

MURPHY CITY COUNCIL AGENDA
REGULAR CITY COUNCIL MEETING
DECEMBER 10, 2013 AT 6:00 P.M.
206 NORTH MURPHY ROAD
MURPHY, TEXAS 75094



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

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 December 10, 2013 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 CERT Graduation Certificates
- B. Presentation of Certificates of Appreciation for CERT Volunteers
- C. Presentation by the Chamber of Commerce

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 minutes:
 - 1. November 15-16, 2013 special meeting minutes; and,
 - 2. November 19, 2013 regular meeting minutes.

7. INDIVIDUAL CONSIDERATION

- A. Consider and/or act upon a resolution casting votes for the position of Board of Director for the Central Appraisal District of Collin County.
- B. Consider and/or act upon Timbers Nature Preserve Park and Trail project items:
 - 1. Authorizing staff to prepare bid documents and put the project out to bid;
 - 2. Authorizing the expenditure of funds for construction administration and project management fees; and,
 - 3. Authorizing the payment of US Army Corp of Engineer mitigation fees.
- C. Consider and/or act upon an Ordinance authorizing the issuance of "CITY OF MURPHY, TEXAS TAX NOTES, SERIES 2014" in the par amount of \$1,000,000.

- D. Consider and/or act on a Resolution of the City of Murphy, Texas, approving and authorizing the execution of a Project Contract with the Murphy Municipal Development District.
- E. Consider and/or act upon Ethics Review Commission recommendations:
 - 1. A proposed resolution establishing the Rules and Procedures for the City of Murphy Ethics Commission
 - 2. A proposed ordinance amending Chapter 2, Article IX of the Code of Ordinances entitled Code of Ethics.
- F. Consider and/or act upon the recommendations from the Council Interview Panel regarding appointing board members to the Planning and Zoning Commission, Board of Adjustments, Murphy Municipal Development District, Murphy 4B Community Development District, the Animal Shelter Advisory Committee, the Ethics Review Commission, the Parks and Recreation Board and the Building and Fire Code Board of Appeals.

8. CITY MANAGER/STAFF REPORTS

North Murphy Road Construction Update
Christmas in the Park Update
Board and Commission Celebration Dinner – December 12th
Employee Luncheon – December 19th
City Hall Closed – December 24th & 25th

9. EXECUTIVE SESSION

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

- A. §551.074 Deliberation regarding the appointment, evaluation, reassignment, duties, discipline or dismissal of the
 - a. City of Murphy Planning and Zoning Commissioners;
 - b. Board of Adjustment Board Members;
 - c. Murphy Municipal Development District Members;
 - d. Murphy Community Development Members;
 - e. Ethics Review Commission Members;
 - f. Building and Fire Code Board of Appeals Members; and,
 - g. City Manager
- B. § 551.087. Deliberation regarding economic development negotiations (1) to discuss or deliberate regarding commercial or financial information that the governmental body has received from a business prospect that the governmental body seeks to have locate, stay, or expand in or near the territory of the governmental body and with which the governmental body is conducting economic development negotiations; (2) to deliberate the offer of a financial or other incentive to a business prospect described by Subdivision (1).

10. RECONVENE INTO REGULAR SESSION

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

- A. §551.074 Deliberation regarding the appointment, evaluation, reassignment, duties, discipline or dismissal of the
 - a. City of Murphy Planning and Zoning Commissioners;
 - b. Board of Adjustment Board Members;
 - c. Murphy Municipal Development District Members;
 - d. Murphy Community Development Members;
 - e. Ethics Review Commission Members;
 - f. Building and Fire Code Board of Appeals Members; and,
 - g. City Manager

- B. § 551.087. Deliberation regarding economic development negotiations (1) to discuss or deliberate regarding commercial or financial information that the governmental body has received from a business prospect that the governmental body seeks to have locate, stay, or expand in or near the territory of the governmental body and with which the governmental body is conducting economic development negotiations; (2) to deliberate the offer of a financial or other incentive to a business prospect described by Subdivision (1).

- C. Take Action on any Executive Session Item

11. 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 December 4, 2013 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, TRMC, CMC, CPM
City Secretary

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

**CITY COUNCIL MINUTES
NOVEMBER 15 & 16, 2013 CITY COUNCIL WORK SESSION**

1. CALL TO ORDER

Mayor Barna called the meeting to order at 3:05p.m. on Friday, November 15, 2013.

Mayor Barna called for a break at 4:53pm.

Mayor Barna called back to order at 5:04pm.

2. ROLL CALL & CERTIFICATION OF A QUORUM

Kristen Roberts 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

3. WORK SESSION

The Council held discussions with regard to the following items:

- The City of Murphy 2012-2015 Strategic Direction policy that was adopted by the City Council on May 15, 2012 and consider any amendments, deletions and/or additions.
 - Council discussed the Strategic Direction plan and offered feedback on the various sections of the plan including city projects, tax rate, and economic development and benchmarking.
 - Focus area: Community Character
 - Land Inventory – staff to bring before the City Council in late March to early April
 - Manage the density of development throughout Murphy
 - Complete Community Survey prior to the update of the Comprehensive Plan; place discussion of the Community Survey on a January City Council agenda.
 - Work with the City of Plano on a plan to preserve the tree coverage on the western edge of the City.
 - Review the current standards in Multi Family and Patio Home zoning regulations and provide any recommendations to City Council.
 - Incorporate the promotion of the diversity of our community into upcoming community events; consider partnering with local schools and organizations.
 - Develop “Murphy App”.
 - Focus area: Mobility
 - Complete sidewalk inventory and bring before City Council by April, 2014
 - Complete trail inventory and bring before City Council by March, 2014

- Focus Area: Finance
 - Develop benchmark cities to use for data comparison to get a better review of operational and maintenance costs to allow City Council the ability to make better and more informed decisions.
- Focus Area: Employee Development
 - Deferred to later in the Planning Session
- Focus Area: Public Safety
 - Develop a proposal for City Council consideration of a Leadership Murphy program

4. INDIVIDUAL CONSIDERATION

The Council considered the following items:

There was no action taken.

5. RECESS MEETING

Mayor Barna recessed the meeting at 6:13pm on Friday, November 15, 2013.

6. RECONVENE

Mayor Barna reconvened the meeting at 9:01am on Saturday, November 16, 2013.

7. ROLL CALL & CERTIFICATION OF A QUORUM

Kristen Roberts 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 Rob Thomas
 Councilmember Bernard Grant arrived at 9:07am.

Councilmembers absent: None

8. WORK SESSION

The Council continued discussion on items specified in Item 3.

- The City of Murphy Utility Funds, including water and wastewater operations, utility rates, drought management and capital projects.
 - Council discussed options on how to charge for water consumption.
 - Staff received direction to hire a consultant to present such options.
 - Council will hold a work session to discuss expectations with consultant
 - Staff will present options to City Council at March 18 City Council meeting
- Compensation plan items, including the benchmark city list; the structure of the general government pay plan; and market strategy options.

- Staff presented proposed cities and relative data for reference with proposed pay plan.
 - Council requested staff to create pay plan and present to City Council in spring for action after identifying and comparing to like cities to Murphy.
 - Council requested staff to review cities outside the metroplex. They recommended smaller cities outside of the Houston and San Antonio areas.
 - Council directed staff to bring cities of comparison back that were alike in population, land size and home values in order to compare staffing and pay structures.
- City of Murphy capital projects.
 - Staff discussed current and pending capital projects.
 - It was recommended to begin consideration of a future bond election and reinstitute the Capital Projects Advisory Committee.
 - City Manager and one Council would act as liaisons.

9. INDIVIDUAL CONSIDERATION

The Council considered the following items:
There was no action taken.

10. ADJOURNMENT

With no further business, the meeting was adjourned at 12:25p.m.

APPROVED BY:

Eric Barna, Mayor

ATTEST:

Kristi Gilbert, City Secretary

CITY COUNCIL MINUTES
NOVEMBER 19, 2013 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 Betty Nichols Spraggins
Councilmember Bernard Grant
Councilmember Rob Thomas

Councilmembers absent:
Councilmember Scott Bradley

4. PUBLIC COMMENTS –

Dennis Koleber, 411 Woodcrest Circle – Mr. Koleber expressed concerns regarding high pampass grass along Murphy Road.

Marv Williams, 1201 Cactus Path – Mr. Williams thanked the Council for allowing the Exchange Club to have a booth at Christmas in the Park to allow visitors to make Christmas cards to be delivered to Veteran’s hospitals throughout the state.

Ruth Murphy, 316 Mimosa Drive – Ms. Murphy expressed concerns regarding the addition of a pond across from her house. Ms. Murphy stated that the retainer that has been used is currently falling into the culvert.

Ryan Sullentrup, 416 Woodcrest Circle – Mr. Sullentrup expressed concerns that the Timbers neighborhood has had lots of challenges. Mr. Sullentrup stated that some of the neighbors have been angry as a result of fear. Mr. Sullentrup stated the fear was in part because of zoning issues, past developments and recent election concerns.

5. PRESENTATION ITEMS –

A. Keep Murphy Beautiful Mascot and Poster Contest Winners:

Elizabeth Combs, Public Relations Coordinator with Progressive Waste Solutions stated that the Mascot Contest winner and the Poster Contest winner would both be placed on the sides of the trash vehicles used within the City of Murphy.

Mayor Barna presented the Keep Murphy Beautiful Mascot and Poster Contest Winners:

Daphne Durr - 2nd Place Murphy Poster Contest

Dawson Durr - 1st Place Murphy Poster Contest winner with an award of a \$100 gift card

Hamza Muhammed - 2nd Place Murphy Mascot Contest

Cedric Zhou - 1st Place Murphy Mascot Contest winner with an award of an iPad mini.

Masters Durr and Zhou will have their artwork displayed on the Progressive Waste Solutions trucks that service Murphy residents.

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 November 5, 2013 regular meeting minutes.

COUNCIL ACTION (6.A.):

APPROVED

Councilmember Grant moved to approve the consent agenda as presented. Mayor Pro Tem Siddiqui seconded the motion. For: Unanimous. The motion carried by a vote of 6 to 0.

7. INDIVIDUAL CONSIDERATION

A. Hold a public hearing and consider and/or act on the application of Elevate Church to re-plat 701 E. FM 544.

Kristen Roberts stated that the purpose of the re-plat was to remove a fire lane easement to accommodate additional parking spaces.

Mayor Barna opened the public hearing at 6:21 pm.

No one was signed in to speak in favor of or in opposition to the re-plat.

Mayor Barna closed the public hearing at 6:22 pm.

COUNCIL ACTION (7.A.):

APPROVED

Councilmember Grant moved to approve the application of Elevate Church to re-plat 701 E. FM 544. Councilmember Nichols Spraggins seconded the motion. For: Unanimous. The motion carried by a vote of 6 to 0.

B. Consider and/or act on the application of Elevate Church to revise the site plan of 701 E. FM 544.

Ms. Roberts stated that the revised site plan to add 23 new parking spaces. Ms. Roberts noted that the site plan also indicated a future expansion that has yet to be approved.

COUNCIL ACTION (7.B.):

APPROVED

Councilmember Grant moved to approve the application of Elevate Church to revise the site plan 701 E. FM 544. Councilmember Nichols Spraggins seconded the motion. For: Unanimous. The motion carried by a vote of 6 to 0.

C. Hold a public hearing and consider and/or act on the application of Ann B Pierce, Gabriel Kiro and Tiruwork Abraha requesting to approve a change in zoning from SF-20 (Single Family 20 Residential) Development to PD (Planned Development) District for a SF-9 (Single Family-9 Residential) Development and PD requirements on approximately 14 acres of property located southwest of FM 544 and east of and adjacent to south Maxwell Creek Road.

