of Murphy will notify the Executive Director of the TCEQ and the Executive Director of the NTMWD within 5 business days. The City Manager or official designee may decide not to order the termination of a drought or water emergency response stage even though the conditions for termination of the stage are met. Factors which could influence such a decision include, but are not limited to, the time of the year, weather conditions, or the anticipation of potential changed conditions that warrant the continuation of the drought stage. The reason for this decision should be documented.

3.4 DROUGHT CONTINGENCY AND WATER EMERGENCY RESPONSE STAGES AND MEASURES

STAGE 1

Initiation and Termination Conditions for Stage 1

- The NTMWD has initiated Stage 1, which may be initiated due to one or more of the following:
 - The NTMWD Executive Director, with the concurrence of the NTMWD Board of Directors, finds that conditions warrant the declaration of Stage 1.
 - Water demand is projected to approach the limit of the permitted supply.
 - The storage in Lavon Lake is less than 65 percent of the total conservation pool capacity.
 - NTMWD's storage in Jim Chapman Lake is less than 65 percent of NTMWD's total conservation pool capacity.
 - The Sabine River Authority has indicated that its Upper Basin water supplies used by NTMWD (Lake Tawakoni and/or Lake Fork) are in a Mild drought.
 - NTMWD has concern that Lake Texoma, the East Fork Raw Water Supply Project, or some other NTMWD source may be limited in availability in the next 6 months.
 - NTMWD water demand exceeds 90 percent of the amount that can be delivered to customers for three consecutive days.
 - Water demand for all or part of NTMWD's delivery system approaches delivery capacity because delivery capacity is inadequate.
 - NTMWD's supply source becomes contaminated.
 - NTMWD's water supply system is unable to deliver water due to the failure or damage of major water system components.
- City's water demand exceeds 90 percent of the amount that can be delivered to customers for three consecutive days.
- City's water demand for all or part of the delivery system approaches delivery capacity because delivery capacity is inadequate.
- Supply source becomes contaminated.
- City's water supply system is unable to deliver water due to the failure or damage of major water system components.
- City's individual plan may be implemented if other criteria dictate.

Stage 1 may terminate when NTMWD terminates its Stage 1 condition or when the circumstances that caused the initiation of Stage 1 no longer prevail.

Goal for Use Reduction and Actions Available under Stage 1

Stage 1 is intended to raise public awareness of potential drought or water emergency problems. The goal for water use reduction under Stage 1 is a two percent reduction in the amount of water produced by NTMWD. The City Manager or official designee may order the implementation of any of the actions listed below, as deemed necessary:

- Request voluntary reductions in water use by the public.
- Increase public education efforts on ways to reduce water use.
- Review the problems that caused the initiation of Stage 1.
- Intensify efforts on leak detection and repair.
- Reduce non-essential city government water use. (Examples include street cleaning, vehicle washing, operation of ornamental fountains, etc.)
- Notify major water users and work with them to achieve voluntary water use reductions.
- Reduce city government water use for landscape irrigation.
- Ask the public to follow voluntary landscape watering schedules.

STAGE 2

Initiation and Termination Conditions for Stage 2

- The NTMWD has initiated Stage 2, which may be initiated due to one or more of the following:
 - The NTMWD Executive Director, with the concurrence of the NTMWD Board of Directors, finds that conditions warrant the declaration of Stage 2.
 - Water demand is projected to approach the limit of the permitted supply.
 - The storage in Lavon Lake is less than 55 percent of the total conservation pool capacity.
 - NTMWD's storage in Jim Chapman Lake is less than 55 percent of NTMWD's total conservation pool capacity.
 - The Sabine River Authority has indicated that its Upper Basin water supplies used by NTMWD (Lake Tawakoni and/or Lake Fork) are in a Mild drought.
 - NTMWD has concern that Lake Texoma, the East Fork Raw Water Supply Project, or some other NTMWD source may be limited in availability in the next 3 months.
 - NTMWD water demand exceeds 95 percent of the amount that can be delivered to customers for three consecutive days.
 - NTMWD water demand for all or part of the delivery system equals delivery capacity because delivery capacity is inadequate.
 - NTMWD's supply source becomes contaminated.
 - NTMWD's water supply system is unable to deliver water due to the failure or damage of major water system components.
- City's water demand exceeds 95 percent of the amount that can be delivered to customers for three consecutive days.

- City's water demand for all or part of the delivery system equals delivery capacity because delivery capacity is inadequate.
- Supply source becomes contaminated.
- City's water supply system is unable to deliver water due to the failure or damage of major water system components.
- City's individual plan may be implemented if other criteria dictate.

Stage 2 may terminate when NTMWD terminates its Stage 2 condition or when the circumstances that caused the initiation of Stage 2 no longer prevail.

Goal for Use Reduction and Actions Available under Stage 2

The goal for water use reduction under Stage 2 is a five percent reduction in the amount of water produced by NTMWD. If circumstances warrant or if required by NTMWD, the City Manager, or official designee can set a goal for greater water use reduction. The City Manager, or official designee may order the implementation of any of the actions listed below, as deemed necessary. Measures described as "requires notification to TCEQ" impose mandatory requirements on customers. The City must notify TCEQ and NTMWD within five business days if these measures are implemented:

- Continue or initiate any actions available under Stage 1.
- Initiate engineering studies to evaluate alternatives should conditions worsen.
- Further accelerate public education efforts on ways to reduce water use.
- Halt non-essential city government water use. (Examples include street cleaning, vehicle washing, operation of ornamental fountains, etc.)
- Encourage the public to wait until the current drought or emergency situation has passed before establishing new landscaping.
- **Requires Notification to TCEQ** – Limit landscape watering with sprinklers or irrigation systems to no more than two days per week. An exception is allowed for landscape associated with new construction that may be watered as necessary for 30 days from the date of the certificate of occupancy. An exemption is also allowed for registered and properly functioning ET/Smart irrigation systems and drip irrigation systems, which do not have restrictions to the number of days per week of operation.
- **Requires Notification to TCEQ** – Restrict landscape and lawn irrigation from 10 AM to 6 PM beginning April 1 through October 31 of each year.
- **Requires Notification to TCEQ** – Prohibit planting of cool season grasses (such as rye grass or other similar grasses) that intensify cool season water requirements.

STAGE 3

Initiation and Termination Conditions for Stage 3

- The NTMWD has initiated Stage 3, which may be initiated due to one or more of the following:
 - The NTMWD Executive Director, with the concurrence of the NTMWD Board of Directors, finds that conditions warrant the declaration of Stage 3.
 - Water demand is projected to approach or exceed the limit of the permitted supply.
 - The storage in Lavon Lake is less than 45 percent of the total conservation pool capacity.

- NTMWD's storage in Jim Chapman Lake is less than 45 percent of NTMWD's total conservation pool capacity.
- The Sabine River Authority has indicated that its Upper Basin water supplies used by NTMWD (Lake Tawakoni and/or Lake Fork) are in a Moderate drought. (Measures required by SRA under a Moderate drought designation are similar to those under NTMWD's Stage 3.)
- The supply from Lake Texoma, the East Fork Raw Water Supply Project, or some other NTMWD source has become limited in availability.
- NTMWD water demand exceeds 98 percent of the amount that can be delivered to customers for three consecutive days.
- NTMWD water demand for all or part of the delivery system exceeds delivery capacity because delivery capacity is inadequate.
- NTMWD's supply source becomes contaminated.
- NTMWD's water supply system is unable to deliver water due to the failure or damage of major water system components.
- City's water demand exceeds 98 percent of the amount that can be delivered to customers for three consecutive days.
- City's water demand for all or part of the delivery system exceeds delivery capacity because delivery capacity is inadequate.
- Supply source becomes contaminated.
- City's water supply system is unable to deliver water due to the failure or damage of major water system components.
- City's individual plan may be implemented if other criteria dictate.

Stage 3 may terminate when NTMWD terminates its Stage 3 condition or when the circumstances that caused the initiation of Stage 3 no longer prevail.

Goals for Use Reduction and Actions Available under Stage 3

The goal for water use reduction under Stage 3 is a reduction of ten percent in the amount of water obtained from NTMWD. If circumstances warrant or if required by NTMWD, the City Manager, or official designee can set a goal for a greater water use reduction.

The City Manager or official designee must implement any action(s) required by NTMWD. In addition, the City Manager, or official designee may order the implementation of any of the actions listed below, as deemed necessary. Measures described as "requires notification to TCEQ" impose mandatory requirements on customers. The City must notify TCEQ and NTMWD within five business days if these measures are implemented:

- Continue or initiate any actions available under Stages 1 and 2.
- Implement viable alternative water supply strategies.
- **Requires Notification to TCEQ** – Initiate mandatory water use restrictions as follows:
 - Prohibit hosing of paved areas, buildings, or windows. (Pressure washing of impervious surfaces is allowed.)
 - Prohibit operation of all ornamental fountains or other amenity impoundments to the extent they use treated water.
 - Prohibit washing or rinsing of vehicles by hose except with a hose end cutoff nozzle.
 - Prohibit using water in such a manner as to allow runoff or other waste.

- **Requires Notification to TCEQ** – Limit landscape watering with sprinklers or irrigation systems at each service address to once every seven days. Exceptions are as follows:
 - Foundations, new landscaping, new plantings (first year) of shrubs, and trees may be watered for up to 2 hours on any day by a hand-held hose, a soaker hose, or a dedicated zone using a drip irrigation system.
 - Golf courses may water greens and tee boxes without restrictions.
 - Public athletic fields used for competition may be watered twice per week.
 - Locations using other sources of water supply for irrigation may irrigate without restrictions.
 - Registered and properly functioning ET/Smart irrigation systems and drip irrigation systems may irrigate without restrictions.
- **Requires Notification to TCEQ** – Limit landscape watering with sprinklers or irrigation systems between November 1 and March 31 to once every two weeks. An exception is allowed for landscape associated with new construction that may be watered as necessary for 30 days from the date of the certificate of occupancy, temporary certificate of occupancy, or certificate of completion.
- **Requires Notification to TCEQ** – Prohibit hydroseeding, hydromulching, and sprigging.
- **Requires Notification to TCEQ** – Existing swimming pools may not be drained and refilled (except to replace normal water loss).
- **Requires Notification to TCEQ** - Initiate a rate surcharge as requested by NTMWD.
- **Requires Notification to TCEQ** - Initiate a rate surcharge for all water use over a certain level.
- **Requires Notification to TCEQ** – Prohibit watering of golf courses using treated water, except as needed to keep greens and tee boxes alive.

STAGE 4

Initiation and Termination Conditions for Stage 4

- The NTMWD has initiated Stage 4, which may be initiated due to one or more of the following:
 - The NTMWD Executive Director, with the concurrence of the NTMWD Board of Directors, finds that conditions warrant the declaration of Stage 4.
 - Water demand is projected to approach or exceed the limit of the permitted supply.
 - The storage in Lavon Lake is less than 35 percent of the total conservation pool capacity.
 - NTMWD's storage in Jim Chapman Lake is less than 35 percent of NTMWD's total conservation pool capacity.
 - The Sabine River Authority has indicated that its Upper Basin water supplies used by NTMWD (Lake Tawakoni and/or Lake Fork) are in a severe drought or emergency.
 - The supply from Lake Texoma, the East Fork Raw Water Supply Project, or some other NTMWD source has become severely limited in availability.

- NTMWD water demand exceeds the amount that can be delivered to customers.
- NTMWD water demand for all or part of the delivery system seriously exceeds delivery capacity because the delivery capacity is inadequate.
- NTMWD's supply source becomes contaminated.
- NTMWD's water supply system is unable to deliver water due to the failure or damage of major water system components.
- City's water demand exceeds the amount that can be delivered to customers.
- City's water demand for all or part of the delivery system seriously exceeds delivery capacity because the delivery capacity is inadequate.
- Supply source becomes contaminated.
- City's water supply system is unable to deliver water due to the failure or damage of major water system components.
- City's individual plan may be implemented if other criteria dictate.