MURPHY CITY COUNCIL MINUTES
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Ms. Roberts stated that staff had been working for four years with different developers on the subject property. Ms. Roberts stated the current applicant submitted an application that was considered by the Planning and Zoning Commission in June of this year. The application was denied by the Commission and subsequently withdrawn by the applicant. Ms. Roberts stated the newest submittal addressed concerns brought forth by the neighbors.

Ms. Roberts stated that the property was currently zoned SF-20. Ms. Roberts stated the developer has proposed 37 single family lots. Ms. Roberts stated that the developer has identified interior lots as Type A lots with a 10,000 square foot lot minimum and 2,400 minimum square foot residence. Ms. Roberts stated that the exterior lots have been identified as Type B lots by the developer and reflect the adjacent neighborhoods with a minimum lot depth of 150 feet and a rear building setback of 40 feet.

Ms. Roberts stated that the developer would bear the expense of aligning S. Maxwell Creek Road. Ms. Roberts stated that staff was recommending that Oak Glen Drive remain a dead end drive with the developer dedicating an easement for future road extension at the city's expense.

Jerry Sylo with JBI Partners, 16301 Quorum - Mr. Sylo presented the Council with his clients proposed development.

Mayor Barna moved to open the public hearing at 6:57 p.m.

Tracey Cole, 420 Oak Glen Drive - Ms. Cole stated that she had lived in Murphy for four years and loved Murphy. Ms. Cole stated that she is opposed to the zoning change request along with many of her neighbors. Ms. Cole stated that her neighbors have also pulled together 20 homeowners in opposition to the request, also requiring a three-fourths majority.

Max Huffman, 4 Bunny Run – Mr. Huffman stated he was one of the first chairmen of the Planning and Zoning Commission. Mr. Huffman stated the request was not new. Mr. Huffman asked the Council to stick with the master plan. Mr. Huffman expressed concerns with the increased traffic and asked the Council to deny the request.

Dennis Koleber, 411 Woodcrest Circle – Mr. Koleber stated that Murphy has become like another boring town. Mr. Koleber expressed his concerns with smaller lots and two story houses. Mr. Koleber asked the Council to uphold the SF-20 zoning.

Ryan Sullentrup, 416 Woodcrest Circle – Mr. Sullentrup expressed concerns with regards to who city staff is working for when they make recommendations. Mr. Sullentrup stated that the developer has not met with any of the neighbors that he is aware of.

Richie Earle, 129 Ridgestone Drive – Mr. Earle stated that the city had come up with their rules a long time ago and plan to live out their lives in their house. Mr. Earle stated that he depended on Council to hold the line on sticking to the regulations. Mr. Earle asked Council to deny the request.

MURPHY CITY COUNCIL MINUTES
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Keith Huyck, 127 S. Maxwell Creek - Mr. Huyck stated that most of the SF-9 neighborhoods are surrounded by park land or streets, not adjacent to neighbors. Mr. Huyck stated he lived on 0.75 acres and was concerned about losing his privacy.

Carol Huyck, 127 S. Maxwell Creek – Ms. Huyck stated that she wanted part of Murphy to remain country.

Jennifer Berthiaume, 416 Woodcrest Circle – Ms. Berthiaume stated that she has lived in Murphy for 2.5 years and has seen quick turnover in larger lots in Murphy.

Celia Saunders, 415 Rocky Glen Circle – Ms. Saunders asked the Council to deny the request.

Mayor Barna closed the public hearing at 7:31 pm.

The Mayor inquired of the applicant if SF-20 would work on the subject property. Mr. Sylo stated that, with the current street configuration, only 22 lots would fit and Oak Glen Drive would have to be extended. Mr. Sylo stated that the realignment of South Maxwell Creek was determined through working with a traffic engineer.

Mr. Sylo asked that the Council wait to take a vote until the full Council could be present.

Mayor Pro Tem Siddiqui stated that he felt the area was a unique, bucolic piece in Murphy and would not support a change in zoning.

Councilmember Thomas stated that he agreed with Mayor Pro Tem Siddiqui.

Mr. Sylo requested that their application be withdrawn.

COUNCIL ACTION (7.C.):

WITHDRAWN

Councilmember Grant moved to approve the applicants request for a withdrawal of the application. Deputy Mayor Pro Tem St. Clair seconded the motion. For: Unanimous. The motion carried by a vote of 6 to 0.

- D. Hold a public hearing and consider and/or act on amending Murphy Code of Ordinances: Chapter 28 Development Standards, Article II Fencing, Walls and Screening; and Chapter 70 Subdivisions, Article II Procedures, Section 70-35 to amend the requirements for final plat approval.

Ms. Roberts stated that staff brought forth two amendments that were approved by the Planning and Zoning Commission. Ms. Roberts stated the amendments related to HOA approval of fences and amendment to the signature block on final plats.

Mayor Barna opened the public hearing at 7:51 pm

No one was signed in to speak in favor of or in opposition to the proposed amendments.

Mayor Barna closed the public hearing at 7:51 pm.

COUNCIL ACTION (7.D.):**APPROVED**

Mayor Pro Tem Siddiqui moved to amending Murphy Code of Ordinances: Chapter 28 Development Standards, Article II Fencing, Walls and Screening; and Chapter 70 Subdivisions, Article II Procedures, Section 70-35 to amend the requirements for final plat approval. Councilmember Grant seconded the motion. For: Unanimous. The motion carried by a vote of 6 to 0. (*Ordinance 13-11-962*)

- E. Consider and/or act on amending Chapter 30, Code of Ordinances, to regulate the sale and possession of e-cigarette products.

City Manager James Fisher stated that the proposed amendment was to provide for a definition of e-cigarette products and prohibits the use by minors.

Councilmember Thomas asked for confirmation that the Council was not addressing the location where e-cigarettes could be utilized. Mr. Fisher confirmed that the only changes were to provide for the definition of e-cigarettes and the usage by minors.

COUNCIL ACTION (7.E.):**APPROVED**

Councilmember Grant moved to Chapter 30, Code of Ordinances, to regulate the sale and possession of e-cigarette products as presented by the City Manager. Councilmember Thomas seconded the motion. For: Unanimous. The motion carried by a vote of 6 to 0. (*Ordinance 13-11-963*)

- F. Consider and/or act upon a resolution casting votes for the position of Board of Director for the Central Appraisal District of Collin County.

Councilmember Thomas stated he would like more information regarding the candidates.

COUNCIL ACTION (7.F.):**NO ACTION**

Council took no action on Item 7.F.

- G. Discuss and provide an update on traffic control devices used in the closure of Grant Road at the Murphy city limit.

Mr. Fisher stated that he had received numerous emails regarding Council's next steps.

Fire Chief Lee stated that a gate that was opticom controlled was preferred as mutual aid from Sachse would be hindered if there was a permanent closure. Chief Lee stated that the closest Sachse Fire Department is anticipated to be fully staffed within five years.

Councilmember Thomas stated that he recalled the Council asking for different options on the closure.

Mayor Barna stated that he would like to see options for a gate, as well as a landscaped permanent structure as Councilmember Bradley had brought up in the past.

Mayor Pro Tem Siddiqui asked Staff to consider options that are aesthetically pleasing, interconnected for pedestrians and are cost effective.

Deputy Mayor Pro Tem St. Clair stated he wanted to see maintenance costs associated with the closure.

Discussion was held with regard to having staff bring back options on the January 21, 2014 meeting.

COUNCIL ACTION (7.G.):

NON ACTION ITEM

Non action item.

- H. Consider and/or act on an exception to the Alcohol Policy for the Murphy Community Center for the Board and Commission Appreciation Dinner scheduled for Thursday, December 12th, 2013.

Mr. Fisher stated that the policy had been adopted some time ago.

John Daugherty, 738 Rosewood Drive – Mr. Daugherty stated that, in previous Council discussions, the Saturday declaration was to allow for wedding receptions.

Councilmember Thomas stated he would like to see further discussion to expand the alcohol policy to include additional days.

Keith Patton, 451 Poindexter - Mr. Patton stated that one of the concerns was that a lot of children's organizations would be around during potential alcohol service.

COUNCIL ACTION (7.H.):

APPROVED

Councilmember Grant moved to approve an exception to the Alcohol Policy for the Murphy Community Center for the Board and Commission Appreciation Dinner scheduled for Thursday, December 12th, 2013. Councilmember Nichols Spraggins seconded the motion. For: Barna, Siddiqui, Nichols Spraggins, Grant and Thomas. Against: St. Clair. The motion carried by a vote of 5 to 1.

- I. Consider and take action, if any, on a request for the institution of an Over 65 Tax Freeze.

Councilmember Thomas stated he had a hard time exempting people from taxes and then allowing them to vote for tax increases.

Mayor Barna stated that there was an exemption in place and stated that the Council should consider an increase in the exemption during the next budget session.

COUNCIL ACTION (7.I.):

NON ACTION ITEM

No action was taken.

8. CITY MANAGER/STAFF REPORTS

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

North Murphy Road Construction Update – The batch plant in Parker is not currently operational.

Thanksgiving Holiday – City Hall Closed - November 28th & 29th

Christmas in the Park – December 5th
Board and Commission Celebration Dinner – December 12th
Employee Luncheon – December 18th

9. ADJOURNMENT

With no further business, the meeting was adjourned at 8:28 p.m.

APPROVED BY:

Eric Barna, Mayor

ATTEST:

Kristi Gilbert, City Secretary

City Council Meeting
December 10, 2013

Issue

Consider and/or act upon a resolution casting votes for the position of Board of Director for the Central Appraisal District of Collin County.

Staff Resource/Department

James Fisher, City Manager

Summary

The City of Murphy is a taxing entity covered by the Central Appraisal District of Collin County. The appraisal district is governed by a board of directors. Five directors are appointed by the taxing units, the county tax assessor-collector also serves as a nonvoting member of the board. Directors serve two-year terms beginning January 1 of even numbered years. The number of votes that a taxing entity can cast is weighted by the total dollar amount of property taxes imposed by each entity. The City of Murphy has 26 votes to cast out of a total of 5,000 votes for the 2014-2015 Board of Directors. The Council may vote for one candidate or distribute the votes among any number of candidates.

The Council tabled consideration of this item at their November 19, 2013 meeting in order to allow staff the opportunity to reach out to each of the candidates and/or nominating entities to obtain candidate background information. Staff has received information from Ms. Burleson, Mr. Carlisle, Mr. Mayo, Mr. Pirek and Mr. Wilshire.

Action Requested

Motion to approve a resolution casting votes for nominees to the Central Appraisal District of Collin County as follows:

- _(# of votes)___ for Tiffany Burleson
- _(# of votes)___ for Ronald Carlisle
- _(# of votes)___ for Dr. Leo Fitzgerald
- _(# of votes)___ for Wayne Mayo
- _(# of votes)___ for Michael A. Pirek
- _(# of votes)___ for Gary Rodenbaugh
- _(# of votes)___ for Roy Wilshire.

Attachments

Board of Director Nominees
 Resolution Casting Votes for Board of Directors
 Letter from Ms. Burleson
 Resume from Mr. Carlisle
 Letter from Mr. Mayo
 Application to the City of Plano from Mr. Pirek
 Letter from Mr. Wilshire

RESOLUTION NO. 13-R-XXX

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MURPHY, TEXAS, AUTHORIZING THE CASTING OF VOTES BY BALLOT FOR SELECTION OF THE BOARD OF DIRECTORS OF THE COLLIN CENTRAL APPRAISAL DISTRICT .

WHEREAS, the City of Murphy, Texas, is a participating taxing unit in the Collin Central Appraisal District; and,

WHEREAS, Section 6.03(k) of the Tax Code provides for the casting of votes for appraisal district board of directors by a taxing unit through a resolution to be submitted to the chief appraiser.