Stage 4 may terminate when NTMWD terminates its Stage 4 condition or when the circumstances that caused the initiation of Stage 4 no longer prevail.

Goals for Use Reduction and Actions Available under Stage 4

The goal for water use reduction under Stage 4 is a reduction of whatever amount is necessary in the amount of water obtained from NTMWD. If circumstances warrant or if required by NTMWD, the City Manager, or official designee can set a goal for a greater water use reduction.

The City Manager or official designee must implement any action(s) required by NTMWD. In addition, the City Manager, or official designee may order the implementation of any of the actions listed below, as deemed necessary. Measures described as "requires notification to TCEQ" impose mandatory requirements on member cities and customers. The City must notify TCEQ and NTMWD within five business days if these measures are implemented.

- Continue or initiate any actions available under Stages 1, 2, and 3.
- Implement viable alternative water supply strategies.
- **Requires Notification to TCEQ** – Prohibit the irrigation of new landscaping using treated water.
- **Requires Notification to TCEQ** – Prohibit washing of vehicles except as necessary for health, sanitation, or safety reasons.
- **Requires Notification to TCEQ** – Prohibit commercial and residential landscape watering, except that foundations and trees may be watered for 2 hours on any day with a hand-held hose, a soaker hose, or a dedicated zone using a drip irrigation system. ET/Smart controllers and drip irrigation systems are not exempt from this requirement..
- **Requires Notification to TCEQ** – Prohibit golf course watering with treated water except for greens and tee boxes.
- **Requires Notification to TCEQ** – Prohibit the permitting of private pools. Pools already permitted may be completed and filled with water. Existing private and public pools may add water to maintain pool levels but may not be drained and refilled.
- **Requires Notification to TCEQ** – Require all commercial water users to reduce water use by a percentage established by the City Manager, or official designee.

- **Requires Notification to TCEQ** - Initiate a rate surcharge for all water use over normal rates for all water use.

3.5 Procedures for Granting Variances to the Plan

The City Manager or official designee may grant temporary variances for existing water uses otherwise prohibited under this drought contingency and water emergency response plan if one or more of the following conditions are met:

- Failure to grant such a variance would cause an emergency condition adversely affecting health, sanitation, or fire safety for the public or the person or entity requesting the variance.
- Compliance with this plan cannot be accomplished due to technical or other limitations.
- Alternative methods that achieve the same level of reduction in water use can be implemented.

Variances shall be granted or denied at the discretion of the City Manager or official designee. All petitions for variances should be in writing and should include the following information:

- Name and address of the petitioners
- Purpose of water use
- Specific provisions from which relief is requested
- Detailed statement of the adverse effect of the provision from which relief is requested
- Description of the relief requested
- Period of time for which the variance is sought
- Alternative measures that will be taken to reduce water use
- Other pertinent information.

3.6 Procedures for Enforcing Mandatory Water Use Restrictions

Mandatory water use restrictions may be imposed in Stage 2, Stage 3 and Stage 4 drought contingency and water emergency response stages. The penalties associated with the mandatory water use restrictions will be determined by City Ordinance.

3.7 Coordination with the Regional Water Planning Group and NTMWD

The City will send a draft of its ordinance(s) or other regulation(s) implementing this plan to NTMWD for their review and comment. The City will also send the final ordinance(s) or other regulation(s) to NTMWD.

3.8 Review and Update of Drought Contingency and Water Emergency Response Plan

As required by TCEQ rules, the City of Murphy must review the drought contingency and water emergency response plan every five (5) years. The plan will be updated as appropriate based on new or updated information.

APPENDIX A
LIST OF REFERENCES

APPENDIX A LIST OF REFERENCES

- (1) Title 30 of the Texas Administrative Code, Part 1, Chapter 288, Subchapter B, Rule 288.20, downloaded from <http://www.tnrcc.state.tx.us/oprd/rules/pdflib/288a.pdf>, July 2007.
- (2) Freese and Nichols, Inc.: North Texas Municipal Water District Water Conservation and Drought Contingency and Water Emergency Response Plan, prepared for the North Texas Municipal Water District, Fort Worth, March 2008.

The following conservation and drought contingency plans and related documents were reviewed in the development of this plan. References marked with a * were used heavily in the development of this plan.

- (3) City of Austin Water Conservation Division: "City of Austin Water Drought Contingency Plan, Developed to Meet Senate Bill 1 Regulatory Requirements," Austin, August 1999.
- (4) City of Austin Water Conservation Division: "City of Austin Water Conservation Plan, Developed to Meet Senate Bill 1 Regulatory Requirements," Austin, August 1999.
- (5) Upper Trinity Regional Water District: "Water Conservation Plan and Emergency Water Demand Management Plan," adopted by the Board of Directors, Lewisville, August 5, 1999.
- (6) Upper Trinity Regional Water District: "Water Conservation Plan and Emergency Water Demand Management Plan (2002 Amended)," adopted by the Board of Directors, Lewisville, February 2002.
- (7) *City of Dallas Water Utilities Department: "City of Dallas Water Management Plan," adopted by the City Council, Dallas, September 1999.
- (8) Updates to City of Dallas Water Management Plan found at <http://www.dallascityhall.com> in September 2003.
- (9) *City of Dallas Water Utilities Department: "City of Dallas Water Conservation Plan," adopted by the City Council, Dallas, September 1999.
- (10) *City of Fort Worth: "Water Conservation plan for the City of Fort Worth," Fort Worth, August 1999.
- (11) Updates to the City of Fort Worth water conservation plan found at <http://ci.fort-worth.tx.us> in September 2003.
- (12) *City of Fort Worth: "Emergency Water Management Plan for the City of Fort Worth," Fort Worth, August 19, 2003.
- (13) HDR Engineering, Inc.: "Water Conservation and Emergency Demand Management Plan," prepared for the Tarrant Regional Water District, Austin, February 2000.
- (14) Freese and Nichols, Inc.: "Water Conservation and Drought Contingency Plan," prepared for Brown County Water Improvement District No. 1, Fort Worth, August 1999.
- (15) Freese and Nichols, Inc.: "Water Conservation and Drought Contingency Plan," prepared for the Sabine River Authority of Texas, Fort Worth, September 1994.
- (16) HDR Engineering, Inc.: "Water Conservation and Emergency Demand Management Plan," prepared for the Tarrant Regional Water District, Austin, June 1998.
- (17) HDR Engineering, Inc.: "Water Conservation Plan for the City of Corpus Christi," adopted by the City of Corpus Christi City Council, August 24, 1999.
- (18) City of Houston's water conservation plan downloaded September 2003 from <http://www.cityofhouston.gov>
- (19) City of Houston: "Ordinance N. 2001-753, Amending Chapter 47 of the Code of Ordinances Relating to Water Emergencies," Houston, August 2001.
- (20) City of Houston: "Ordinance No. 98-764, Relating to Water Conservation," Houston, September 1998.

- (21) City of Houston: "Water Conservation Plan," 1998.
- (22) City of Houston: "Water Emergency Response Plan," Houston, July 15, 1998.
- (23) City of Lubbock: "Water Conservation Plan," ordinance number 10177 adopted by the City Council in August 1999.
- (24) City of El Paso Water Conservation Ordinance downloaded August 14, 2003 from <http://www.epwu.org/ordinance.html>
- (25) San Antonio Water System: "Water Conservation and Reuse Plan," San Antonio, November 1998 with June 2002 updates.
- (26) North Texas Municipal Water District: "District Policy No. 24 Water Conservation Plan Containing Drought Contingency Plan," adopted August 1999.
- (27) GDS Associates, Inc.: "Water Conservation Study," prepared for the Texas Water Development Board, Fort Worth, 2002.
- (28) A & N Technical Services, Inc.: "BMP Costs & Savings Study: A Guide to Data and Methods for Cost-Effectiveness Analysis of Urban Water Conservation Best Management Practices," prepared for The California Urban Water Conservation Council, Santa Monica, California, July 2000.
- (29) *City of Dallas: "City of Dallas Ordinances, Chapter 49, Section 21.1," Dallas, October 1, 2001.

APPENDIX B

**TEXAS COMMISSION ON ENVIRONMENTAL QUALITY RULES ON
DROUGHT CONTINGENCY PLANS**

APPENDIX B
TEXAS COMMISSION ON ENVIRONMENTAL QUALITY RULES ON
DROUGHT CONTINGENCY PLANS

Texas Administrative Code

<u>TITLE 30</u>	ENVIRONMENTAL QUALITY
<u>PART 1</u>	TEXAS COMMISSION ON ENVIRONMENTAL QUALITY
<u>CHAPTER 288</u>	WATER CONSERVATION PLANS, DROUGHT CONTINGENCY PLANS, GUIDELINES AND REQUIREMENTS
<u>SUBCHAPTER B</u>	DROUGHT CONTINGENCY PLANS
RULE §288.20	Drought Contingency Plans for Municipal Uses by Public Water Suppliers

-
- (a) A drought contingency plan for a retail public water supplier, where applicable, must include the following minimum elements.
- (1) Minimum requirements. Drought contingency plans must include the following minimum elements.
- (A) Preparation of the plan shall include provisions to actively inform the public and affirmatively provide opportunity for public input. Such acts may include, but are not limited to, having a public meeting at a time and location convenient to the public and providing written notice to the public concerning the proposed plan and meeting.
- (B) Provisions shall be made for a program of continuing public education and information regarding the drought contingency plan.
- (C) The drought contingency plan must document coordination with the regional water planning groups for the service area of the retail public water supplier to ensure consistency with the appropriate approved regional water plans.
- (D) The drought contingency plan must include a description of the information to be monitored by the water supplier, and specific criteria for the initiation and termination of drought response stages, accompanied by an explanation of the rationale or basis for such triggering criteria.
- (E) The drought contingency plan must include drought or emergency response stages providing for the implementation of measures in response to at least the following situations:
- (i) reduction in available water supply up to a repeat of the drought of record;
 - (ii) water production or distribution system limitations;
 - (iii) supply source contamination; or
 - (iv) system outage due to the failure or damage of major water system components (e.g., pumps).

- (F) The drought contingency plan must include the specific, quantified targets for water use reductions to be achieved during periods of water shortage and drought. The entity preparing the plan shall establish the targets. The goals established by the entity under this subparagraph are not enforceable.
 - (G) The drought contingency plan must include the specific water supply or water demand management measures to be implemented during each stage of the plan including, but not limited to, the following:
 - (i) curtailment of non-essential water uses; and
 - (ii) utilization of alternative water sources and/or alternative delivery mechanisms with the prior approval of the executive director as appropriate (e.g., interconnection with another water system, temporary use of a non-municipal water supply, use of reclaimed water for non-potable purposes, etc.).
 - (H) The drought contingency plan must include the procedures to be followed for the initiation or termination of each drought response stage, including procedures for notification of the public.
 - (I) The drought contingency plan must include procedures for granting variances to the plan.
 - (J) The drought contingency plan must include procedures for the enforcement of any mandatory water use restrictions, including specification of penalties (e.g., fines, water rate surcharges, discontinuation of service) for violations of such restrictions.
- (2) Privately-owned water utilities. Privately-owned water utilities shall prepare a drought contingency plan in accordance with this section and incorporate such plan into their tariff.
 - (3) Wholesale water customers. Any water supplier that receives all or a portion of its water supply from another water supplier shall consult with that supplier and shall include in the drought contingency plan appropriate provisions for responding to reductions in that water supply.
- (b) A wholesale or retail water supplier shall notify the executive director within five business days of the implementation of any mandatory provisions of the drought contingency plan.
 - (c) The retail public water supplier shall review and update, as appropriate, the drought contingency plan, at least every five years, based on new or updated information, such as the adoption or revision of the regional water plan.

Source Note: The provisions of this §288.20 adopted to be effective February 21, 1999, 24 TexReg 949; amended to be effective April 27, 2000, 25 TexReg 3544; amended to be effective October 7, 2004, 29 TexReg 9384.

APPENDIX C

LETTERS TO REGION C AND REGION D

WATER PLANNING GROUPS

Sample letter to

Date

Region C Water Planning Group
c/o North Texas Municipal Water District
P.O. Box 2408
Wylie, TX 75098

Dear Sir:

Enclosed please find a copy of the updated Drought Contingency and Water Emergency Response Plan for City of Murphy of the North Texas Municipal Water District. I am submitting a copy of this plan to the Region C Water Planning Group in accordance with the Texas Water Development Board and Texas Commission on Environmental Quality rules. The Board of the North Texas Municipal Water District adopted the updated model plan on March 2008.

Sincerely,

James Fisher, City Manager
City of Murphy

Sample letter by NTMWD

Date

Mr. Jim Thompson
Chair, Region D Water Planning Group
P.O. Box 1107
Atlanta, TX 75551

Dear Mr. Thompson:

Enclosed please find a copy of the recently updated Drought Contingency and Water Emergency Response Plan for City of Murphy of the North Texas Municipal Water District. I am submitting a copy of this plan to the Region C Water Planning Group in accordance with the Texas Water Development Board and Texas Commission on Environmental Quality rules. The Board of the North Texas Municipal Water District adopted the updated model plan on -----date.

Sincerely,

James M. Parks, Executive Director
North Texas Municipal Water District

APPENDIX D
ORDINANCE ADOPTING DROUGHT CONTINGENCY
AND WATER EMERGENCY RESPONSE PLAN

ORDINANCE NO. 14-03-973

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MURPHY, TEXAS, AMENDING CHAPTER 82, ARTICLE IX OF THE CODE OF ORDINANCES OF THE CITY OF MURPHY, TEXAS, BY ALTERING THE MAXIMUM FINE AMOUNT FOR FIRST-TIME OFFENDERS; AMENDING THE DROUGHT CONTINGENCY PLAN TO PROVIDE AN ADDITIONAL EXCEPTION FOR LIMITED WATERING OF AREAS AROUND SWIMMING POOLS; PROVIDING A SEVERABILITY CLAUSE; PROVIDING A CUMULATIVE/REPEALER CLAUSE; PROVIDING A SAVINGS CLAUSE; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the City Council of the City of Murphy ("City Council") enacted Ordinance 11-10-897 on October 18, 2011 adopting a drought contingency plan, attached thereto as Addendum "A," regulating the irrigation use by water customers within City limits, which was codified in Chapter 82, Article IX of the Code of Ordinances of the City of Murphy; and

WHEREAS, the City Council desires to amend Chapter 82, Article IX, to alter the penalty provisions providing a maximum fine amount for first-time offenders; and

WHEREAS, the City Council further desires to amend its Drought Contingency Plan, attached thereto as Addendum "A," to include exceptions for the limited use of hand-held and soaker hoses around swimming pools during Stage 3 and Stage 4 Restrictions; and

WHEREAS, the City Council finds that this amendment is in the best interests of the City of Murphy and will promote the health, safety and welfare of the citizens of the City of Murphy and the general public.

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

Section 1. Findings Incorporated.

The findings set forth above are incorporated into the body of this ordinance as if fully set forth herein.

Section 2. Amendment to Section 82-376

That Section 82-376. Penalties and Enforcement of Chapter 82 of the Code of Ordinances of the City of Murphy, Texas, is hereby amended, which shall now read as follows:

Section 82-376. Penalty; enforcement of restrictions

- (a) Any customer, defined pursuant to 30 Tex. Admin. Code Chapter 291, failing to comply with the provisions of the plan and/or this ordinance shall be prosecuted in municipal court as a Class C Misdemeanor.

- (1) Upon a showing that the customer has committed no prior violations in a twelve month period under this Chapter, customer shall be subject to a fine of not more than one-hundred dollars

(\$100.00). Proof of a culpable mental state is not required and a violation of this Chapter shall constitute a strict liability offense.

(2) Proof that a customer has committed one or more violations in a twelve month period under this Chapter shall constitute prima facie evidence that the customer's actions present a threat to the health, safety, and welfare of the City of Murphy and its resources. Any customer who commits a subsequent violation under this Chapter with criminal negligence shall be subject to a fine not to exceed two-thousand dollars (\$2,000.00). Proof of a higher degree of culpability than criminal negligence constitutes proof of criminal negligence.

(b) Each day that one or more of the provisions in the plan and/or this ordinance are violated shall constitute a separate offense. If a customer is convicted of three or more distinct violations of the plan and/or this ordinance, the city manager or his/her designee shall, upon due notice to the customer, be authorized to discontinue water service to the premises where such violations occur. Services discontinued under such circumstances shall be restored only upon payment of a re-connection charge, hereby established at \$50.00, and any other costs incurred by the city in discontinuing service. In addition, suitable assurance must be given to the city manager or his/her designee that the same action shall not be repeated while the plan and/or this ordinance is in effect. Compliance with this plan and/or this ordinance may also be sought through injunctive relief in district court.

(c) Any person, including a person classified as a customer of the city, in apparent control of the property where a violation occurs or originates shall be presumed to be the violator, and proof that the violation occurred on the person's property shall constitute a rebuttable presumption that the person in apparent control of the property committed the violation, but any such person shall have the right to show that he/she did not commit the violation. Parent(s) shall be presumed to be responsible for violations of their minor children and proof that a violation, committed by a child, occurred on property within the parents' control shall constitute a rebuttable presumption that the parent committed the violation.

(d) It shall constitute a valid affirmative defense if the alleged violator presents proof that the automatic irrigation system was in disrepair at the time of the alleged violation and provides proof that he/she has satisfactorily remedied the disrepair within thirty (30) days of the date of the violation. This affirmative defense does not apply to alleged violators with more than one outstanding violation pending in municipal court.

(e) Any employee of the city, police officer, or other employee designated by the city manager, may issue a citation to a person he/she reasonably believes to be in violation of the plan and/or this ordinance. The citation shall contain the name and address of the alleged violator, if known, the offense charged, and shall direct him/her to appear in the municipal court not later than either the date shown on the citation or within twenty days of the issuance of the citation. The alleged violator shall be served a copy of the citation in person or by certified mail return receipt. Service of the citation shall be complete upon delivery of the citation to the alleged violator, to an agent or employee of a violator, or to a person over eighteen (18) years of age who is a member of the violator's immediate family or is a resident of the violator's residence. The alleged violator shall appear in municipal court within twenty days to enter a plea of guilty or not guilty for the violation of the plan. If the alleged violator fails to appear in municipal court, a warrant for his/her arrest may be issued. A summons to appear may be issued in lieu of an arrest warrant.

Section 3. Amendment to Addendum “A,” City of Murphy Drought Contingency and Water Response Plan

That Stage 3 and Stage 4 of Section 3.4 “Drought Contingency and Water Emergency Response Stages and Measures” of Addendum “A” adopted in Section 82-371 of the Code of Ordinances of the City of Murphy, Texas, is hereby amended, which shall now read as follows:

Stage 3

Initiation and Termination of Conditions for Stage 3

- The NTMWD has initiated Stage 3, which may be initiated due to one or more of the following:
 - The NTMWD Executive Director, with the concurrence of the NTMWD Board of Directors, finds that conditions warrant the declaration of Stage 3.
 - Water demand is projected to approach or exceed the limit of the permitted supply.
 - The storage in Lavon Lake is less than 45 percent of the total conservation pool capacity.
 - NTMWD’s storage in Jim Chapman Lake is less than 45 percent of NTMWD’s total conservation pool capacity.
 - The Sabine River Authority has indicated that its Upper Basin water supplies used by NTMWD (Lake Tawakoni and/or Lake Fork) are in a Moderate drought. (Measures required by SRA under a Moderate drought designation are similar to those under NTMWD’s Stage 3.)
 - The supply from Lake Texoma, the East Fork Raw Water Supply Project, or some other NTMWD source has become limited in availability.
 - NTMWD water demand exceeds 98 percent of the amount that can be delivered to customers for three consecutive days.
 - NTMWD water demand for all or part of the delivery system exceeds delivery because delivery capacity is inadequate.
 - NTMWD’s supply source becomes contaminated.
 - NTMWD’s water supply system is unable to deliver water due to the failure or damage of major water system components.
- City’s water demand exceeds 98 percent of the amount that can be delivered to customers for three consecutive days.
- City’s water demand for all or part of the delivery system exceeds delivery capacity because delivery capacity is inadequate.
- Supply source becomes contaminated.
- City’s water supply system is unable to deliver water due to the failure or damage of major water system components.
- City’s individual plan may be implemented if other criteria dictate.

Stage 3 may terminate when NTMWD terminates its Stage 3 condition or when the circumstances that caused the initiation of Stage 3 no longer prevail.

Goals for Use Reduction and Actions Available under Stage 3

The goal for water use reduction under Stage 3 is a reduction of ten percent in the amount of water obtained from NTMWD. If circumstances warrant or if required by NTMWD, the City Manager, or official designee can set a goal for a greater water use reduction.

The City Manager or official designee must implement any action(s) required by NTMWD. In addition, the City Manager, or official designee may order the implementation of any of the

actions listed below, as deemed necessary: Measures described as “requires notification to TCEQ” impose mandatory requirements on customers. The City must notify TCEQ and NTMWD within five business days if these measures are implemented:

- Continue or initiate any actions available under Stages 1 and 2.
- Implement viable alternative water supply strategies.
- **Requires Notification to TCEQ** – Initiate mandatory water use restrictions as follows:
 - Prohibit hosing of paved areas, buildings, or windows. (Pressure washing of impervious surfaces is allowed.)
 - Prohibit operation of all ornamental fountains or other amenity impoundments to the extent they use treated water.
 - Prohibit washing or rinsing of vehicle by hose except with a hose end cutoff nozzle.
 - Prohibit using water in such a manner as to allow runoff or other waste.
- **Requires Notification to TCEQ** – Limit landscape watering with sprinklers or irrigation systems at each service address to once every seven days. Exceptions are as follows:
 - Foundations, new landscaping, new plantings (first year) of shrubs, areas within a reasonable proximity around swimming pools, and trees may be watered for up to 2 hours on any day by a hand-held hose, a soaker hose, or a dedicated zone using a drip irrigation system.
 - Golf courses may water greens and tee boxes without restrictions.
 - Public athletic fields used for competition may be watered twice per week.
 - Locations using other sources of water supply for irrigation may irrigate without restrictions.
 - Registered and properly functioning ET/Smart irrigation systems and drip irrigation systems may irrigate without restrictions.
- **Requires Notification to TCEQ** – Limit landscape watering with sprinklers or irrigation systems between November 1 and March 31 to once every two weeks. An exception is allowed for landscape associated with new construction that may be watered as necessary for 30 days from the date of the certificate of occupancy, temporary certificate of occupancy, or certificate of completion.
- **Requires Notification to TCEQ** – Prohibit hydroseeding, hydromulching, and sprigging.
- **Requires Notification to TCEQ** – Existing swimming pools may not be drained and refilled (except to replace normal water loss).
- **Requires Notification to TCEQ** – Initiate a rate surcharge as requested by NTMWD.
- **Requires Notification to TCEQ** – Initiate a rate surcharge for all water use over a certain level.
- **Requires Notification to TCEQ** – Prohibit watering of golf courses using treated water, except as needed to keep greens and tee boxes alive.

Stage 4

Initiation and Termination Conditions for Stage 4

- The NTMWD has initiated Stage 4, which may be initiated due to one or more of the following:
 - The NTMWD Executive Director, with the concurrence of the NTMWD Board of Directors, finds that the conditions warrant the declaration of Stage 4.
 - Water demand is projected to approach or exceed the limit of the permitted supply.
 - The storage in Lavon Lake is less than 35 percent of the total conservation pool capacity.