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

The City Council of the City of Murphy, Texas casts its allotted 26 votes for Board of Directors of the Central Appraisal District of Collin County as follows:

- _____ votes for Tiffany Burleson
- _____ votes for Ronald Carlisle
- _____ votes for Dr. Leo Fitzgerald
- _____ votes for Wayne Mayo
- _____ votes for Michael A. Pirek
- _____ votes for Gary Rodenbaugh
- _____ votes for Roy Wilshire.

DULY RESOLVED by the City Council of the City of Murphy, Texas, on this the 10th day of December, 2013.

Eric Barna

ATTEST:

Kristi Gilbert, City Secretary



Collin Central Appraisal District

October 30, 2013

RECEIVED

OCT 31 2013

City Manager's Office

Eric Barna, Mayor
City of Murphy
206 N. Murphy Road
Murphy, TX 75094

Dear Mayor Barna:

Enclosed you will find the ballot listing the nominees for the Board of Director positions for the Central Appraisal District of Collin County. The candidates are listed alphabetically by their last name.

Each voting unit must vote in open meeting, report its vote by written resolution, and submit it to the chief appraiser before December 15, 2013. Each unit may cast all its votes for one candidate or distribute the votes among any number of the candidates listed. Since there is no provision for write-in candidates, the Chief Appraiser may not count votes for someone not listed on the official ballot.

Sincerely,

A handwritten signature in black ink that reads "Bo Daffin".

Bo Daffin
Chief Appraiser

EID/mlr

Enclosure

2014-2015
CENTRAL APPRAISAL DISTRICT
BOARD OF DIRECTOR'S NOMINATIONS

TIFFANY BURLESON	Nominated by the City of Anna. Resides in Anna, TX.
RONALD CARLISLE	Is a current board member and has served since 1/94. Nominated by the City of Frisco, Frisco ISD and McKinney ISD. Resides in Frisco, TX.
DR. LEO FITZGERALD	Is a current board member and has served since the beginning of the Appraisal District, 1/80. Nominated by McKinney ISD and Plano ISD. Resides in Plano, TX.
WAYNE MAYO	Is a current board member and has served since 1/98. Nominated by the City of Richardson, and McKinney ISD. Resides in Richardson, TX.
MICHAEL A. PIREK	Nominated by the City of Plano. Resides in Plano, TX.
GARY RODENBAUGH	Is a current board member and has served since 1/01. Nominated by the City of Allen, Allen ISD, and McKinney ISD. Resides in Allen, TX.
ROY WILSHIRE	Is a current board member and has served since 01/03. Nominated by McKinney ISD. Resides in Plano, TX.



Collin Central Appraisal District

OFFICIAL BALLOT

ISSUED TO: **City of Murphy**

NUMBER OF VOTES: **26**

FOR: **BOARD OF DIRECTORS, CENTRAL APPRAISAL DISTRICT OF COLLIN COUNTY.**

TIFFANY BURLESON _____ VOTES

RONALD CARLISLE _____ VOTES

DR. LEO FITZGERALD _____ VOTES

WAYNE MAYO _____ VOTES

MICHAEL A. PIREK _____ VOTES

GARY RODENBAUGH _____ VOTES

ROY WILSHIRE _____ VOTES

October 30, 2013

Bo Daffin, Chief Appraiser

Section 6.03 (g) of the State Property Tax Code requires the above action be taken by resolution, therefore, please attach a copy of the resolution to this ballot and return to the Chief Appraiser, at 250 Eldorado Pkwy., McKinney, Texas 75069, before December 15, 2013.

Kristi Gilbert

From: Jeremy tiffany Burleson <tjburleson@yahoo.com>
Sent: Sunday, December 01, 2013 8:24 PM
To: Kristi Gilbert
Subject: Re: Fwd: Candidate Background Information

Thank you for considering me as the City of Murphy's representative for the Collin County Board of Directors Appraisal District! My name is Tiffany Burleson and I currently reside in Anna, Texas. I have experience as a Texas Real Estate Agent/Broker, Banking and as a Commercial/Residential Mortgage Loan Officer. I have the knowledge and the experience with the appraisal districts and I know the importance that the Appraisal District is to our communities. Throughout my career as a Real Estate Broker and Mortgage Loan Officer, I have dealt with appraisals, building permits, accounting, property bids, property closing and funding, and surveys. I grew up in Grand Prairie, Tx and have spent the last three years in Anna, Tx. I have experience from the larger city scale to a much smaller scale. I can see the importance and factors that work for both entities. However, I do see what works in a larger district does not mean it will necessarily work in a smaller community. I feel it is important to take each situation and carefully process it before making decisions that are across the board for all communities.

I decided to change careers and became a Teacher. I am currently certified to teach Special Education EC-12, English as a Second Language (ESL) EC-12 and Generalist 4-8. However, since moving to Anna, I have not been able to obtain a teacher position. I became involved with the City of Anna City Council last year. I started with being a member of the Board of Adjustments and currently, I am on the Planning and Zoning Commission. Other activities outside of City Council that I am involved in are coaching youth basketball, attending my children's sporting events/activities, PTA President for Joe K. Bryant Elementary, volunteering, and I work part-time as a Bus Driver for Anna ISD. I have four children (11yr, 12yr, 13yr and 16yr) and happily married to my childhood friend.

Thank you for your consideration!

Tiffany Burleson

On Friday, November 22, 2013 4:51 PM, Kristi Gilbert <kgilbert@murphytx.org> wrote:
 Good Afternoon,

The Murphy City Council discussed casting ballots for the Board of Director candidates at our meeting on Tuesday, November 19th. The Council has requested that we obtain additional information from the candidates. A biography or resume would be fantastic. If you would please provide the information by Monday, December 2nd, I can include it in the Council packet for our December 10th Council meeting.

Thanks,
 Kristi Gilbert, TRMC, CMC, CPM
 City Secretary
kgilbert@murphytx.org<mailto:kgilbert@murphytx.org>
 972.468.4011 office
 972.468.4012 fax
murphytx.org<<http://murphytx.org>>

City of Murphy
LIFE LIVED AT YOUR PACE™

RONALD CARLISLE

8661 Santa Rosa Dr., Frisco, TX 75033
Cell: 214 726 5614

SUMMARY

Born in Dallas, Texas
Married (Sandy Carlisle) and moved to Frisco, Texas in 1978.
Children: Travis, Ashley and Byron

ACCOMPLISHMENTS

Architectural Registration in 1985.
Appointed to Board of Directors for Collin County Appraisal District in 1993.
Managed design and development of new construction and remodel of TGI Friday's restaurants.
As Director of Architecture, designed and developed new prototypical construction documents.

EXPERIENCE

RONALD CARLISLE Frisco, TX

Architectural Consultant 05/2012 to Current

CARLSON COMPANIES/TGI FRIDAYS Dallas, TX

Project Architect/Director of Architecture/Senior Architect 05/1987 to 04/2012

MELVIN R. FAIN, ARCHITECTS Plano, TX

Project Architect 04/1983 to 04/1987

CARLSON COMPANIES/TGI FRIDAYS Dallas, TX

Project Architect 04/1976 to 04/1983

EDUCATION

BACHELOR OF SCIENCE: ARCHITECTURE 1973
UT-Arlington, Arlington, TX

L. W. MAYO APPRAISERS



2934 Whitemarsh Circle Richardson, TX 75080-1549

972-235-2717

wayne@LWMayoappraisers.com

November 23, 2013

Mr. Eric Barna, Mayor
Murphy City Council
City of Murphy
206 N. Murphy Road
Murphy, TX 75094

Re: CCAD Board Elections

Good Morning:

My name is Wayne Mayo and I have been nominated to the Collin Central Appraisal District Board of Directors by the City of Richardson. It is my honor to serve as Chairman of the Board of Directors and have served in that position for 12 years. It is the function of the Board of Directors to set the policies and procedures that guide the appraisal district as dictated by the State Legislature and the Comptroller's office. It is also our function to develop a budget for the appraisal district to support their activities. Several years ago, we developed an informational seminar for the taxing entities to provide them with information about how the market will affect values for the upcoming tax year. This seminar is held annually.

I am asking for your votes for re-election to the Collin Central Appraisal District and would appreciate your support. Attached is a copy of my resume which outlines community, state and local activities.

Sincerely,


L. W. (Wayne) Mayo, CPA

PERSONAL PROFILE

L. W. (Wayne) Mayo

Native Texan - Born in Dallas; graduated from Woodrow Wilson High School

Attended East Texas State University (graduated 1965)

B.S. Degree in Biology & Physical Education

Teacher for 4 years (math & science); Coached

Awarded Lifetime Membership Texas PTA

Real Estate for 44 years; Appraiser for 38 years

Married 49 years

CIVIC & PROFESSIONAL ACTIVITIES:

Realtor & Appraiser Associations:

National Association of Independent Fee Appraisers (34 years)

National Association of Realtors

Texas Association of Realtors

Lake Cities Board of Realtors

Served as a member of the Professional Standards Committee on Ethics, Chairman of the Arbitration Committee & Chairman of the Grievance Committee for the Greater Dallas Board of Realtors (GDBR)

Vice-Chairman of Professional Standards Committee on Ethics for the Collin County Board of Realtors

Member, Collin County Appraisal Review Board (1992-1997)

Vice-Chairman, Collin County Appraisal Review Board (1994)

Chairman, Collin County Appraisal Review Board (1995, 1996 & 1997)

Collin County Appraisal District Board of Directors (1998-2013)

Collin County Appraisal District Chairman of the Board (2001-2013)

Past President, Dallas Chapter, NAIFA

Deputy State Director, NAIFA (1990-91)

State Director for Texas, NAIFA (1991-93)

Regional Governor, Southwest Central Region, NAIFA (1993-96)

National Director, NAIFA (1996-98; 2008-2009)

1997 "Texas Appraiser of the Year" for NAIFA

1997 "National Appraiser of the Year" for NAIFA

NAIFA National Treasurer (1998-99)

NAIFA National President – 2010

Honored with an award named for him by the Dallas Chapter of NAIFA (2000) – The Mayo Award

Profile**Page 2**

Texas Appraiser Licensing & Certification Board (1999-2006)
 Chairman, Texas Appraiser Licensing & Certification Board (2002-2005)
 Deputy Director (Region IV) for AARO (Association of Appraisal Regulatory Officials) (1999-2000)
 Member, State Advisory Board to the Appraisal Foundation (2002-2006)
 Honorary Life Member – Association of Appraisal Regulatory Officials

Rotary

Charter member - Richardson Central Rotary Club
 Served as Sergeant-at-arms, President-Elect & President
 Governor's Representative for District 581 for 4 years
 Chairman of the Australian Group Study Exchange
 Chairman of the Texas Tour for the German Mini-Exchange - 4 years
 Member of District 581 Youth Exchange Committee
 Perfect attendance - 30 years

YMCA

Board of Directors
 Served as Director of All Sports Activities Committee

Chamber of Commerce

Served on the Advisory Board and the Board of Directors
 Chairman of the annual Christmas Parade for 20 years
 Served on Tourist & Convention Committee and the Governmental Affairs Committee

City of Richardson

Served on the Richardson Park Board
 City Councilman - 4 years
 Served as Vice-President of the Collin County Public Officials Association

Texas Wild Turkey Federation (a group dedicated to the preservation & conservation of the wild turkey in Texas)

Served as President, Vice-President and Treasurer
 Board of Directors - Director of Merchandise
 Served on the Advisory Board to the Texas Parks & Wildlife Commission

ATTENDED 8/22/13 RECEPTION

City of Plano Board or Commission Candidate Application

For manual submission fax to (972) 423-9587 or mail to City of Plano, City Secretary, P.O. Box 860358, Plano, TX 75086-0358

Last Name: First Name: Middle Name:

Personal Information

Home Address:
 Plano, Texas Zip:
 Telephone: Fax:
 E-mail:
 Plano Resident for: years County:
 Driver License #:
 Voter Registration #:

Occupational Information

Employer Name:
 Occupation:
 Address:
 Telephone: Fax:
 E-mail:
 Business Owner? Yes: No:

Qualification Statement

By checking the buttons below I affirm that:

- I have been a resident of Plano for the past consecutive 12 months;
- I am qualified to vote;
- I am not indebted to the City of Plano;
- If appointed I will meet or exceed the minimum attendance requirements for my board; and
- I am aware of the City's Code of Conduct.

Please select a Board/Commission, provide qualifications/skills that you will contribute and the reasons you would like to join this board. If additional space is required a one-page resume or separate document may be attached with the application.

91.8 KB

1st Choice:

Qualification

I am an active and long time resident of Plano, with a strong history of community service. I've had the privilege of graduating as a part of Leadership Plano Class 21, attending the Plano Citizens Academy, serving on the board of Plano Sister Cities, and serving for six years on the Board of Adjustment for the City of Plano. These experiences along with service through several non-profits and local churches has provided me with a solid and well balanced insight into what makes Plano unique, as well as what the current and future challenges are for the City.

As a small business owner for several years in the Real Estate Industry, I gained a keen understanding of how local zoning laws, ordinances, and development plans can impact the growth and appeal of a community. Additionally, my work for FNMA has provided me with a unique look at how various communities throughout the nation deal with the challenges of balancing the complex needs of all of the population segments, including business, industry, private residences, schools, and recreational uses.

During my time in Plano, I've developed a solid reputation for service, professionalism, and leadership, as well as demonstrating the capacity to adapt to whatever challenges that have arisen. I believe these qualities and experiences can be an asset to the community, and I look forward to the opportunity to serve.

2nd Choice:

Qualification

3rd Choice:

Qualification

More Choices



Yes, I would be interested in serving on subcommittees that may be formed.

I will attend the following reception.

Thursday, August 22, 2013

Previous Board, Commission, Civic or Community, or Work Experience that might benefit the City. (A one-page resume or additional information can be attached and submitted with the completed application.)

Organization: Board of Adjustment	Location: City of Plano, TX	Years: 6
---	---------------------------------------	--------------------

List any business or personal relationships with the City, which might create a conflict of interest or affect your ability to serve.

None

The submission of this application will be treated as the applicant's representation of the information provided. **Applications will remain on file for one year from the date of receipt and may be available to the public upon request.** Rev. 05-13

Date Submitted: 8/19/2013

[Save Changes Before Approval](#)

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[Print View](#)

Powered by:

Michael A. Pirek

4689 Home Place, Plano, TX 75024

Mobile: 469-233-7332

pirek1@gmail.com

CAREER SUMMARY

A certified real estate professional with an extensive background in a variety of property types and valuation disciplines. Well earned professional reputation for completing high-quality assignments in full compliance with federal, state, and local regulations. Areas of expertise and strengths include:

- Residential Appraisals
- Client & Partner Relations
- FHA Certified
- Appraisal Review
- Commercial Appraisals
- Staff Mentoring & Training
- Market Trend Analysis
- REO / Liquidation
- Statistical Analysis

EXPERIENCE

Fannie Mae • Dallas, TX

2012 to Present

Justin Bradley • Washington, DC

2011 to 2012

NUC Review Appraiser

Responsible for conducting retrospective valuation reviews of appraisal reports used by seller/servicers to support lending decisions and determine if they meet Fannie Mae guidelines, the Uniform Standards of Professional Appraisal Practice (USPAP) and other professional appraisal standards. Conduct research and analysis on Fannie Mae collateral utilizing expertise, internal/external property valuation tools and resources. Determine appropriate actions to take in accordance with department and company policies. Document conclusions in the Quality Assurance System (QAS) with an accurate assessment of the valuation review. If warranted, compose a letter used to communicate inadequacies to the lender that were identified through the review process. Manage and prioritize caseload of pending and active appraisal reviews. Maintain review productivity in line with the department's benchmarks. Respond to valuation questions and disseminate Fannie Mae valuation guidelines and requirements with internal/external customers. Maintain thorough and up-to-date knowledge of all Fannie Mae guidelines, products and systems, as well as USPAP, that are pertinent to the loan review process. Support Fannie Mae's Housing goals and other corporate goals.

Chisholm Appraisal & Valuation Services • Plano, TX

2005 to 2011

Real Estate Appraiser / Owner

Developed and reported residential property appraisals for mortgage lenders, brokers, attorneys, government agencies, portfolio managers, and private individuals. Solicited and developed clients in the banking, legal and government sectors. Reviewed field appraisals for loan origination, asset management, and fraud investigation. Conducted feasibility, highest and best use, and market studies. Provided zoning and land use consultation, investment analysis, and litigation support. Hired, trained, mentored, and evaluated staff.

BL Clarke Appraisal Firm • Livingston, TX

2002 to 2009

Real Estate Appraiser / Partner

Performed residential & commercial appraisals for a variety of property types, including lake homes, manufactured housing, proposed construction, undeveloped land, mixed use, farm/ranch, restaurants, storage centers, marinas, retail centers, churches, and warehouses. Developed and reported appraisals for use in FEMA and County Disaster Relief efforts in the aftermath of Hurricane Rita. Served as a subject matter expert in estate and trial proceedings. Analyzed and reported real estate trends and provided market intelligence reports to banking clients.

Michael A. Pirek, Page 2 of 2

Force Industries International • Houston, TX

1998 to 2002

V.P. of Sales & Operations

Orchestrated the company's growth by developing wholesale and retail distribution channels. Determined capital requirements and secured financing for equipment, inventory and facility expansion programs. Assembled, trained, and developed a sales force and factory staff of 40. Identified potential products and negotiated for production, manufacturing, and distribution rights. Initiated and developed a successful joint venture contract and coordinated the subsequent creation of two manufacturing facilities in Shanghai, PRC. Identified key resources and established strong relationships with overseas and domestic suppliers resulting in increased margins, extended credit terms, and expedited delivery schedules.

Prescriptives • New York, NY

1998 to 1998

Account Executive

Directed the sales and distribution activity for a three state territory. Managed sales and promotional staff of 72. Negotiated stock and sales plans, space and location, and seasonal promotional calendars for both local and national accounts that included Neiman Marcus, Saks Fifth Avenue, Nordstrom, Macy's, Dillard's and Marshall Field's. Improved customer retention by increasing training in product knowledge, proper demonstration techniques, and client follow-up. Planned and executed treatment, skincare, and national makeup artist events.

Guerlain, Inc • New York, NY

1994 to 1998

National Account Manager

Increased the sales and profitability of national and regional accounts via new business development, strategic planning and P&L management. National corporate liaison role for all product categories included the resolution of spacing, inventory, and staffing concerns. Negotiated for increased promotional and advertising budgets resulting in increased sales volume and brand exposure. Created promotional events, designed advertising schedules, and tracked competitive and market activity. Mentored, directed, and trained a territory staff of 35. Planned and executed a 20-location expansion program generating an additional \$1.3M in skincare and \$3.2M in overall sales revenue in 1997. Launched and developed the mail order business, reaching \$1M in sales.

Sanofi Beaute • New York, NY

1993 to 1994

Account Executive

Directed the sales and promotional activity for a two state territory, exceeding sales goals by 18%. Account responsibilities included: Foley's, Macy's, Nordstrom, Marshall Fields, Saks Fifth Avenue, with national account responsibility for Neiman Marcus. Managed, trained and recruited a sales team of 22. Significantly improved stock position and product mixes within the territory and national accounts. Increased staff retention by over 40%. Developed the promotional strategy for the launch of two new products resulting in leading market positions.

PROFESSIONAL EDUCATION

State Certified General Real Estate Appraiser
Dallas County Community College

COMMUNITY ACTIVITIES

Plano Youth Leadership, Executive Board of Directors, 2006 - 2012
City of Plano Commission, Board of Adjustment, Member / Chair 2004 - 2012
Plano Chamber of Commerce, Ambassador, 2005 - 2009
Leadership Plano, Graduate, Class XXI
Plano Citizens Academy, Graduate, Class II
Plano Sister Cities, Board of Directors, 2005 - 2006
C.I.T.Y. House, Land Acquisition Advisor, 2006

REFERENCES PROVIDED UPON REQUEST

Kristi Gilbert

From: ROY.WILSHIRE@kimley-horn.com
Sent: Monday, November 25, 2013 9:13 AM
To: Kristi Gilbert
Subject: RE: Candidate Background Information

Kristi

Thanks for your request for information.

I have served as a member of the Board of Directors of the Collin Central Appraisal District for the past eight (8) years. During that time, I have been involved in the selection of Bo Daffin as the Chief Appraiser, the relocation of the District to new office facilities in McKinney, the creation of an annual briefing session for Taxing Agencies in order to get early process and evaluation information to them for use in their budgeting, and the successful weathering of the recent economic downturn. I am a fiscal conservative and a strong advocate of using technology to the maximum extent to achieve increased productivity. Challenges facing the Board in the future include staff recruitment and development in preparation for retirements, adequately funding, and potentially restructuring, the retirement and insurance programs for staff. Meeting the demands of the anticipated growth of Collin County is perhaps the most important challenge. Collin CAD is a recognized leader among appraisal districts, enjoys a very stable Board, and I am proud to be a part.

Personal information:

Resident of Collin County, City of Plano, for almost 40 years.

Native Texan, grew up on farm southwest of Mansfield.

Married, four children, twelve grandchildren, and seven great grandchildren.

Civil Engineering graduate (BSCE and MSCE) of Texas A&M University (recently recognized as Distinguished Graduate).

Employed by Kimley-Horn and Associates, Inc. as Senior Vice President, and actively involved in land development and transportation projects throughout the Metroplex, including:

Legacy Business Park (Plano)– Numerous headquarters (EDS, JCPenney, Crossmark, St. Jude Medical, Ericsson) Children’s Medical Center, and Legacy Town Center.

Galatyn Park (Richardson) – Eisemann Performance Center, Renaissance Hotel, BlueCross Blue Shield of Texas, Routh Creek Parkway.

KDC’s State Farm (Richardson) – Corporate office, with supporting retail and residential development.

COL, US Army (Retired) – 32 years’ service, Infantry and Engineers, primarily in US Army Reserves.

Member and Deacon, Heights Baptist Church, Richardson.

As the junior member of the Board, I have “paid my dues” and am prepared to take on greater leadership responsibilities as the Board transitions in the future.

Roy

Roy L. Wilshire, P.E., LEED AP

Kimley-Horn and Associates, Inc.(F-928)

12750 Merit Drive

Suite 1000

Dallas, Texas 75251

972-770-1300

972-239-3820 (fax)

214-914-1193 (cell)

From: Kristi Gilbert [<mailto:kgilbert@murphytx.org>]

Sent: Friday, November 22, 2013 3:33 PM

Subject: Candidate Background Information

Good Afternoon,

The Murphy City Council discussed casting ballots for the Board of Director candidates at our meeting on Tuesday, November 19th. The Council has requested that we obtain additional information from the candidates. A biography or resume would be fantastic. If you would please provide the information by Monday, December 2nd, I can include it in the Council packet for our December 10th Council meeting.

Thanks,

Kristi Gilbert, TRMC, CMC, CPM

City Secretary

kgilbert@murphytx.org

972.468.4011 office

972.468.4012 fax

murphytx.org

City of Murphy

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City Council Meeting December 10, 2013

Issue

Consider and/or act upon Timbers Nature Preserve Park and Trail project items:

1. Authorizing staff to prepare bid documents and put the project out to bid;
2. Authorizing the expenditure of funds for construction administration and project management fees; and,
3. Authorizing the payment of US Army Corp of Engineer mitigation fees.