- NTMWD's storage in Jim Chapman Lake is less than 35 percent of NTMWD's total conservation pool capacity.
- The Sabine River Authority has indicated that its Upper Basin water supplies used by NTMWD (Lake Tawakoni and/or Lake Fork) are in a severe drought or emergency.
- The supply from Lake Texhoma, the East Fork Raw Water Supply Project, or some other NTMWD source has become severely limited in availability.
- NTMWD water demand exceeds the amount that can be delivered to customers.
- NTMWD water demand for all or part of the delivery system seriously exceeds delivery capacity because the delivery capacity is inadequate.
- NTMWD's supply source becomes contaminated.
- NTMWD's water supply is unable to deliver water due to the failure or damage of major water system components.
- City's water demand exceeds the amount that can be delivered to customers.
- City's water demand for all or part of the delivery system seriously exceeds delivery capacity because the delivery capacity is inadequate.
- Supply source becomes contaminated.
- City's water supply is unable to deliver water due to the failure or damage of major water system components.
- City's individual plan may be implemented if other criteria dictate.

Stage 4 may terminate when NTMWD terminates its Stage 4 condition or when the circumstances that caused the initiation of Stage 4 no longer prevail.

Goals for Use Reduction and Actions Available under Stage 4

The goal for water use reduction under Stage 4 is a reduction of whatever amount is necessary in the amount of water obtained from NTMWD. If circumstances warrant or if required by NTMWD, the City Manager, or official designee can set a goal for a greater water use reduction.

The City Manager or official designee must implement any action(s) required by NTMWD. In addition, the City Manager, or official designee may order the implementation of any of the actions listed below, as deemed necessary. Measures described as "requires notification to TCEQ" impose mandatory requirements on member cities and customers. The City must notify TCEQ and NTMWD within five business days if these measures are implemented.

- Continue or initiate any actions available under Stages 1, 2, and 3.
- Implement viable alternative water supply strategies.
- **Requires Notification to TCEQ** – Prohibit the irrigation of new landscaping using treated water.
- **Requires Notification to TCEQ** – Prohibit washing of vehicles except as necessary for health, sanitation, or safety reasons.
- **Requires Notification to TCEQ** – Prohibit commercial and residential landscape watering except that foundations, areas within a reasonable proximity around swimming pools, and trees may be watered for 2 hours on any day with a hand-held hose, a soaker hose, or a dedicated zone using a drip irrigation system. ET/Smart controllers and drip irrigation systems are not exempt from this requirement.
- **Requires Notification to TCEQ** – Prohibit of golf course watering with treated water except for greens and tee boxes.
- **Requires Notification to TCEQ** – Prohibit the permitting of private pools. Pools already permitted may be completed and filled with water. Existing private and

public pools may add water to maintain pool levels but may not be drained and refilled.

- **Requires Notification to TCEQ** – Require all commercial water users to reduce water use by a percentage established by the City Manager, or official designee.
- **Requires Notification to TCEQ** – Initiate a rate surcharge for all water use over normal rates for all water use.

Section 4. Severability Clause.

It is hereby declared to be the intention of the City Council that the phrases, clauses, sentences, paragraphs and sections of this ordinance are severable, and if any phrase, clause, sentence, paragraph or section of this ordinance shall be declared unconstitutional by the valid judgment or decree of any court of competent jurisdiction, such unconstitutionality shall not affect any of the remaining phrases, clauses, sentences, paragraphs and sections of this ordinance, since the same would have been enacted by the City Council without the incorporation of this ordinance of any such unconstitutional phrase, clause, sentence, paragraph or section.

Section 5. Cumulative/Repealer Clause.

This ordinance shall be cumulative of all provisions of State or Federal law and other ordinances of the City of Murphy, Texas, whether codified or uncoded, except where the provisions of this ordinance are in direct conflict with the provisions of such ordinances, in which event the conflicting provisions of such ordinances are hereby repealed to the extent of such conflict..

Section 6. Savings Clause.

All rights and remedies of the City of Murphy, Texas, are expressly saved as to any and all violations of the provisions of this ordinance or any other ordinance which have accrued at the time of the effective date of this ordinance; and, as to such accrued violations and all pending litigation, both civil and criminal, whether pending in court or not, under such ordinances, same shall not be affected by this ordinance but may be prosecuted until final disposition by the courts.

Section 7. Effective Date.

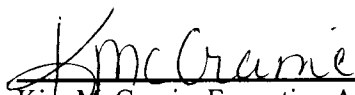
This ordinance shall become effective immediately upon its passage and publication as required by law.

DULY PASSED, APPROVED AND ADOPTED by the City Council of the City of Murphy, Texas, on this the 18th day of March, 2014.



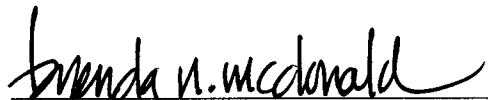
Eric Barna, Mayor
City of Murphy

ATTEST:



Kim McCranie, Executive Administrative Assistant
City of Murphy

APPROVED AS TO FORM:



for Wm. Andrew Messer, City Attorney

ORDINANCE NO. 13-11-961

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MURPHY, TEXAS, AMENDING ORDINANCE 11-10-897 CODIFIED AS CHAPTER 82, SECTION 82-373 OF THE CODE OF ORDINANCES OF THE CITY OF MURPHY, TEXAS; BY AMENDING THE MANDATORY WATERING SCHEDULE FOR STAGE 3, PROHIBITED HOURS AND PROVIDING FOR SAID ORDINANCE TO TAKE EFFECT FROM AND AFTER ITS DATE OF PUBLICATION.

WHEREAS, the City Council adopted Ordinance 11-10-897 on October 18, 2011, providing for a drought contingency plan; and

WHEREAS, pursuant to Chapter 54 of the Local Government Code, the City is authorized to adopt such Ordinances necessary to preserve and conserve its water resources.

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

Section 1. FINDINGS INCORPORATED

The findings set forth above are incorporated into the body of this Ordinance as if fully set forth herein.

Section 2. That Ordinance 11-10-897, Codified as Section 82-373. Mandatory watering schedule for Stage 3; prohibited hours of the Code of Ordinances of the City of Murphy, Texas, is hereby amended, which shall now read as follows:

“Section 82-373. Mandatory watering schedule for Stage 3; prohibited hours.

.....

B. Schedule between November 1 and March 31:

- a) Limit landscape watering with sprinklers or irrigations systems between November 1 and March 31 to once every two weeks. Specific dates will be published on the city website of designated watering days for designated service zones and water customers.

...”

Section 3. SEVERABILITY CLAUSE

It is hereby declared to be the intention of the City Council that the phrases, clauses, sentences, paragraphs and sections of this ordinance are severable, and if any phrase, clause, sentence, paragraph or section of this ordinance shall be declared unconstitutional by the valid judgment or decree of any court of competent jurisdiction, such unconstitutionality shall not affect any of the remaining phrases, clauses, sentences, paragraphs and sections of this ordinance, since the same would have been enacted by the City Council without the

incorporation of this ordinance of any such unconstitutional phrase, clause, sentence, paragraph or section.

Section 4. REPEALER CLAUSE

Any provision of any prior ordinance of the City whether codified or uncoded, which are in conflict with any provision of this Ordinance, is hereby repealed to the extent of the conflict, but all other provisions of the ordinances of the City whether codified or uncoded, which are not in conflict with the provisions of this Ordinance, shall remain in full force and effect.

Section 5. EFFECTIVE DATE

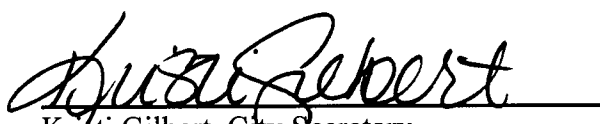
This Ordinance shall become effective immediately upon its passage and publication as required by law.

PASSED, APPROVED AND ADOPTED by the City Council of the City of Murphy, Texas, on this the 5th day of November, 2013.

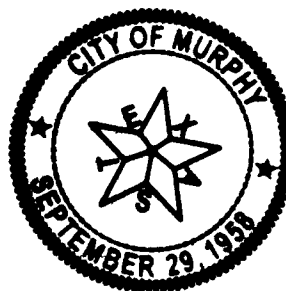


Eric Barna, Mayor
City of Murphy

ATTEST:



Kristi Gilbert, City Secretary
City of Murphy



City Council Meeting

June 3, 2014

Issue

Discussion regarding the FY 2015 budget and Budget Meeting Calendar.

Background

The city staff met in early May to discuss the FY 15 Annual Budget. The greatest challenge with any budget is to accomplish the goals, objectives and vision of the City Council within the allocated resources. There are many competing interests that come into play when developing the budget and staff tries to address them all while maintaining the fiscal integrity of the City. This year staff is focusing on all of our expenses with an emphasis on what they are, why are they needed, how do they help the community and organization, what is the impact if this expense is changed and finally, how can it be better. I have asked staff to help tell the story of why we do what we do. The staff is also looking at how we can be more efficient in what we do every day. Realistically, this is what we do every day, every year when we are managing the budget.

Our greatest total expenditure is personnel expenses, salaries plus benefits. This category makes up approximately 60% of the budget. The city employees provide the exceptional level of service that our community expects. Can we do better, you bet. That is our goal every day. However, this year, I would like the City to begin a plan that formalizes a process that shows how we value this investment. Two years ago, the City adopted a pay plan for uniformed public safety employees and this year several will begin to see the fruits of this plan with raises. I believe that we should also adopt such a plan for all other employees within the organization as well. A plan needs to be in place so employees understand that if they perform their job to the expectations set before them, they will be compensated for this effort. During the past six years employee raises have been limited due to economic challenges that have confronted the City. Yes, some raises have been given, but an overall across the board has only been initiated once. It is critical this year that we seriously begin addressing this issue. We must also begin looking at adding additional personnel. As the City has grown, responsibilities have grown, accountability has grown and expectations have grown. There is a need to add some additional employees throughout the organization so that we can be more efficient and effective in our daily jobs. Employees are needed to fill gaps where we only have one employee doing a critical job function and we do not have the manpower to cross train another employee. The gaps are also evident when other employees are out due to vacation leave, medical issues or training opportunities. Employees are needed to begin addressing succession plans for our organization. Several key positions are currently eligible for retirement or will be in the next 3 years and it is important that the planning for replacement begins this year.

There are also many other items that will need our attention as we progress through this budget. I have also included budget discussion items that I have received from City Council members regarding their topics of discussion.

City Council Budget Discussion Items received from City Council Members

The following are some discussion items with my thoughts for the upcoming budget:

- Property tax rate- continued and substantial increases in both sales tax revenues and property tax evaluations should allow some relief to residents' thru a small property tax rate reduction.
- Utility rates- additional anticipated increases in rate study passed on to consumers. Property tax rate reduction will help ease these additional financial impacts to residents

City Council Meeting

June 3, 2014

- Employee compensation- Compensation based on comparable comparison cities. Similar size, demographics Focus first on employees who in recent years have not had a salary adjustment and an appropriate comparison market justifies such Increases in property and retail taxes or postponement of additional positions/hiring to appropriately compensate current employees
- Parks and public areas-
 - Contractual services vs additional employees analysis regarding maintenance Cost benefit analysis-additional employee salaries, benefits, equipment (capital expenditures) vs contractual services Agreed level of maintenance expected and accountability
- Capital Expenditures-
 - Committee to evaluate future needs
 - Plan and save for these future expenses
- North Murphy Road off-system-
 - If City assumes maintenance and operations then savings plan should be established in annual budget to cover current, continual and anticipated future maintenance costs; otherwise leave expenses and responsibility to State and save the money
- Budgeting for broadcast of Council meeting as previously discussed
- Any reorganization of departments (recreation) as previously mentioned, updates? If so, potential effects on budget
- Review/Budget update on Central Park post-opening- Funding sources for city events
- Staffing Assessment across all departments
 - Growth projections based on needs and expectations
 - What is the plan for open positions, how and when will be filled?
 - Public Works director?
 - Outsource HR?
- Maintenance Program for parks and public spaces
 - Definite upgrade in performance standards in grass. I am looking for real objective measure to hold staff / contractors accountable.
 - Evaluation on how to fund this – operations? 4B?
- Reduce utility fund transfer to \$400k or pay for metered water usage.
- Specific defined capital expense budget (logically segmented from reserves)
 - Not a blank check, actual capital purchases are approved by council
 - Told for years to “save for what we want”
 - Seed money from reserves > 17% / future savings from unspent budgeted funds.
 - This money will NOT be used to fund operations.
 - Capital expenses should be defined in a five year plan – getting more specific in the current years as approved by council.