Staff Resource/Department

James Fisher, City Manager

Wade Peterson, Contract Landscape Architect

Summary

Project status and a project overview will be presented to Council. The schedule as proposed by Wade Peterson is as follows:

Council consideration:	Dec. 10
Bid ready plan set:	Jan. 1
Advertise/Bid:	by Feb. 15
Council approval:	by March 1
Construction Start:	by April 1

Background/History

The City's master plan was completed in December 2010. HOK was hired as our consultant to proceed with analyzing the drainage issues only.

On October 4, 2011, HOK presented the City Council with findings to correct the drainage issues in the parks. The findings included the need for more surveying, a study, and a letter of map revision prepared for FEMA. City Council approved the additional work to proceed with permitting the new construction with FEMA and the U.S. Corps of Engineers (USCOE). Permits have been received. City Council authorized HOK to proceed with construction plans for the Timbers Nature Preserve Park (TNPP) project. The councilmembers discussed priorities as being drainage improvements/management, ball fields, trails, and for the Bunny Run area to stay natural. HOK agreed to take that direction and revise the park plans to meet those goals. Council requested that HOK work with the Park and Recreation Board.

On April 17, 2012, the City Council approved the revised park design and authorized submittal of the required permits. An update was presented to Council on September 4, 2012. Since that date, permits have been received and trail revisions for the Oncor easement have been reviewed. TNPP is a 2008-funded project now ready for the final construction document phase, followed by bidding and construction.

On April 16, 2013, Council received an update from Mr. Peterson indicating that approvals had been received by Fish and Wildlife, the USCOE, FEMA and an email approval of general concept design by ONCOR.

Financial Considerations

Dollars are available from the 2008 Bond. The City has also received grant money from Collin County for the trail portion of the project.

Action Requested

Consider authorizing staff to prepare bid documents and authorize staff to put the project out to bid:

1. As Phase 1, and then future phases to be determined; or,
2. As a turn-key project.

Consider authorizing contract administration and professional service fees to finish the project through the post-construction FEMA survey in an amount not to exceed \$60,000.

Consider authorize the payment of USACE mitigation fees.

City Council Meeting December 10, 2013

Issue

Consider and/act on the approval of an Ordinance authorizing the issuance of "CITY OF MURPHY, TEXAS TAX NOTES, SERIES 2014" in the par amount of \$1,000,000.

Staff Resource/Department

James Fisher, City Manager
Linda Truitt, Finance Director

Summary

The City will issue \$1,000,000 Tax Notes to be used in the construction of the Murphy Central Park, Murphy Community Center, signage for the Murphy Municipal Complex to include Central Park and Murphy Community Center and Animal Shelter while the Murphy Municipal Development District (MMDD) will provide for the annual principal and interest payments for the seven year life of the Tax Notes with the exception of the Animal Shelter which will be funded by the General Fund.

Background/History

In the summer of 2012 Plano Sports Authority (PSA) approached the City regarding the possibility of constructing a 3rd PSA site in Murphy. On August 21, 2012, the City Council and Parks and Recreation Board reviewed the PSA Proposal. On August 30, 2012, the Parks and Recreation Board held a public meeting to solicit public input and to make a recommendation to City Council. At the October 1, 2012, MMDD meeting the funding of the additional cost for the PSA Project and Murphy Central Park was discussed. A motion was made and approved to allocate up to \$1.1M to the PSA Project (\$600,000 of cash to be used and \$500,000 in tax notes to be issued). On February 19, 2013, the City Council discussed the additional funding for the Murphy Central Park. A motion was made and approved to authorize the City Manager to approach the MMDD Board to negotiate the increase of \$500,000 in tax notes up to \$1.0M in tax notes. At the April 1, 2013, MMDD meeting a motion was made and approved to issue tax notes in the amount of \$1.0M for the construction of Murphy Central Park, Animal Shelter, and other City capital projects as discussed.

The Murphy Municipal Development District will consider the approval of a Project Contract and Resolution to issue Tax Notes in the amount of \$1,000,000 to be repaid with funds from the MMDD annual revenues with the exception of the funds for the Animal Shelter which will be funded by the General Fund at a meeting of the MMDD on December 9, 2013. The Tax Notes will be repaid within seven years.

Financial Considerations

Payment of the \$1,000,000 Tax Notes will be funded by the Murphy Municipal Development District per the Project Contract and the General Fund for the Animal Shelter.

Board Discussion/Action

Murphy Municipal Development District (MDD) will consider the approval the Project Contract at their December 9, 2013 meeting.

Action Requested

Approval of all matters incident and related to the issuance and sale of “City of Murphy, Texas, Tax Notes, Series 2014”; including the adoption of an ordinance authorizing the issuance of such tax notes in the amount of \$1,000,000.

Attachments

- 1) Ordinance

**ORDINANCE
AUTHORIZING THE ISSUANCE OF**

**\$1,000,000
CITY OF MURPHY, TEXAS
TAX NOTES,
SERIES 2014**

ADOPTED: December 10, 2013

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ORDINANCE NO. _____

AN ORDINANCE AUTHORIZING THE ISSUANCE OF “CITY OF MURPHY, TEXAS TAX NOTES, SERIES 2014”; SPECIFYING THE TERMS AND FEATURES OF SAID NOTES; LEVYING A CONTINUING DIRECT ANNUAL AD VALOREM TAX FOR THE PAYMENT OF SAID NOTES; AND RESOLVING OTHER MATTERS INCIDENT AND RELATED TO THE ISSUANCE, SALE, PAYMENT AND DELIVERY OF SAID NOTES, INCLUDING THE APPROVAL AND EXECUTION OF A PAYING AGENT/REGISTRAR AGREEMENT AND A PURCHASE LETTER; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, pursuant to the Texas Government Code, Chapter 1431, as amended (hereinafter called the “Act”), the City Council is authorized and empowered to issue anticipation notes to pay contractual obligations to be incurred (i) for the construction of any public work and (ii) for the purchase of materials, supplies, equipment, machinery, buildings, lands and rights-of-way for the City’s authorized needs and purposes; and

WHEREAS, in accordance with the provisions of the Act, the City Council hereby finds and determines that anticipation notes should be issued and sold at this time to finance the costs of paying contractual obligations to be incurred for (i) the development of City parks and park facilities, including the design, construction, renovation, equipping and improving such parks and related infrastructure, (ii) the renovation, equipping, and improving of the existing City multipurpose recreational and community center, (iii) providing signage for a municipal complex and other municipal purposes, (iv) the design, construction, renovation, equipping, and improving of a municipal animal shelter, and (v) professional services rendered in relation to such projects and the financing thereof;

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

SECTION 1. Authorization - Designation - Principal Amount - Purpose. Notes of the City shall be and are hereby authorized to be issued in the aggregate principal amount of \$1,000,000, to be designated and bear the title “CITY OF MURPHY, TEXAS, TAX NOTES, SERIES 2014” (hereinafter referred to as the “Notes”), for the purpose of paying contractual obligations to be incurred for (i) the development of City parks and park facilities, including the design, construction, renovation, equipping and improving such parks and related infrastructure, (ii) the renovation, equipping, and improving of the existing City multipurpose recreational and community center, (iii) providing signage for a municipal complex and other municipal purposes, (iv) the design, construction, renovation, equipping, and improving of a municipal animal shelter, and (v) professional services rendered in relation to such projects and the financing thereof, in conformity with the Constitution and laws of the State of Texas, including the Act.

SECTION 2. Fully Registered Obligations - Note Date - Authorized Denominations - Stated Maturities - Interest Rates. The Notes shall be issued as fully registered obligations only,

shall be dated December 15, 2013 (the “Note Date”), shall be in denominations of \$5,000 or any integral multiple thereof, and shall become due and payable on February 15 in each of the years and in principal amounts (the “Stated Maturities”) and bear interest at the per annum rate(s) in accordance with the following schedule:

<u>Year of Stated Maturity</u>	<u>Principal Amounts (\$)</u>	<u>Interest Rate(s) (%)</u>
2015		
2016		
2017		
2018		
2019		
2020		
2021		

The Notes shall bear interest on the unpaid principal amounts from the date of delivery to the initial purchasers (anticipated, January __, 2014) at the per annum rate shown above in this Section. Interest on the Notes shall be calculated on the basis of a 360-day year of twelve 30-day months, and such interest shall be payable on February 15 and August 15 of each year, commencing August 15, 2014, until maturity.

SECTION 3. Terms of Payment - Paying Agent/Registrar. The principal of, premium, if any, and the interest on the Notes, due and payable by reason of maturity, or otherwise, shall be payable only to the registered owners or holders of the Notes (hereinafter called the “Holders”) appearing on the registration and transfer books maintained by the Paying Agent/Registrar and the payment thereof shall be in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts, and shall be without exchange or collection charges to the Holders.

The selection and appointment of _____, _____, _____, to serve as Paying Agent/Registrar for the Notes is hereby approved and confirmed. Books and records relating to the registration, payment, transfer and exchange of the Notes (the “Security Register”) shall at all times be kept and maintained on behalf of the City by the Paying Agent/Registrar, as provided herein and in accordance with the terms and provisions of a “Paying Agent/Registrar Agreement”, substantially in the form attached hereto as **Exhibit A**, and such reasonable rules and regulations as the Paying Agent/Registrar and the City may prescribe. The Mayor and the City Secretary are authorized to execute and deliver such Paying Agent/Registrar Agreement in connection with the delivery of the Notes. The City covenants to maintain and provide a Paying Agent/Registrar at all times until the Notes are paid and discharged, and any successor Paying Agent/Registrar shall be a bank, trust company, financial institution or other entity qualified and authorized to serve in such capacity and perform the duties and services of Paying Agent/Registrar. Upon any change in the Paying Agent/Registrar for the Notes, the City agrees to promptly cause a written notice thereof to be sent to each Holder

by United States Mail, first class postage prepaid, which notice shall also give the address of the new Paying Agent/Registrar.

Principal of and premium, if any, on the Notes shall be payable at the Stated Maturities thereof only upon presentation and surrender of the Notes to the Paying Agent/Registrar at its designated offices, initially in _____, _____, or, with respect to a successor Paying Agent/Registrar, at the designated offices of such successor (the “Designated Payment/Transfer Office”). Interest on the Notes shall be paid to the Holders whose names appear in the Security Register at the close of business on the Record Date (the last business day of the month next preceding the interest payment date) and shall be paid by the Paying Agent/Registrar (i) by check sent United States Mail, first class postage prepaid, to the address of the Holder recorded in the Security Register or (ii) by such other method, acceptable to the Paying Agent/Registrar, requested by, and at the risk and expense of, the Holder. If the date for the payment of the principal of or interest on the Notes shall be a Saturday, Sunday, a legal holiday, or a day when banking institutions in the city where the Designated Payment/Transfer Office of the Paying Agent/Registrar is located are authorized by law or executive order to close, then the date for such payment shall be the next succeeding day which is not such a Saturday, Sunday, legal holiday, or day when banking institutions are authorized to close; and payment on such date shall have the same force and effect as if made on the original date payment was due.

In the event of a nonpayment of interest on a scheduled payment date, and for thirty (30) days thereafter, a new record date for such interest payment (a “Special Record Date”) will be established by the Paying Agent/Registrar, if and when funds for the payment of such interest have been received from the City. Notice of the Special Record Date and of the scheduled payment date of the past due interest (which shall be 15 days after the Special Record Date) shall be sent at least five (5) business days prior to the Special Record Date by United States Mail, first class postage prepaid, to the address of each Holder appearing on the Security Register at the close of business on the last business day next preceding the date of mailing of such notice.

SECTION 4. Redemption. The Notes are not subject to redemption prior to Stated Maturity.

SECTION 5. Registration - Transfer - Exchange of Notes - Predecessor Notes. The Paying Agent/Registrar shall obtain, record, and maintain in the Security Register the name and address of each and every owner of the Notes issued under and pursuant to the provisions of this Ordinance, or if appropriate, the nominee thereof. Any Note may be transferred or exchanged for Notes of other authorized denominations by the Holder, in person or by his duly authorized agent, upon surrender of such Note to the Paying Agent/Registrar for cancellation, accompanied by a written instrument of transfer or request for exchange duly executed by the Holder or by his duly authorized agent, in form satisfactory to the Paying Agent/Registrar.

Upon surrender of any Note (other than the Initial Note(s) authorized in Section 7 hereof) for transfer at the Designated Payment/Transfer Office of the Paying Agent/Registrar, the Paying Agent/Registrar shall register and deliver, in the name of the designated transferee or transferees, one or more new Notes of authorized denominations and having the same Stated Maturity and of a like aggregate principal amount as the Note or Notes surrendered for transfer.

At the option of the Holder, Notes (other than the Initial Note(s) authorized in Section 7 hereof) may be exchanged for other Notes of authorized denominations and having the same Stated Maturity, bearing the same rate of interest and of like aggregate principal amount as the Notes surrendered for exchange, upon surrender of the Notes to be exchanged at the Designated Payment/Transfer Office of the Paying Agent/Registrar. Whenever any Notes are surrendered for exchange, the Paying Agent/Registrar shall register and deliver new Notes to the Holder requesting the exchange.

All Notes issued in any transfer or exchange of Notes shall be delivered to the Holders at the Designated Payment/Transfer Office of the Paying Agent/Registrar or sent by United States Mail, first class postage prepaid, to the Holders, and, upon the registration and delivery thereof, the same shall be the valid obligations of the City, evidencing the same obligation to pay, and entitled to the same benefits under this Ordinance, as the Notes surrendered in such transfer or exchange.

All transfers or exchanges of Notes pursuant to this Section shall be made without expense or service charge to the Holder, except as otherwise herein provided, and except that the Paying Agent/Registrar shall require payment by the Holder requesting such transfer or exchange of any tax or other governmental charges required to be paid with respect to such transfer or exchange.

Notes canceled by reason of an exchange or transfer pursuant to the provisions hereof are hereby defined to be "Predecessor Notes," evidencing all or a portion, as the case may be, of the same obligation to pay evidenced by the new Note or Notes registered and delivered in the exchange or transfer therefor. Additionally, the term "Predecessor Notes" shall include any mutilated, lost, destroyed, or stolen Note for which a replacement Note has been issued, registered and delivered in lieu thereof pursuant to the provisions of Section 10 hereof and such new replacement Note shall be deemed to evidence the same obligation as the mutilated, lost, destroyed, or stolen Note.

SECTION 6. Execution - Registration. The Notes shall be executed on behalf of the City by the Mayor under its seal reproduced or impressed thereon and countersigned by the City Secretary. The signature of said officers on the Notes may be manual or facsimile. Notes bearing the manual or facsimile signatures of individuals who are or were the proper officers of the City on the Note Date shall be deemed to be duly executed on behalf of the City, notwithstanding that such individuals or either of them shall cease to hold such offices at the time of delivery of the Notes to the initial purchaser(s) and with respect to Notes delivered in subsequent exchanges and transfers, all as authorized and provided in the Texas Government Code, Chapter 1201, as amended.

No Note shall be entitled to any right or benefit under this Ordinance, or be valid or obligatory for any purpose, unless there appears on such Note either a certificate of registration substantially in the form provided in Section 8(c), manually executed by the Comptroller of Public Accounts of the State of Texas, or his duly authorized agent, or a certificate of registration substantially in the form provided in Section 8(d), manually executed by an authorized officer, employee or representative of the Paying Agent/Registrar, and either such certificate duly signed

upon any Note shall be conclusive evidence, and the only evidence, that such Note has been duly certified, registered, and delivered.

SECTION 7. Initial Note(s). The Notes herein authorized shall be initially issued either (i) as a single fully registered note in the total principal amount stated in Section 1 hereof with principal installments to become due and payable as provided in Section 2 hereof and numbered T-1, or (ii) as multiple fully registered Notes, being one note for each year of maturity in the applicable principal amount and denomination and to be numbered consecutively from T-1 and upward (hereinafter called the “Initial Note(s)”) and, in either case, the Initial Note(s) shall be registered in the name of the initial purchaser(s) or the designee thereof. The Initial Note(s) shall be the Note(s) submitted to the Office of the Attorney General of the State of Texas for approval, certified and registered by the Office of the Comptroller of Public Accounts of the State of Texas and delivered to the initial purchaser(s). Any time after the delivery of the Initial Note(s), the Paying Agent/Registrar, pursuant to written instructions from the initial purchaser(s), or the designee thereof, shall cancel the Initial Note(s) delivered hereunder and exchange therefor definitive Notes of authorized denominations, Stated Maturities, principal amounts and bearing applicable interest rates for transfer and delivery to the Holders named at the addresses identified therefor; all pursuant to and in accordance with such written instructions from the initial purchaser(s), or the designee thereof, and such other information and documentation as the Paying Agent/Registrar may reasonably require.

SECTION 8. Forms.

(a) **Forms Generally.** The Notes, the Registration Certificate of the Comptroller of Public Accounts of the State of Texas, the Registration Certificate of Paying Agent/Registrar, and the form of Assignment to be printed on each of the Notes, shall be substantially in the forms set forth in this Section with such appropriate insertions, omissions, substitutions, and other variations as are permitted or required by this Ordinance and may have such letters, numbers, or other marks of identification (including identifying numbers and letters of the Committee on Uniform Securities Identification Procedures of the American Bankers Association) and such legends and endorsements (including insurance legends in the event the Notes, or any maturities thereof, are purchased with insurance and any reproduction of an opinion of counsel) thereon as may, consistently herewith, be established by the City or determined by the officers executing such Notes as evidenced by their execution. Any portion of the text of any Notes may be set forth on the reverse thereof, with an appropriate reference thereto on the face of the Note.

The definitive Notes and the Initial Note(s) shall be printed, lithographed, engraved, typewritten, photocopied or otherwise reproduced in any other similar manner, all as determined by the officers executing such Notes as evidenced by their execution thereof.

The City may provide (i) for the issuance of one fully registered Note for each Stated Maturity in the aggregate principal amount of each Stated Maturity and (ii) for the registration of such Notes in the name of a securities depository, or the nominee thereof. While any Note is registered in the name of a securities depository or its nominee, references herein and in the Notes to the Holder or registered owner of such Notes shall mean the securities depository or its nominee and shall not mean any other person.

(b) Form of Definitive Notes.

REGISTERED
NO. R-___

REGISTERED
\$_____

UNITED STATES OF AMERICA
STATE OF TEXAS
CITY OF MURPHY, TEXAS
TAX NOTE, SERIES 2014

Note Date:
December 15, 2013

Interest Rate:
_____ %

Stated Maturity:
February 15, 20__

CUSIP NO:

REGISTERED OWNER:

PRINCIPAL AMOUNT:

The City of Murphy (hereinafter referred to as the “City”), a body corporate and political subdivision in the County of Collin, State of Texas, for value received, acknowledges itself indebted to and hereby promises to pay to the Registered Owner named above, or the registered assigns thereof, on the Stated Maturity date specified above the Principal Amount hereinabove stated, unless redeemed prior to maturity in accordance with its terms, the Principal Amount stated above and to pay interest on the unpaid principal amount hereof from the interest payment date next preceding the “Registration Date” of this Note appearing below (unless this Note bears a “Registration Date” as of an interest payment date, in which case it shall bear interest from such date, or unless the “Registration Date” of this Note is prior to the initial interest payment date in which case it shall bear interest from the date of its delivery to the initial purchaser) at the per annum rate of interest specified above computed on the basis of a 360-day year of twelve 30-day months; such interest being payable on February 15 and August 15 in each year, commencing August 15, 2014, until maturity. Principal of this Note shall be payable at its Stated Maturity to the Registered Owner hereof upon presentation and surrender at the designated offices of the Paying Agent/Registrar executing the registration certificate appearing hereon, initially in Dallas, Texas, or, with respect to a successor Paying Agent/Registrar, at the designated offices of such successor (the “Designated Payment/Transfer Office”). Interest is payable to the registered owner of this Note (or one or more Predecessor Notes, as defined in the Ordinance hereinafter referenced) whose name appears on the “Security Register” maintained by the Paying Agent/Registrar at the close of business on the “Record Date”, which is the last business day of the month next preceding each interest payment date, and interest shall be paid by the Paying Agent/Registrar by check sent United States Mail, first class postage prepaid, to the address of the registered owner recorded in the Security Register or by such other method, acceptable to the Paying Agent/Registrar, requested by, and at the risk and expense of, the registered owner. If the date for the payment of the principal of or interest on the Notes shall be a Saturday, Sunday, a legal holiday, or a day when banking institutions in the city where the Designated Payment/Transfer Office of the Paying Agent/Registrar is located are authorized by law or executive order to close, then the date for such payment shall be the next succeeding day which is not such a Saturday, Sunday, legal holiday, or day when banking institutions are

authorized to close; and payment on such date shall have the same force and effect as if made on the original date payment was due. All payments of principal of, premium, if any, and interest on this Note shall be without exchange or collection charges to the owner hereof and in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts.

This Note is one of the series specified in its title issued in the aggregate principal amount of \$1,000,000 (herein referred to as the “Notes”) for the purpose of paying contractual obligations to be incurred for (i) the development of City parks and park facilities, including the design, construction, renovation, equipping and improving such parks and related infrastructure, (ii) the renovation, equipping, and improving of the existing City multipurpose recreational and community center, (iii) providing signage for a municipal complex and other municipal purposes, (iv) the design, construction, renovation, equipping, and improving of a municipal animal shelter, and (v) professional services rendered in relation to such projects and the financing thereof, under and in strict conformity with the Constitution and laws of the State of Texas and pursuant to an Ordinance adopted by the City Council of the City (herein referred to as the “Ordinance”).

The Notes are not subject to redemption prior to Stated Maturity.

The Notes are payable from the proceeds of an ad valorem tax levied, within the limitations prescribed by law, upon all taxable property in the City. Reference is hereby made to the Ordinance, a copy of which is on file in the Designated Payment/Transfer Office of the Paying Agent/Registrar, and to all of the provisions of which the owner or holder of this Note by the acceptance hereof hereby assents, for definitions of terms; the description of and the nature and extent of the tax levied for the payment of the Notes; the terms and conditions relating to the transfer or exchange of this Note; the conditions upon which the Ordinance may be amended or supplemented with or without the consent of the Holders; the rights, duties, and obligations of the City and the Paying Agent/Registrar; the terms and provisions upon which this Note may be discharged at or prior to its maturity, and deemed to be no longer Outstanding thereunder; and for other terms and provisions contained therein. Capitalized terms used herein have the meanings assigned in the Ordinance.

This Note, subject to certain limitations contained in the Ordinance, may be transferred on the Security Register only upon its presentation and surrender at the Designated Payment/Transfer Office of the Paying Agent/Registrar, with the Assignment hereon duly endorsed by, or accompanied by a written instrument of transfer in form satisfactory to the Paying Agent/Registrar duly executed by, the registered owner hereof, or his duly authorized agent. When a transfer on the Security Register occurs, one or more new fully registered Notes of the same Stated Maturity, of authorized denominations, bearing the same rate of interest, and of the same aggregate principal amount will be issued by the Paying Agent/Registrar to the designated transferee or transferees.