**City Council Meeting
June 3, 2014**

- A fiscal year end deviance report against the original unadjusted budget.
 - o Evaluates under / over spending from the previous year – designed to improve accuracy of expense estimation.
 - o Evaluates accuracy of revenue projections

The next step is to schedule meetings with Council to review the proposed budget. Please remember that the FY 15 Annual Budget must be submitted to Council prior to August 10th; the target date is August 5. Please note that after formal submittal, there is still an opportunity to discuss and change, if needed, the City's Annual Budget. The City will have two formal Public Hearings, tentatively scheduled for August 19th and September 2nd and adoption on September 16th.

The staff's draft budgets are due the week of June 9th with final budgets due June 23rd.

City Council/Staff Unavailable Dates

- May 26 – 30
- June 10 – 17
- June 18 - 27
- July 24 – 28
- September 1 - 5

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Murphy, City of (General Obligation Debt)

Collin County

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FINANCIAL STATEMENT (As of January 31, 2014)

Taxable Assessed Valuation, 2013 (100% of Market)	\$1,638,397.833
Contract Debt	\$60,000
Outstanding Debt	43,485,000
Total General Obligation Debt	\$43,545,000
Less: Self-Supporting (a)	
Water & Sewer	6,880,104
Sales Tax - CDC	2,670,000
GO Debt payable from Ad Valorem Taxes	\$33,994,896
Less: I&S Fund	4,140,408
Net Debt	\$29,854,488

(a) The September 30, 2013 CAFR reports the following General Obligation Debt being paid from revenues other than ad valorem taxes; thus considered self-supporting.

Net Debt Per Net Assessed Valuation - 1.82%
 Net Debt Per Sq mile - \$5,228,456.74
 Net Debt Per Capita - \$1,496.47
 Net Assessed Valuation Per Capita - \$82,125.20

Bureau of Census Pop: 2000 - 3,099
 Bureau of Census Pop: 2010 - 17,708
 2013 Estimated Population - 19,950

Area: 5.71 Sq miles

PAYMENT RECORD: Never defaulted.

TAX DATA

Tax Year	Assessed Valuation	Tax Rate	Adjusted Levy	% Collected within FY	Total % Collected as of 09/30/2013*
2008	\$1,412,844.735	\$0.5183	\$7,315,000	99.60	99.81
2009	1,469,144.908	0.5384	7,891,000	99.68	99.81
2010	1,467,856.539	0.5650	8,293,000	99.77	99.99
2011	1,499,614.969	0.5650	8,455,000	99.73	99.94
2012	1,544,660.430	0.5700	8,782,000	99.82	99.82
2013	1,638,397.833	0.5700	9,338,704	92.49**	92.49**

* Delinquent tax collections are allocated to the respective years in which the taxes are levied.

** Collections through January 31, 2014.

Tax Rate Distribution	2013	2012	2011	2010
Operations	\$0.3415	\$0.3295	\$0.3174	\$0.3174
I&S	0.2285	0.2405	0.2476	0.2476
Totals	\$0.5700	\$0.5700	\$0.5650	\$0.5650

Tax Rate Limitation: Article XI, Section 5 of Texas Constitution, applicable to cities of more than 5,000 population: \$2.50 per \$100 assessed valuation. The City operates under a Home Rule Charter which limits the City's maximum ad valorem tax rate to \$2.50 per \$100 taxable assessed valuation.

TAX ABATEMENT POLICY The City has established a tax abatement program to encourage economic development. In order to be considered for tax abatement, a project must meet several criteria pertaining to job creation, property value enhancement and generation of sales tax revenue.

The City is authorized to establish programs to promote state or local economic development and to stimulate business and commercial activity in the City. The City has entered into a Chapter 380 agreement with a commercial developer of the Murphy MarketPlace. The City has agreed to rebate a percentage of the 1.0% sales tax generated within the Retail Shopping Center once certain established sales tax revenue thresholds are met on an annual basis. Payments to the developer shall not exceed \$2,000,000 or shall terminate as of June 30, 2018, whichever comes first.

Municipal Sales Tax: The City has adopted the provisions of Municipal Sales and Use Tax Act V.T.C.A. Tax Code, Chapter 321, which grants the City power to impose and levy a 1% Local Sales and Use Tax within the City; the proceeds are credited to the General Fund and are not pledged to the payment of the bonds in this report. Voters approved an additional sales and use tax of 1/2 of 1% for Murphy Economic and Community Development (Type A) and 1/2 of 1% for Murphy Community Development Corporation (Type B), effective October of 2003. The 1/2 of 1% for Murphy Economic and Community Development (Type A) was rescinded April 1, 2012. Net allocations on calendar year basis are as follows:

Calendar Year	Rate	Total Collected	% of Ad Val Tax Levy	Equiv of Ad Val Tax Rate
2010	2.000%	\$1,737,437	20.95%	\$0.12
2011	2.000	1,890,658	22.36	0.13
2012	1.500	1,782,177	20.29	0.12
2013	1.500	1,965,084	21.04	0.12

MURPHY MUNICIPAL DEVELOPMENT DISTRICT

Calendar Year	Rate	Total Collected
---------------	------	-----------------

2012*	0.500%	\$ 298,690
2013	0.500	657,708

* Effective April 1, 2012.

DETAILS OF GENERAL OBLIGATION DEBT

Details of Limited Tax Debt (Outstanding 1/31/2014)

Tax & W & SS Surplus Rev C/O Ser 2003	
Tax Treatment:	Tax Exempt
Original Issue Amount	\$6,700,000.00
Dated Date:	03/01/2003
Sale Date:	03/03/2003
Delivery Date:	04/03/2003
Sale Type:	Competitive
TIC:	4.1823%
Record Date:	MSRB
Bond Form:	8E
Denomination	\$5,000
Interest pays	Semi-Annually: 08/15, 02/15
1st Coupon Date:	02/15/2004

Paying Agent: US Bank N.A., Dallas, TX
 Bond Counsel: Fulbright & Jaworski
 Financial Advisor: First Southwest Company, Dallas, TX
 Lead Manager: Salomon Smith Barney
 Co-Manager: UBS PaineWebber Inc.
 Co-Manager: RBC Dain Rauscher Inc.
 Co-Manager: Southwest Securities

Insurance: National Public Finance Guarantee Corporation

DISCLAIMER. This Texas Municipal Report ("TMR") was prepared by employees of the Municipal Advisory Council of Texas ("MAC") for informational purposes only, and is not intended to be, and should not be considered as, a recommendation, endorsement or solicitation to buy or sell any security of the issuer to which it applies. The information set forth in this TMR has been obtained from the issuer and from sources believed to be reliable, but the MAC has not independently verified such information. The MAC specifically disclaims any responsibility for, and makes no representations, warranties or guarantees about, the completeness or accuracy of such information. In this connection, this TMR reflects information as of the date referred to in the TMR, as derived from filings received by the MAC from the issuer. This TMR will be updated in the ordinary course as filings are received from the issuer, but the MAC specifically disclaims any responsibility for doing so. The reader of this TMR is advised to obtain current information from other sources before making any investment decision respecting the securities of this issuer.

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Security : Limited Tax and subordinate lien on the surplus revenues of the Waterworks & Sewer system.

Use of Proceeds: Municipal Bldg.

Maturity	Amount	Coupon	Orig Reoffering Price/Yield
02/15/2014	335,000.00	3.7500%	3.820%
-----\$335,000.00			

Call Option: Bonds maturing on 02/15/2014 callable in whole or in part on any date beginning 02/15/2013 @ par.

Refunded Notes: Maturities refunded by GO Ref Bds Ser 2012

Refunded Amount	Mat Date	Sched Call	Price
350,000.00	02/15/2015	02/15/2013	Par
365,000.00	02/15/2016	02/15/2013	Par
385,000.00	02/15/2017	02/15/2013	Par
400,000.00	02/15/2018	02/15/2013	Par
420,000.00	02/15/2019	02/15/2013	Par
440,000.00	02/15/2020	02/15/2013	Par
465,000.00	02/15/2021	02/15/2013	Par
485,000.00	02/15/2022	02/15/2013	Par
510,000.00	02/15/2023	02/15/2013	Par

Tax & W & SS Surplus Rev C/O Ser 2004

Tax Treatment:	Tax Exempt
Original Issue Amount	\$10,000,000.00
Dated Date:	04/15/2004
Sale Date:	04/19/2004
Delivery Date:	05/20/2004
Sale Type:	Negotiated
Record Date:	MSRB
Bond Form:	BE
Denomination	\$5,000
Interest pays	Semi-Annually: 08/15, 02/15
1st Coupon Date:	02/15/2005

Paying Agent: US Bank N.A., Dallas, TX
Bond Counsel: Fulbright & Jaworski L.L.P.
Financial Advisor: First Southwest Company, Dallas, TX
Lead Manager: Morgan Keegan & Co., Inc.
Co-Manager: RBC Dain Rauscher Inc.

Insurance: FGIC

Security : Limited Tax and a Subordinate lien on the Surplus revenues of the Water & Sewer system.

Use of Proceeds: Water & Sewer, Municipal Bldg, Streets, Park.

Maturity	Amount	Coupon	Orig Reoffering Price/Yield
02/15/2014	490,000.00	4.5000%	4.000%
02/15/2015	510,000.00	4.0000%	4.130%
02/15/2016	535,000.00	4.1250%	4.260%
-----\$1,535,000.00			

Call Option: Bonds maturing on 02/15/2015 to 02/15/2016 callable in whole or in part on any date beginning 02/15/2014 @ par.

Refunded Notes: Maturities refunded by GO Ref Bds Ser 2012

Refunded Amount	Mat Date	Sched Call	Price
-----------------	----------	------------	-------

555,000.00	02/15/2017	02/15/2014	Par
580,000.00	02/15/2018	02/15/2014	Par
605,000.00	02/15/2019	02/15/2014	Par
635,000.00	02/15/2020	02/15/2014	Par
665,000.00	02/15/2021	02/15/2014	Par
695,000.00	02/15/2022	02/15/2014	Par
730,000.00	02/15/2023	02/15/2014	Par
765,000.00	02/15/2024	02/15/2014	Par

GO Ref & Imp Bds Ser 2009

Tax Treatment:	Bank Qualified
Original Issue Amount	\$7,915,000.00
Dated Date:	03/15/2009
Sale Date:	03/16/2009
Delivery Date:	04/16/2009
Sale Type:	Negotiated
Record Date:	MSRB
Bond Form:	BE
Denomination	\$5,000
Interest pays	Semi-Annually: 08/15, 02/15
1st Coupon Date:	02/15/2010

Paying Agent: US Bank N.A., Houston, TX
Bond Counsel: Fulbright & Jaworski L.L.P.
Financial Advisor: First Southwest Company, Dallas, TX
Lead Manager: Raymond James & Associates, Inc.

Insurance: Assured Guaranty Corp

Use of Proceeds: Community Center, Parks & Recreation, Streets, Refunding.

Refunding Notes: This issue defeased mty(s) 2/15/2010-2/15/2016, 2/15/2018 of Tax & W & SS (Ltd Pledge) Rev C/O Ser 98 @ par.