The City and the Paying Agent/Registrar, and any agent of either, may treat the registered owner hereof whose name appears on the Security Register (i) on the Record Date as the owner entitled to payment of interest hereon, (ii) on the date of surrender of this Note as the owner entitled to payment of principal hereof at its Stated Maturity, and (iii) on any other date as the

owner for all other purposes, and neither the City nor the Paying Agent/Registrar, or any agent of either, shall be affected by notice to the contrary. In the event of a nonpayment of interest on a scheduled payment date, and for thirty (30) days thereafter, a new record date for such interest payment (a "Special Record Date") will be established by the Paying Agent/Registrar, if and when funds for the payment of such interest have been received. Notice of the Special Record Date and of the scheduled payment date of the past due interest (which shall be 15 days after the Special Record Date) shall be sent at least five (5) business days prior to the Special Record Date by United States Mail, first class postage prepaid, to the address of each Holder appearing on the Security Register at the close of business on the last business day next preceding the date of mailing of such notice.

It is hereby certified, recited, represented and declared that the City is a body corporate and political subdivision duly organized and legally existing under and by virtue of the Constitution and laws of the State of Texas; that the issuance of the Notes is duly authorized by law; that all acts, conditions and things required to exist and be done precedent to and in the issuance of the Notes to render the same lawful and valid obligations of the City have been properly done, have happened and have been performed in regular and due time, form and manner as required by the Constitution and laws of the State of Texas, and the Ordinance; that the Notes do not exceed any Constitutional or statutory limitation; and that due provision has been made for the payment of the principal of and interest on the Notes by the levy of a tax as aforesated. In case any provision in this Note shall be invalid, illegal, or unenforceable, the validity, legality, and enforceability of the remaining provisions shall not in any way be affected or impaired thereby. The terms and provisions of this Note and the Ordinance shall be construed in accordance with and shall be governed by the laws of the State of Texas.

IN WITNESS WHEREOF, the City Council of the City has caused this Note to be duly executed under the official seal of the City as of the Note Date.

CITY OF MURPHY, TEXAS

Mayor

COUNTERSIGNED:

City Secretary

(Seal)

(c) Form of Registration Certificate of Comptroller of Public Accounts to appear on Initial Note only.

REGISTRATION CERTIFICATE OF
COMPTROLLER OF PUBLIC ACCOUNTS

OFFICE OF THE COMPTROLLER (
 OF PUBLIC ACCOUNTS (REGISTER NO. _____
 THE STATE OF TEXAS (

I HEREBY CERTIFY that this Note has been examined, certified as to validity and approved by the Attorney General of the State of Texas, and duly registered by the Comptroller of Public Accounts of the State of Texas.

WITNESS my signature and seal of office this _____.

Comptroller of Public Accounts
of the State of Texas

(SEAL)

(d) Form of Certificate of Paying Agent/Registrar to appear on Definitive Notes only.

REGISTRATION CERTIFICATE OF PAYING AGENT/REGISTRAR

This Note has been duly issued and registered under the provisions of the within-mentioned Ordinance; the note or notes of the above entitled and designated series originally delivered having been approved by the Attorney General of the State of Texas and registered by the Comptroller of Public Accounts, as shown by the records of the Paying Agent/Registrar.

The designated office of the Paying Agent/Registrar in _____, _____, is the Designated Payment/Transfer Office for this Note.

_____, _____,
as Paying Agent/Registrar

Registration Date:

By _____
Authorized Signature

(e) Form of Assignment.

ASSIGNMENT

FOR VALUE RECEIVED the undersigned hereby sells, assigns, and transfers unto
(Print or typewrite name, address, and zip code of transferee:) _____

(Social Security or other identifying number: _____
_____) the within Note and all rights thereunder, and hereby
irrevocably constitutes and appoints _____

attorney to transfer the within Note on the books kept for registration thereof, with full power of
substitution in the premises.

DATED: _____

Signature guaranteed:

NOTICE: The signature on this assignment
must correspond with the name of the
registered owner as it appears on the face of
the within Note in every particular.

(f) The Initial Note(s) shall be in the form set forth in paragraph (b) of this Section,
except that the form of a single fully registered Initial Note shall be modified as follows:

REGISTERED
NO. T-1

REGISTERED
\$1,000,000

UNITED STATES OF AMERICA
STATE OF TEXAS
CITY OF MURPHY, TEXAS
TAX NOTE, SERIES 2014

Note Date: December 15, 2013

REGISTERED OWNER:

PRINCIPAL AMOUNT: ONE MILLION DOLLARS

The City of Murphy (hereinafter referred to as the "City"), a body corporate and
municipal corporation in the County of Collin, State of Texas, for value received, acknowledges
itself indebted to and hereby promises to pay to the Registered Owner named above, or the
registered assigns thereof, the Principal Amount hereinabove stated on February 15 in each of
the years and in principal installments in accordance with the following schedule:

<u>Year of</u> <u>Stated Maturity</u>	<u>Principal</u> <u>Amounts (\$)</u>	<u>Interest</u> <u>Rate(s) (%)</u>
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(Information to be inserted from schedule in Section 2 hereof).

and to pay interest on the unpaid principal amounts hereof from the date of its delivery to the initial purchasers (January __, 2014) at the per annum rate(s) of interest specified above computed on the basis of a 360-day year of twelve 30-day months; such interest being payable on February 15 and August 15 of each year, commencing August 15, 2014, until maturity. Principal installments of this Note are payable in the year of maturity to the registered owner hereof by _____, _____, Texas (the "Paying Agent/Registrar"), upon presentation and surrender, at its designated offices, initially in _____, _____, or, with respect to a successor Paying Agent/Registrar, at the designated offices of such successor (the "Designated Payment/Transfer Office"). Interest is payable to the registered owner of this Note whose name appears on the "Security Register" maintained by the Paying Agent/Registrar at the close of business on the "Record Date", which is the last business day of the month next preceding each interest payment date hereof and interest shall be paid by the Paying Agent/Registrar by check sent United States Mail, first class postage prepaid, to the address of the registered owner recorded in the Security Register or by such other method, acceptable to the Paying Agent/Registrar, requested by, and at the risk and expense of, the registered owner. If the date for the payment of the principal of or interest on the Notes shall be a Saturday, Sunday, a legal holiday, or a day when banking institutions in the city where the Designated Payment/Transfer Office of the Paying Agent/Registrar is located are authorized by law or executive order to close, then the date for such payment shall be the next succeeding day which is not such a Saturday, Sunday, legal holiday, or day when banking institutions are authorized to close; and payment on such date shall have the same force and effect as if made on the original date payment was due. All payments of principal of, premium, if any, and interest on this Note shall be without exchange or collection charges to the owner hereof and in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts.

SECTION 9. Levy of Taxes. To provide for the payment of the "Debt Service Requirements" of the Notes, being (i) the interest on the Notes and (ii) a sinking fund for their payment at maturity or a sinking fund of 2% (whichever amount is the greater), there is hereby levied, and there shall be annually assessed and collected in due time, form, and manner, a tax on all taxable property in the City, within the limitations prescribed by law, and such tax hereby levied on each one hundred dollars' valuation of taxable property in the City for the Debt Service Requirements of the Notes shall be at a rate from year to year as will be ample and sufficient to provide funds each year to pay the principal of and interest on said Notes while Outstanding; full allowance being made for delinquencies and costs of collection; separate books and records relating to the receipt and disbursement of taxes levied, assessed and collected for and on account of the Notes shall be kept and maintained by the City at all times while the Notes are Outstanding, and the taxes collected for the payment of the Debt Service Requirements on the Notes shall be deposited to the credit of a "Special 2014 Note Account" (the "Interest and Sinking Fund") maintained on the records of the City and deposited in a special fund maintained at an official depository of the City's funds; and such tax hereby levied, and to be assessed and collected annually, is hereby pledged to the payment of the Notes.

The Mayor, Mayor Pro Tem, City Manager, Director of Finance, and City Secretary of the City, individually or jointly, are hereby authorized and directed to cause to be transferred to

the Paying Agent/Registrar for the Notes, from funds on deposit in the Interest and Sinking Fund, amounts sufficient to fully pay and discharge promptly each installment of interest and principal of the Notes as the same accrues or matures; such transfers of funds to be made in such manner as will cause collected funds to be deposited with the Paying Agent/Registrar on or before each principal and interest payment date for the Notes.

SECTION 10. Mutilated - Destroyed - Lost and Stolen Notes. In case any Note shall be mutilated, or destroyed, lost or stolen, the Paying Agent/Registrar may execute and deliver a replacement Note of like form and tenor, and in the same denomination and bearing a number not contemporaneously outstanding, in exchange and substitution for such mutilated Note, or in lieu of and in substitution for such destroyed, lost or stolen Note, only upon the approval of the City and after (i) the filing by the Holder thereof with the Paying Agent/Registrar of evidence satisfactory to the Paying Agent/Registrar of the destruction, loss or theft of such Note, and of the authenticity of the ownership thereof and (ii) the furnishing to the Paying Agent/Registrar of indemnification in an amount satisfactory to hold the City and the Paying Agent/Registrar harmless. All expenses and charges associated with such indemnity and with the preparation, execution and delivery of a replacement Note shall be borne by the Holder of the Note mutilated, or destroyed, lost or stolen.

Every replacement Note issued pursuant to this Section shall be a valid and binding obligation, and shall be entitled to all the benefits of this Ordinance equally and ratably with all other Outstanding Notes; notwithstanding the enforceability of payment by anyone of the destroyed, lost, or stolen Notes.

The provisions of this Section are exclusive and shall preclude (to the extent lawful) all other rights and remedies with respect to the replacement and payment of mutilated, destroyed, lost or stolen Notes.

SECTION 11. Satisfaction of Obligation of City. If the City shall pay or cause to be paid, or there shall otherwise be paid to the Holders, the principal of, premium, if any, and interest on the Notes, at the times and in the manner stipulated in this Ordinance, then the pledge of taxes levied under this Ordinance and all covenants, agreements, and other obligations of the City to the Holders shall thereupon cease, terminate, and be discharged and satisfied.

Notes or any principal amount(s) thereof shall be deemed to have been paid within the meaning and with the effect expressed above in this Section when (i) money sufficient to pay in full such Notes or the principal amount(s) thereof at maturity, together with all interest due thereon, shall have been irrevocably deposited with and held in trust by the Paying Agent/Registrar, or an authorized escrow agent, or (ii) Government Securities shall have been irrevocably deposited in trust with the Paying Agent/Registrar, or an authorized escrow agent, which Government Securities have been certified by an independent accounting firm to mature as to principal and interest in such amounts and at such times as will insure the availability, without reinvestment, of sufficient money, together with any moneys deposited therewith, if any, to pay when due the principal of and interest on such Notes, or the principal amount(s) thereof, on and prior to the Stated Maturity thereof. The City covenants that no deposit of moneys or Government Securities will be made under this Section and no use made of any such deposit which would cause the Notes to be treated as "arbitrage bonds" within the meaning of

Section 148 of the Internal Revenue Code of 1986, as amended, or regulations adopted pursuant thereto.

The term “Government Securities”, as used herein, means (i) direct noncallable obligations of the United States, including obligations that are unconditionally guaranteed by, the United States of America; (ii) noncallable obligations of an agency or instrumentality of the United States, including obligations that are unconditionally guaranteed or insured by the agency or instrumentality and that, on the date the governing body of the issuer adopts or approves the proceedings authorizing the issuance of refunding bonds, are rated as to investment quality by a nationally recognized investment rating firm not less than “AAA” or its equivalent; (iii) noncallable obligations of a state or an agency or a county, municipality, or other political subdivision of a state that have been refunded and that, on the date the governing body of the issuer adopts or approves the proceedings authorizing the issuance of refunding bonds, are rated as to investment quality by a nationally recognized investment rating firm not less than “AAA” or its equivalent; or (iv) any additional securities and obligations hereafter authorized by the laws of the State of Texas as eligible for use to accomplish the discharge of obligations such as the Notes.