Maturity	Amount	Coupon	Orig Reoffering Price/Yield
02/15/2014	430,000.00	3.0000%	2.700%
02/15/2015	440,000.00	3.0000%	2.900%
02/15/2016	455,000.00	3.2500%	100.00%
02/15/2017	475,000.00	3.5000%	100.00%
02/15/2018	490,000.00	4.0000%	3.680%
02/15/2019	310,000.00	5.0000%	3.850%
02/15/2020	320,000.00	4.0000%	100.00%
02/15/2021	335,000.00	4.0000%	4.060%
02/15/2022	350,000.00	4.1000%	4.160%
02/15/2023	365,000.00	4.2500%	4.310%
02/15/2024	380,000.00	4.3750%	4.410%
02/15/2025	395,000.00	4.5000%	4.520%
02/15/2027T	850,000.00	4.6250%	4.720%
02/15/2029T	935,000.00	4.7500%	4.840%
-----\$6,530,000.00			

Call Option: Bonds maturing on 02/15/2020 to 02/15/2025 and term bonds maturing on 02/15/2027 and 02/15/2029 callable in whole or in part on any date beginning 02/15/2019 @ par.

Term Call: Term bonds maturing on 02/15/2027:

Mandatory Redemption Date	Principal Amount
02/15/2026	\$415,000
02/15/2027	\$435,000

Term bonds maturing on 02/15/2029:

Mandatory Redemption Date	Principal Amount
02/15/2028	\$455,000

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02/15/2029

\$480,000

Tax & MW & SS (Ltd Pledge) Rev C/O Ser 2009

Tax Treatment: Bank Qualified

Original Issue Amount \$9,500,000.00

Dated Date: 05/15/2009

Sale Date: 05/18/2009

Delivery Date: 06/18/2009

Sale Type: Negotiated

Record Date: MSRB

Bond Form: BE

Denomination \$5,000

Interest pays Semi-Annually: 08/15, 02/15

1st Coupon Date: 02/15/2010

Paying Agent: US Bank N.A., Houston, TX

Bond Counsel: Fulbright & Jaworski L.L.P.

Financial Advisor: First Southwest Company, Dallas, TX

Lead Manager: Raymond James & Associates, Inc.

Insurance: Assured Guaranty Corp

Security: Limited Tax and a limited pledge on the net revenues of the Waterworks & Sewer system not to exceed \$1,000.

Water & Sewer 89.76%

Use of Proceeds: Water, Sewer & Drainage, Communication Equipment, Streets.

Maturity	Amount	Coupon	Orig Reoffering Price/Yield
02/15/2014	575,000.00	3.0000%	2.500%
02/15/2015	590,000.00	3.0000%	2.800%
02/15/2016	610,000.00	3.0000%	100.00%
02/15/2017	350,000.00	3.2500%	100.00%
02/15/2018	365,000.00	3.5000%	3.400%
02/15/2019	380,000.00	4.0000%	3.600%
02/15/2020	395,000.00	4.0000%	3.900%
02/15/2021	410,000.00	4.0000%	4.050%
02/15/2022	425,000.00	4.1000%	4.150%
02/15/2023	445,000.00	4.1250%	4.250%
02/15/2024	465,000.00	4.2500%	4.330%
02/15/2025	485,000.00	4.3500%	4.410%
02/15/2026	505,000.00	4.4000%	4.530%
02/15/2027	530,000.00	4.5000%	4.610%
02/15/2028	555,000.00	4.6000%	4.650%
02/15/2029	580,000.00	4.6250%	4.700%

-----\$7,665,000.00

Call Option: Bonds maturing on 02/15/2020 to 02/15/2029 callable in whole or in part on any date beginning 02/15/2019 @ par.

GO Bds Ser 2010

Tax Treatment: Bank Qualified

Original Issue Amount \$4,800,000.00

Dated Date: 05/15/2010

Sale Date: 05/17/2010

Delivery Date: 06/16/2010

Sale Type: Negotiated

Record Date: MSRB

Bond Form: BE

Denomination \$5,000

Interest pays Semi-Annually: 08/15, 02/15

1st Coupon Date: 02/15/2011

Paying Agent: US Bank N.A., Dallas, TX

Bond Counsel: Fulbright & Jaworski L.L.P.

Financial Advisor: First Southwest Company, Dallas, TX

Lead Manager: Raymond James & Associates, Inc.

Use of Proceeds: Community Center, Parks & Recreation, Streets.

Maturity	Amount	Coupon	Orig Reoffering Price/Yield
02/15/2014	190,000.00	3.0000%	1.830%
02/15/2015	195,000.00	3.0000%	2.190%
02/15/2016	200,000.00	3.0000%	2.580%
02/15/2017	210,000.00	3.2500%	2.870%
02/15/2018	215,000.00	3.3750%	3.060%
02/15/2019	225,000.00	3.5000%	3.250%
02/15/2020	230,000.00	3.6250%	3.400%
02/15/2021	240,000.00	3.3750%	3.600%
02/15/2022	245,000.00	3.5000%	3.680%
02/15/2023	255,000.00	3.6250%	3.760%
02/15/2024	265,000.00	3.6250%	3.840%
02/15/2025	275,000.00	3.7500%	3.920%
02/15/2027T	585,000.00	4.0000%	4.150%
02/15/2028	310,000.00	4.0000%	4.220%
02/15/2030T	665,000.00	4.2000%	4.320%

-----\$4,305,000.00

Call Option: Bonds maturing on 02/15/2021 to 02/15/2025 and 02/15/2028 and term bonds maturing on 02/15/2027 and 02/15/2030 callable in whole or in part on any date beginning 02/15/2020 @ par.

Term Call: Term bonds maturing on 02/15/2027:

Mandatory Redemption Date	Principal Amount
02/15/2026	\$285,000
02/15/2027	\$300,000

Term bonds maturing on 02/15/2030:

Mandatory Redemption Date	Principal Amount
02/15/2029	\$325,000
02/15/2030	\$340,000

Tax Notes Ser 2010

Tax Treatment: Bank Qualified

Original Issue Amount \$1,075,000.00

Dated Date: 05/15/2010

Sale Date: 05/17/2010

Delivery Date: 06/16/2010

Sale Type: Negotiated

Record Date: MSRB

Bond Form: BE

Denomination \$5,000

Interest pays Semi-Annually: 08/15, 02/15

1st Coupon Date: 02/15/2011

Paying Agent: US Bank N.A., Dallas, TX

Bond Counsel: Fulbright & Jaworski L.L.P.

Financial Advisor: First Southwest Company, Dallas, TX

Lead Manager: Raymond James & Associates, Inc.

Use of Proceeds: Fire Department.

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Maturity	Amount	Coupon	Orig Reoffering Price/Yield
02/15/2014	155,000.00	2.2500%	1.830%
02/15/2015	155,000.00	2.0000%	2.190%
02/15/2016	160,000.00	2.3750%	2.580%
02/15/2017	165,000.00	2.5000%	2.870%
-----\$635,000.00			

Call Option: Non Callable

Tax Notes Ser 2011

Tax Treatment: Bank Qualified
 Original Issue Amount: \$750,000.00
 Dated Date: 12/01/2010
 Sale Date: 12/06/2010
 Delivery Date: 01/06/2011
 Sale Type: Competitive
 TIC: 1.7788%
 Record Date: MSRB
 Bond Form: BE
 Denomination: \$5,000
 Interest pays: Semi-Annually: 02/15, 08/15
 1st Coupon Date: 08/15/2011

Paying Agent: US Bank N.A., Dallas, TX
 Bond Counsel: Fulbright & Jaworski L.L.P.
 Financial Advisor: First Southwest Company, Dallas, TX
 Lead Manager: UMB Bank

Sales Tax - CDC 100.00%

Use of Proceeds: Recreational Facilities.

Maturity	Amount	Coupon	Orig Reoffering Price/Yield
02/15/2014	120,000.00	1.5000%	1.200%
02/15/2015	125,000.00	1.8000%	1.500%
02/15/2016	130,000.00	1.8000%	100.00%
02/15/2017	135,000.00	2.0500%	100.00%
-----\$510,000.00			

Call Option: Non Callable

GO Ref & Imp Bds Ser 2011

Tax Treatment: Bank Qualified
 Original Issue Amount: \$8,725,000.00
 Dated Date: 06/15/2011
 Sale Date: 06/21/2011
 Delivery Date: 07/21/2011
 Sale Type: Negotiated
 Record Date: MSRB
 Bond Form: BE
 Denomination: \$5,000
 Interest pays: Semi-Annually: 08/15, 02/15
 1st Coupon Date: 02/15/2012

Paying Agent: US Bank N.A., Dallas, TX
 Bond Counsel: Fulbright & Jaworski L.L.P.
 Financial Advisor: First Southwest Company, Dallas, TX

Lead Manager: Raymond James & Associates, Inc.
 Co-Manager: Morgan Keegan & Co., Inc.

Use of Proceeds: Refunding, Parks & Recreation, Streets.

Refunding Notes: This issue defeased mty(s) 2/15/2014-2/15/2019, 2/15/2021 of Tax & W & SS Surplus Rev C/O Ser 2001 @ par.
 This issue defeased mty(s) 2/15/2017-2/15/2018, 2/15/2020, 2/15/2022 of Tax & W & SS Surplus Rev C/O Ser 2002 @ par.
 This issue defeased mty(s) 2/15/2021-2/15/2022 of Tax & W & SS Surplus Rev C/O Ser 2002A @ par.

Maturity	Amount	Coupon	Orig Reoffering Price/Yield
02/15/2014	215,000.00	2.0000%	1.130%
02/15/2015	320,000.00	2.0000%	1.370%
02/15/2016	355,000.00	2.5000%	1.560%
02/15/2017	675,000.00	2.5000%	1.900%
02/15/2018	695,000.00	3.0000%	2.250%
02/15/2019	715,000.00	3.0000%	2.560%
02/15/2020	735,000.00	4.0000%	2.800%
02/15/2021	1,125,000.00	4.0000%	2.980%
02/15/2022	880,000.00	4.0000%	3.100%
02/15/2023	285,000.00	4.0000%	3.250%
02/15/2024	295,000.00	4.0000%	3.390%
02/15/2025	305,000.00	4.0000%	3.530%
02/15/2027T	655,000.00	4.0000%	3.730%
02/15/2029T	705,000.00	4.0000%	3.910%
02/15/2031T	765,000.00	4.0000%	4.090%
-----\$8,725,000.00			

Call Option: Bonds maturing on 02/15/2022 to 02/15/2025 and term bonds maturing on 02/15/2027 and 02/15/2029 and 02/15/2031 callable in whole or in part on any date beginning 02/15/2021 @ par.

Term Call: Term bonds maturing on 02/15/2027:

Mandatory Redemption Date	Principal Amount
02/15/2026	\$320,000
02/15/2027	\$335,000

Term bonds maturing on 02/15/2029:

Mandatory Redemption Date	Principal Amount
02/15/2028	\$345,000
02/15/2029	\$360,000

Term bonds maturing on 02/15/2031:

Mandatory Redemption Date	Principal Amount
02/15/2030	\$375,000
02/15/2031	\$390,000

GO Ref Bds Ser 2012

Tax Treatment: Tax Exempt
 Original Issue Amount: \$11,695,000.00
 Dated Date: 05/01/2012
 Sale Date: 04/30/2012
 Delivery Date: 05/29/2012
 Sale Type: Negotiated
 Record Date: MSRB
 Bond Form: BE
 Denomination: \$5,000
 Interest pays: Semi-Annually: 02/15, 08/15
 1st Coupon Date: 08/15/2012

Paying Agent: US Bank N.A., Dallas, TX

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Bond Counsel: Fulbright & Jaworski L.L.P.
Financial Advisor: First Southwest Company, Dallas, TX
Lead Manager: Raymond James | Morgan Keegan
Co-Manager: RBC Capital Markets
Underwriter's Counsel: Andrews Kurth L.L.P.

Use of Proceeds: Refunding.

Refunding Notes: This issue defeased mty(s) 2/15/2013 of Tax & W & SS Surplus Rev C/O Ser 2001 @ par.
This issue defeased mty(s) 2/15/2013-2/15/2016 of Tax & W & SS Surplus Rev C/O Ser 2002 @ par.
This issue defeased mty(s) 2/15/2013-2/15/2020 of Tax & W & SS Surplus Rev C/O Ser 2002A @ par.
This issue defeased mty(s) 2/15/2015-2/15/2023 of Tax & W & SS Surplus Rev C/O Ser 2003 @ par.
This issue defeased mty(s) 2/15/2017-2/15/2024 of Tax & W & SS Surplus Rev C/O Ser 2004 @ par.

Maturity	Amount	Coupon	Orig Reoffering Price/Yield
02/15/2014	430,000.00	2.0000%	0.700%
02/15/2015	775,000.00	3.0000%	0.920%
02/15/2016	800,000.00	3.0000%	1.130%
02/15/2017	1,175,000.00	4.0000%	1.350%
02/15/2018	1,220,000.00	4.0000%	1.625%
02/15/2019	1,275,000.00	4.0000%	1.900%
02/15/2020	1,335,000.00	4.0000%	2.150%
02/15/2021	1,070,000.00	4.0000%	2.400%
02/15/2022	1,110,000.00	4.0000%	2.550%
02/15/2023	1,165,000.00	5.0000%	2.700%
02/15/2024	730,000.00	4.0000%	3.050%
-----\$11,085,000.00			

Call Option: Bonds maturing on 02/15/2023 to 02/15/2024 callable in whole or in part on any date beginning 02/15/2022 @ par.

Tax Notes Ser 2012

Tax Treatment: Tax Exempt
Original Issue Amount \$1,500,000.00
Dated Date: 08/15/2012
Sale Date: 08/28/2012
Delivery Date: 09/27/2012
Sale Type: Private Placement
Record Date: MSRB
Bond Form: FR
Denomination \$5,000
Interest pays Semi-Annually: 08/15, 02/15
1st Coupon Date: 02/15/2013

Paying Agent: Bank of Texas, N.A., Dallas, TX
Bond Counsel: Fulbright & Jaworski L.L.P.
Purchaser: Bank of Texas, Houston, TX

Sales Tax - CDC 100.00%

Use of Proceeds: Park.

Maturity	Amount	Coupon	Orig Reoffering Price/Yield
02/15/2014	185,000.00	1.3500%	N/A
02/15/2015	185,000.00	1.3500%	N/A

02/15/2016	190,000.00	1.3500%	N/A
02/15/2017	195,000.00	1.3500%	N/A
02/15/2018	200,000.00	1.3500%	N/A
02/15/2019	205,000.00	1.3500%	N/A
-----\$1,160,000.00			

Call Option: Bonds maturing on 02/15/2013 to 02/15/2019 callable in whole or in part on any date @ par plus the Redemption Fee.

Tax Notes Ser 2014

Tax Treatment: Bank Qualified
Original Issue Amount \$1,000,000.00
Dated Date: 12/15/2013
Sale Date: 12/10/2013
Delivery Date: 01/14/2014
Sale Type: Private Placement
Record Date: MSRB
Bond Form: FR
Denomination \$100,000
Interest pays Semi-Annually: 02/15, 08/15
1st Coupon Date: 08/15/2014

Paying Agent: American National Bank of Texas, Rockwall, TX
Bond Counsel: Fulbright & Jaworski LLP
Financial Advisor: First Southwest Company
Purchaser: American National Bank of Texas, Terrell, TX

Sales Tax - CDC 100.00%

Use of Proceeds: Public Improvements.

Maturity	Amount	Coupon	Orig Reoffering Price/Yield
08/15/2014	140,000.00	1.7400%	N/A
08/15/2015	140,000.00	1.7400%	N/A
08/15/2016	140,000.00	1.7400%	N/A
08/15/2017	140,000.00	1.7400%	N/A
08/15/2018	145,000.00	1.7400%	N/A
08/15/2019	145,000.00	1.7400%	N/A
08/15/2020	150,000.00	1.7400%	N/A
-----\$1,000,000.00			

Call Option: Bonds maturing on 08/15/2015 to 08/15/2020 callable in whole or in part on any date beginning 08/15/2014 @ par.

GRAND TOTAL =====> \$43,485,000.00

BOND DEBT SERVICE

Period Ending	Principal	Interest	Debt Service
09/30/14	3,265,000.00	1,544,563.33	4,809,563.33
09/30/15	3,435,000.00	1,456,431.50	4,891,431.50
09/30/16	3,575,000.00	1,355,303.63	4,930,303.63
09/30/17	3,520,000.00	1,247,387.00	4,767,387.00
09/30/18	3,330,000.00	1,134,847.88	4,464,847.88
09/30/19	3,255,000.00	1,019,438.00	4,274,438.00
09/30/20	3,165,000.00	900,150.00	4,065,150.00
09/30/21	3,180,000.00	774,821.25	3,954,821.25
09/30/22	3,010,000.00	651,996.25	3,661,996.25

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09/30/23	2,515,000.00	535,640.00	3,050,640.00
09/30/24	2,135,000.00	435,761.88	2,570,761.88
09/30/25	1,460,000.00	361,572.50	1,821,572.50
09/30/26	1,525,000.00	298,073.13	1,823,073.13
09/30/27	1,600,000.00	230,581.88	1,830,581.88
09/30/28	1,665,000.00	159,226.25	1,824,226.25
09/30/29	1,745,000.00	83,717.50	1,828,717.50
09/30/30	715,000.00	30,240.00	745,240.00
09/30/31	390,000.00	7,800.00	397,800.00
	43,485,000.00	12,227,551.96	55,712,551.96

COMPUTED ON BASIS OF MANDATORY REDEMPTION

DEBT AMORTIZATION RATES

Period Ending	Principal	% of Principal Retired
09/30/2014	3,265,000.00	07.51%
09/30/2015	3,435,000.00	15.41%
09/30/2016	3,575,000.00	23.63%
09/30/2017	3,520,000.00	31.72%
09/30/2018	3,330,000.00	39.38%
09/30/2019	3,255,000.00	46.87%
09/30/2020	3,165,000.00	54.15%
09/30/2021	3,180,000.00	61.46%
09/30/2022	3,010,000.00	68.38%
09/30/2023	2,515,000.00	74.16%
09/30/2024	2,135,000.00	79.07%
09/30/2025	1,460,000.00	82.43%
09/30/2026	1,525,000.00	85.94%
09/30/2027	1,600,000.00	89.62%
09/30/2028	1,665,000.00	93.45%
09/30/2029	1,745,000.00	97.46%
09/30/2030	715,000.00	99.10%
09/30/2031	390,000.00	100.00%

DEBT SERVICE FUND MANAGEMENT INDEX

G.O. Debt Service Requirements for fiscal year-ending 09/30/2014	\$4,809,563
Contract Debt Service Requirements for fiscal year-ending 09/30/2014	\$63,750
I&S Fds all G.O. issues 09/30/2013	\$844,034
2013 I&S Fund Tax Levy @ 90%	3,369,365
Water & Sewer	777,538
Sales Tax - CDC	477,867

OPERATING EXPERIENCES The following condensed statements have been compiled using accounting principles customarily employed in the determination of net revenues available for debt service, and in all instances exclude depreciation, transfers, debt service payments and expenditures identified as capital.

SALES TAX - CDC

	Fiscal Year Ended			
	09-30-2013	09-30-2012	09-30-2011	09-30-2010
Revenues:				
Sales Taxes	\$640,805	\$516,809	\$470,568	\$432,080
Other	844	1,302	1,330	1,509
Total Revenues	\$641,649	\$518,111	\$471,898	\$433,589
Expenses	\$296,456	\$318,253	\$232,652	\$202,580
Available For Debt Service	\$345,193	\$199,858	\$239,246	\$231,009

WATER & SEWER

	Fiscal Year Ended			
	09-30-2013	09-30-2012	09-30-2011	09-30-2010
Revenues:				
W&S - NTMWD	\$7,058,856	\$6,276,046	\$6,187,918	\$5,172,979
Other	15,850	39,391	19,010	36,415
Total Revenues	\$7,074,706	\$6,315,437	\$6,206,928	\$5,209,394
Expenses:				
Contract - NTMWD	\$3,801,830	\$3,438,046	\$3,343,422	\$3,139,636
Expenses	1,228,622	1,250,901	951,146	910,040
Total Expenses	\$5,030,452	\$4,688,947	\$4,294,568	\$4,049,676

Available For Debt Service	\$2,044,254	\$1,626,490	\$1,912,360	\$1,159,718
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WATER SUPPLY The City purchases treated water from North Texas Municipal Water District.

NORTH TEXAS MUNICIPAL WATER DISTRICT WASTEWATER TREATMENT CONTRACTS (TMR #5637) On August 5, 1975, the City entered into separate contracts with NTMWD, both approved by the City's electorate at an election held July 26, 1975, whereby the District provided funds through the issuance of its bonds for construction of: (1) Series 1976A - a disposal system to serve the City, consisting of wastewater treatment facilities for disposing of sewage, including necessary interceptors, and (2) Series 1976B - a sanitary sewer system for the City, consisting of a sewage collection system, including laterals and trunk sewers, but excluding treatment facilities.

On May 26, 1994, the City entered into a contract with North Texas Municipal Water District whereby the District provided funds through the issuance of its bonds to acquire, by purchase and construction, for the benefit of the City, a new 30-inch diameter wastewater interceptor pipeline.

Pursuant to the Sewage Treatment Services Contract, providing for the issuance of the Series 1976-A Bonds, the District retains title to the improvements, provides for their operation and maintenance, and the City is extended the exclusive use of the improvements throughout their useful life. In return, the City agrees to provide monthly payments to the District adequate to pay debt service requirements on the Series 1976-A Bonds, and the District's maintenance and operation expenses of the improvements. All payments made under this contract constitute operating expenses of the City's waterworks and sewer system, within the meaning of Article 1113, RCST, 1925 and Section 30.030, Texas Water Code (Regional Waste Disposal Act). Should net revenues not be sufficient to make the required payments under the contract, the City shall levy an ad valorem tax sufficient to make all payments as authorized by Article 1109j, VTCS, as amended.

Pursuant to the Sewer System Installment Sale Contract, providing for the issuance of the Series 1976-B Bonds, title to the improvements passes to the City upon retirement of the bonds, and the City assumes sole responsibility for their operation and maintenance for the term of the contract which extends for the period while any bonds are outstanding. In return, the City agrees to provide monthly payments to the District adequate to pay debt service requirements on the Series 1976-B Bonds, plus a fixed semiannual charge of \$600 to cover the District's administrative and overhead expenses attributable to the improvements. All payments made under this contract shall be made from the surplus revenues of the City's waterworks and sewer system after paying all expenses of operation and maintenance and debt service requirements on waterworks and/or sewer system revenues now or hereafter outstanding. Should surplus revenues not be sufficient to make the required payments under the contract, the City shall levy an ad valorem tax sufficient to make all payments as authorized by Article 1109j, VTCS, as amended.

Pursuant to the Sanitary Sewer System Facilities Installment Sale Contract,

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dated May 26, 1994, providing for the issuance of the Series 1994 Bonds, title to the Project passes to the City upon retirement of the bonds, and the District assumes sole responsibility for the operation and maintenance of the Project for the term of the contract which extends for the period while any bonds are outstanding. In return, the City agrees to provide monthly payments to the District adequate to pay debt service requirements on the Series 1994 Bonds, plus administrative and overhead expenses attributable to the Project. All payments made by the City under this Contract shall be payable from and secured by pledges of the surplus revenues of the City's combined waterworks and sewer system, and the City's ad valorem taxes, all as authorized by Section 402.014, Local Government Code (formerly known as Vernon's Ann. Tex. Civ. St., Article 1109j). As of September 30, 2013 there was \$60,000 outstanding.

NORTH TEXAS MUNICIPAL WATER DISTRICT CONTRACT (MUDDY CREEK REGIONAL WASTEWATER SYSTEM) (TMR #6204) Pursuant to terms and conditions of the Muddy Creek Regional Wastewater System Contract dated as of 5-27-99 among the District, the Cities of Wylie and Murphy, Texas (together with any Additional Participants), together with all similar contracts which may be executed in the future between the District and Additional Participants, the District has accepted the responsibility to design, acquire, construct, complete, own, operate and maintain a Regional Wastewater System to receive, transport, treat and dispose of wastewater in order to control water pollution, and protect, improve and enhance the water quality of Muddy Creek and the Trinity River. The minimum annual contributing flow for Wylie is 400,000 gpd and minimum annual contributing flow for Murphy is 200,000 gpd.

Proceeds from the sale of the Bonds, together with available funds provided by the Participants, will be used to provide funds for the design and construction of a 5.0 million gallons per day Wastewater Treatment Plant and related facilities. All payments made by the Participant's combined waterworks and sanitary sewer system, and all payments to be made will constitute reasonable and necessary operating expenses of such Participant's combined waterworks and sanitary sewer system, within the meaning of Section 30.030, Texas Water Code, as amended, and Art. 1113, Vernon's Texas Civil Statutes (now Section 1502.056(c), Texas Government Code). As of September 30, 2013 there was \$16,660,000 outstanding.

WATER RATES (Monthly billing) Historical rate changes effective September 2010, April 1, 2011, July 1, 2012, November 1, 2012 and December 1, 2013.

Old Rates (Effective November 1, 2012)

Base Rate	\$20.00
Gallons	
First 15,000	2.95/M
Next 15,000	3.10/M
Next 15,000	3.30/M
Over 45,000	3.55/M

New Rates (Effective December 1, 2013)

Base Rate	\$25.00
Gallons	
First 15,000	2.95/M
Next 15,000	3.10/M
Next 15,000	3.60/M
Next 15,000	4.10/M
Over 60,000	4.60/M

SEWER RATES (Monthly billing) Historical rate changes effective September 2010 and December 1, 2013.

Old Rates (Effective September 2010)

Base rate of \$10.00 plus \$1.20/M gallons of winter average of water usage.

New Rates (Effective December 1, 2013)

Base rate of \$20.00 plus \$1.70/M gallons of winter average of water usage.

GENERAL OBLIGATION BONDS AUTHORIZED BUT UNISSUED

Election Date	Purpose	Amount Authorized	Issued To Date	Unissued
04/05/86	Water	\$360,000	\$250,000	\$110,000
04/05/86	Sewer Impr	450,000	0	450,000
04/05/86	Street & Drainage	1,780,000	1,515,000	265,000
Total:		\$2,590,000	\$1,765,000	\$825,000*

* The City has no plan to issue bonds.

PENSION FUND LIABILITY

All qualified employees of the City are members of the Texas Municipal Retirement System. The City employees also participate in the U.S. Social Security program.

Changes in Texas Municipal Retirement System (TMRS) Actuarial Method and Plan Assumptions

In early 2007, TMRS informed each of the member cities that the current actuarial assumptions did not take into account updated service credits or cost of living increases which are granted to retirees. These benefits, which some cities adopted, have been historically funded on a pay-as-you-go basis. This has led to regular increases in member cities' rates and a decrease in the overall funding of the retirement system. TMRS announced that it intended to study the impact of these benefit components and make potential changes in the way benefits are being funded.

After careful deliberation, the TMRS board approved several changes at its November and December meetings to the actuarial methods and plan assumptions. The board changed the actuarial method from unit credit to projected unit credit. Projected unit credit will allow the actuaries to consider the future financial impact of updated service credits and cost of living increases, and these benefits will begin to be pre-funded instead of funded on a pay-as-you-go basis. To mitigate the impact of this change, the board approved an eight year transition period. During this time, cities will be able to phase in the higher contribution rates instead of being required to fund these new rates immediately. Also, the board changed the amortization period from a 25-year open period to a 30-year closed period. Under a closed amortization period, contribution rates are higher, but a greater percentage of the unfunded balance is paid off each year. Finally, the board approved changes to the investment policy. TMRS has historically invested solely in fixed income investments. The board authorized the selection of an investment advisor to begin shifting a portion of investments into equity securities as a way to diversify the portfolio's holdings and earn higher returns than could be obtained with fixed income investments.

Required Contribution Rates (Percentage of gross covered salary)

	2014	2013
Employee:	7.00%	7.00%
Maximum Rate:	13.50%	13.50%
City:	10.69%	10.85%

Actuarial Valuation as of	12/31/2012	12/31/2011
Assets	\$8,743,711	\$7,553,720
Accrued Liabilities	\$11,934,471	\$10,938,584
(Unfunded)/Overfunded Liab.	(\$3,190,760)	(\$3,384,864)
Funded Ratio	73.26%	69.06%
Annual Covered Payroll	\$5,433,721	\$5,110,695

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(Unfunded)/Overfunded Liability
as a % of Covered Payroll (58.72)% (66.23)%

2012 Source: City of Murphy 09/30/2013 CAFR

2011 Source: City of Murphy 09/30/2012 CAFR

SUPPLEMENTAL DEATH BENEFIT PLAN The City also participates in the cost sharing multiple-employer defined benefit group-term life insurance plan operated by TMRS known as the Supplemental Death Benefits Fund (SDBF). The City elected, by ordinance, to provide group-term life insurance coverage to both current and retired employees.

The death benefit for active employees provides a lump-sum payment approximately equal to the employee's annual salary; retired employees are insured for \$7,500; this coverage is an "other postemployment benefit." The City's contribution to the TMRS SDBF for the years 2013, 2012, and 2011 were \$6,759, \$8,823, and \$8,208, respectively.

Source: City's Comprehensive Annual Financial Report dated September 30, 2013.

NON-FUNDED DEBT PAYABLE (As of September 30, 2013)

The City reports additional debt in the principal amount of \$1,737,807 under Comm Dev Corp, \$547,901 under Govt Activities and \$19,400 under W&S Fund as follows:

	Amount Outstanding	Int Rate	Next Year's Requirements	Reported Under
Notes-Payable to City	\$1,737,807	N/A	\$327,669*	Comm Dev Corp
Capital Lease	\$14,303	9.458%	\$15,656	Govt Activities
Note	\$339,627	0.00%	\$339,627	Govt Activities
Compensated Absences	\$193,971	N/A	N/A	Govt Activities
Compensated Absences	\$19,400	N/A	N/A	W&S Fund

* Amount excludes interest

ESTIMATED OVERLAPPING DEBT STATEMENT

Taxing Body	Debt Amount	As Of	%Ovlp	Ovlp Amt
Collin Co	\$366,185,000	* 03/31/14	2.24	\$8,202,544
Collin Co CCD	37,460,000	* 03/31/14	2.24	839,104
Plano ISD	922,505,466	* 03/31/14	3.03	27,951,916
Wylie ISD	222,902,538	02/21/13	11.63	25,923,565
Total Overlapping Debt:				\$62,917,129
Murphy, City of		01/31/14		\$32,524,488
Total Direct and Overlapping Debt:				\$95,441,617
Total Direct and Overlapping Debt % of A.V.:				5.83%
Total Direct and Overlapping Debt per Capita:				\$4,784

* Gross Debt

ECONOMIC BACKGROUND

The City of Murphy is a residential community located approximately 20 miles north of downtown Dallas on Farm-to-Market Road 544. The 2010 population was 17,708, a 471.41% increase since 2000. The City's economy is greatly influenced by the industrial, commercial and residential growth in the bordering Cities of Plano and northern Dallas. Proximity to such areas has prompted the development of single family residences in the City. Many residents of the City commute to jobs in Plano, Dallas, and Richardson.

COUNTY CHARACTERISTICS: Collin County was created in 1846 from Fannin County. Many residents commute to jobs in Dallas, Garland and Richardson. Popular recreational attractions include water sports on Lake Lavon, the McKinney Historical District and the South Fork Ranch of the "Dallas" television series. The County was the 8th largest producer of wheat in the state for 2012.

COUNTY SEAT: McKinney

2010 census: 782,341 increasing 59.1 % since 2000
2000 census: 491,675 increasing 86.2 % since 1990
1990 census: 264,036

ECONOMIC BASE

Mineral: Insignificant.

Industry: wholesale center, retail/service, manufacturing plants and government.

Agricultural: wheat, nurseries, corn and cattle.

RETAIL SALES & EFFECTIVE BUYING INCOME(a)

Year	2013	2012	2011
Retail Sales	\$16.08	\$13.08	\$13.08
Effective Buying Income (EBI)	\$26.78	\$25.38	\$25.88
County Median Household Income	\$65,093	\$65,256	\$65,477
State Median Household Income	\$48,646	\$47,613	\$47,705
% of Households with EBI below \$25K	7.4 %	6.8 %	6.8 %
% of Households with EBI above \$25K	71.4 %	70.0 %	73.8 %

EMPLOYMENT DATA

	2013		2012		2011	
	Employed	Earnings	Employed	Earnings	Employed	Earnings
1st Q:	318,717	\$4.98	302,445	\$4.78	288,933	\$4.08
2nd Q:	325,607	\$4.68	309,948	\$4.38	295,860	\$4.08
3rd Q:	N/A	N/A	311,032	\$4.38	296,129	\$4.08
4th Q:	N/A	N/A	318,138	\$4.88	301,019	\$4.28

MAJOR COLLEGES AND UNIVERSITIES: Collin County Community College**COLLEGES AND UNIVERSITIES**

Year	Total	Fall Enrollment
2013	1	27,636
2012	1	27,205
2011	1	27,322
2010	1	26,705
2009	1	24,583
2008	1	20,732

(a) DemographicsUSA County Edition

Any data on population, value added by manufacturing or production of minerals or agricultural products are from US Census or other official sources.

Major Employers(a) # Employees

Wal-Mart	385
Retail Store	
Lowe's	112
Home Improvement	
McMillen High School	110
Education	
City of Murphy	106
Municipality	
24 Hour Fitness	101
Fitness Center	
Murphy Middle School	100
Education	

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Bogges Elementary School Education	80
Albertson's Grocery Store	73
Hunt Elementary Education	66
Tibbals Elementary Education	60

(a) Source: The City's Comprehensive Annual Financial Report dated September 30, 2013.

Principal Taxpayers	2013 AV	% of AV
1. Allen & Loucks Venture LP Land/Improvements	\$37,079,025	2.26%
2. Lowe's Home Centers Inc. Retail Store	15,827,411	0.97%
3. Murphy Crossing Shopping Center LP Shopping Mall	9,415,868	0.57%
4. Wal-Mart Real Estate Business Trust Financial Management	9,328,752	0.57%
5. Murphy AL Partners LP Real Estate	8,186,313	0.50%
6. Wal-Mart Texas LP Retail	6,225,375	0.38%
7. Murphy Storage Partners LLC Storage	6,030,525	0.37%
8. Champion Langford Partners Land/Improvements	5,277,467	0.32%
9. ABS TX Investors LP Land/Improvements	4,500,000	0.27%
10. SLP-544 LTD Real Estate	4,211,032	0.26%
Total:	\$106,081,768	6.47%

FINANCE CONNECTED OFFICIALS

Mayor
Eric Barna
205 North Murphy Road
Murphy, TX 75094
Phone: 972-468-4000
Fax: 972-468-4012
ebarna@murphytx.org

City Manager
James Fisher
205 North Murphy Road
Murphy, TX 75094
Phone: 972-468-4007
Fax: 972-468-4008
jfisher@murphytx.org

City Secretary
Kristi Gilbert
205 North Murphy Road
Murphy, TX 75094
Phone: 972-468-4011
Fax: 972-468-4012
kgilbert@murphytx.org

Director of Finance
Linda Truitt
205 North Murphy Road

Murphy, TX 75094
Phone: 972-468-4119
Fax: 972-423-0876
ltruitt@murphytx.org

Tax Assessor/Collector
Kenneth L. Maun
Collin County Tax Office
P. O. Box 8006
1800 N. Graves, Ste 170
McKinney, TX 75070
Phone: 972-547-5020
Fax: 972-547-5040
taxassessor@collincountytx.gov

Chief Appraiser
Bo Daffin
Collin County Appraisal District
250 E. Eldorado Parkway
McKinney, TX 75069-8023
Phone: 469-742-9200
b.daffin@cadcollin.org

EGB

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