Any moneys so deposited with the Paying Agent/ Registrar, or an authorized escrow agent, and all income from Government Securities held in trust by the Paying Agent/Registrar, or an authorized escrow agent, pursuant to this Section which is not required for the payment of the Notes, or any principal amount(s) thereof, or interest thereon with respect to which such moneys have been so deposited shall be remitted to the City or deposited as directed by the City. Furthermore, any money held by the Paying Agent/Registrar for the payment of the principal of and interest on the Notes and remaining unclaimed for a period of three (3) years after the Stated Maturity of the Notes such moneys were deposited and are held in trust to pay shall upon the request of the City be remitted to the City against a written receipt therefor. Notwithstanding the above and foregoing, any remittance of funds from the Paying Agent/Registrar to the City shall be subject to any applicable unclaimed property laws of the State of Texas.

SECTION 12. Ordinance a Contract - Amendments - Outstanding Notes. This Ordinance shall constitute a contract with the Holders from time to time, be binding on the City, and shall not be amended or repealed by the City so long as any Note remains Outstanding except as permitted in this Section. The City, may, without the consent of or notice to any Holders, from time to time and at any time, amend this Ordinance in any manner not detrimental to the interests of the Holders, including the curing of any ambiguity, inconsistency, or formal defect or omission herein. In addition, the City may, with the written consent of Holders holding a majority in aggregate principal amount of the Notes then Outstanding, amend, add to, or rescind any of the provisions of this Ordinance; provided that, without the consent of all Holders of Outstanding Notes, no such amendment, addition, or rescission shall (1) extend the time or times of payment of the principal of, premium, if any, and interest on the Notes, reduce the principal amount thereof, or the rate of interest thereon, or in any other way modify the terms of payment of the principal of, premium, if any, or interest on the Notes, (2) give any preference to any Note over any other Note, or (3) reduce the aggregate principal amount of Notes required to be held by Holders for consent to any such amendment, addition, or rescission.

The term “Outstanding” when used in this Ordinance with respect to Notes means, as of the date of determination, all Notes theretofore issued and delivered under this Ordinance, except:

- (1) those Notes cancelled by the Paying Agent/Registrar or delivered to the Paying Agent/Registrar for cancellation;
- (2) those Notes deemed to be duly paid by the City in accordance with the provisions of Section 11 hereof; and
- (3) those mutilated, destroyed, lost, or stolen Notes which have been replaced with Notes registered and delivered in lieu thereof as provided in Section 10 hereof.

SECTION 13. Covenants to Maintain Tax-Exempt Status.

(a) Definitions. When used in this Section 13, the following terms have the following meanings:

“Closing Date” means the date on which the Notes are first authenticated and delivered to the initial purchasers against payment therefor.

“Code” means the Internal Revenue Code of 1986, as amended by all legislation, if any, effective on or before the Closing Date.

“Computation Date” has the meaning set forth in Section 1.148-1(b) of the Regulations.

“Gross Proceeds” means any proceeds as defined in Section 1.148-1(b) of the Regulations, and any replacement proceeds as defined in Section 1.148-1(c) of the Regulations, of the Notes.

“Investment” has the meaning set forth in Section 1.148-1(b) of the Regulations.

“Nonpurpose Investment” means any investment property, as defined in Section 148(b) of the Code, in which Gross Proceeds of the Notes are invested and which is not acquired to carry out the governmental purposes of the Notes.

“Rebate Amount” has the meaning set forth in Section 1.148-1(b) of the Regulations.

“Regulations” means any proposed, temporary, or final Income Tax Regulations issued pursuant to Sections 103 and 141 through 150 of the Code, and 103 of the Internal Revenue Code of 1954, which are applicable to the Notes. Any reference to any specific Regulation shall also mean, as appropriate, any proposed, temporary or final Income Tax Regulation designed to supplement, amend or replace the specific Regulation referenced.

“Yield” of (1) any Investment has the meaning set forth in Section 1.148-5 of the Regulations and (2) the Notes has the meaning set forth in Section 1.148-4 of the Regulations.

(b) Not to Cause Interest to Become Taxable. The City shall not use, permit the use of, or omit to use Gross Proceeds or any other amounts (or any property the acquisition, construction or improvement of which is to be financed directly or indirectly with Gross Proceeds) in a manner which if made or omitted, respectively, would cause the interest on any Note to become includable in the gross income, as defined in Section 61 of the Code, of the owner thereof for federal income tax purposes. Without limiting the generality of the foregoing, unless and until the City receives a written opinion of counsel nationally recognized in the field of municipal bond law to the effect that failure to comply with such covenant will not adversely affect the exemption from federal income tax of the interest on any Note, the City shall comply with each of the specific covenants in this Section.

(c) No Private Use or Private Payments. Except as permitted by Section 141 of the Code and the Regulations and rulings thereunder, the City shall at all times prior to the last Stated Maturity of Notes:

(1) exclusively own, operate and possess all property the acquisition, construction or improvement of which is to be financed or refinanced directly or indirectly with Gross Proceeds of the Notes, and not use or permit the use of such Gross Proceeds (including all contractual arrangements with terms different than those applicable to the general public) or any property acquired, constructed or improved with such Gross Proceeds in any activity carried on by any person or entity (including the United States or any agency, department and instrumentality thereof) other than a state or local government, unless such use is solely as a member of the general public; and

(2) not directly or indirectly impose or accept any charge or other payment by any person or entity who is treated as using Gross Proceeds of the Notes or any property the acquisition, construction or improvement of which is to be financed or refinanced directly or indirectly with such Gross Proceeds, other than taxes of general application within the City or interest earned on investments acquired with such Gross Proceeds pending application for their intended purposes.

(d) No Private Loan. Except to the extent permitted by Section 141 of the Code and the Regulations and rulings thereunder, the City shall not use Gross Proceeds of the Notes to make or finance loans to any person or entity other than a state or local government. For purposes of the foregoing covenant, such Gross Proceeds are considered to be “loaned” to a person or entity if: (1) property acquired, constructed or improved with such Gross Proceeds is sold or leased to such person or entity in a transaction which creates a debt for federal income tax purposes; (2) capacity in or service from such property is committed to such person or entity under a take-or-pay, output or similar contract or arrangement; or (3) indirect benefits, or burdens and benefits of ownership, of such Gross Proceeds or any property acquired, constructed or improved with such Gross Proceeds are otherwise transferred in a transaction which is the economic equivalent of a loan.

(e) Not to Invest at Higher Yield. Except to the extent permitted by Section 148 of the Code and the Regulations and rulings thereunder, the City shall not at any time prior to the

final Stated Maturity of the Notes directly or indirectly invest Gross Proceeds in any Investment (or use Gross Proceeds to replace money so invested), if as a result of such investment the Yield from the Closing Date of all Investments acquired with Gross Proceeds (or with money replaced thereby), whether then held or previously disposed of, exceeds the Yield of the Notes.

(f) Not Federally Guaranteed. Except to the extent permitted by Section 149(b) of the Code and the Regulations and rulings thereunder, the City shall not take or omit to take any action which would cause the Notes to be federally guaranteed within the meaning of Section 149(b) of the Code and the Regulations and rulings thereunder.

(g) Information Report. The City shall timely file the information required by Section 149(e) of the Code with the Secretary of the Treasury on Form 8038-G or such other form and in such place as the Secretary may prescribe.

(h) Rebate of Arbitrage Profits. Except to the extent otherwise provided in Section 148(f) of the Code and the Regulations and rulings thereunder:

(1) The City shall account for all Gross Proceeds (including all receipts, expenditures and investments thereof) on its books of account separately and apart from all other funds (and receipts, expenditures and investments thereof) and shall retain all records of accounting for at least six years after the day on which the last Outstanding Note is discharged. However, to the extent permitted by law, the City may commingle Gross Proceeds of the Notes with other money of the City, provided that the City separately accounts for each receipt and expenditure of Gross Proceeds and the obligations acquired therewith.

(2) Not less frequently than each Computation Date, the City shall calculate the Rebate Amount in accordance with rules set forth in Section 148(f) of the Code and the Regulations and rulings thereunder. The City shall maintain such calculations with its official transcript of proceedings relating to the issuance of the Notes until six years after the final Computation Date.

(3) As additional consideration for the purchase of the Notes by the Purchasers and the loan of the money represented thereby and in order to induce such purchase by measures designed to insure the excludability of the interest thereon from the gross income of the owners thereof for federal income tax purposes, the City shall pay to the United States from the construction fund, other appropriate fund, or if permitted by applicable Texas statute, regulation or opinion of the Attorney General of the State of Texas, the Interest and Sinking Fund, the amount that when added to the future value of previous rebate payments made for the Notes equals (i) in the case of a Final Computation Date as defined in Section 1.148-3(e)(2) of the Regulations, one hundred percent (100%) of the Rebate Amount on such date; and (ii) in the case of any other Computation Date, ninety percent (90%) of the Rebate Amount on such date. In all cases, the rebate payments shall be made at the times, in the installments, to the place and in the manner as is or may be required by Section 148(f) of the Code and the Regulations and rulings thereunder, and shall be accompanied by Form 8038-T or

such other forms and information as is or may be required by Section 148(f) of the Code and the Regulations and rulings thereunder.

(4) The City shall exercise reasonable diligence to assure that no errors are made in the calculations and payments required by paragraphs (2) and (3), and if an error is made, to discover and promptly correct such error within a reasonable amount of time thereafter (and in all events within one hundred eighty (180) days after discovery of the error), including payment to the United States of any additional Rebate Amount owed to it, interest thereon, and any penalty imposed under Section 1.148 3(h) of the Regulations.

(i) Not to Divert Arbitrage Profits. Except to the extent permitted by Section 148 of the Code and the Regulations and rulings thereunder, the City shall not, at any time prior to the earlier of the Stated Maturity or final payment of the Notes, enter into any transaction that reduces the amount required to be paid to the United States pursuant to Subsection (h) of this Section because such transaction results in a smaller profit or a larger loss than would have resulted if the transaction had been at arm's length and had the Yield of the Notes not been relevant to either party.

(j) Elections. The City hereby directs and authorizes the Mayor, Mayor Pro Tem, City Manager, Director of Finance, and City Secretary, individually or jointly, to make elections permitted or required pursuant to the provisions of the Code or the Regulations, as they deem necessary or appropriate in connection with the Notes, in the Certificate as to Tax Exemption or similar or other appropriate certificate, form or document.

SECTION 14. Sale of Notes – Purchase Letter. The offer of _____, _____, _____ (herein referred to as the “Purchasers”) to purchase the Notes in accordance with the Purchase Letter, dated as of December 10, 2013 (the “Purchase Letter”), attached hereto as Exhibit B and incorporated herein by reference as a part of this Ordinance for all purposes, is hereby accepted. Such sale of the Notes to the Purchasers is hereby found to be in the best interest of the City and is therefore approved and authorized. The Mayor and the City Secretary are hereby authorized and directed to sign the acceptance clause of said Purchase Letter for and on behalf of the City and as the act and deed of this City Council. Delivery of the Notes to the Purchasers shall occur as soon as possible upon payment being made therefor in accordance with the terms of sale.

SECTION 15. Control and Custody of Notes. The Mayor of the City shall be and is hereby authorized to take and have charge of all necessary orders and records pending investigation by the Attorney General of the State of Texas, including the printing and supply of definitive Notes, and shall take and have charge and control of the Initial Note(s) pending the approval thereof by the Attorney General, the registration thereof by the Comptroller of Public Accounts and the delivery thereof to the initial purchasers.

SECTION 16. Proceeds of Sale. The proceeds of sale of the Notes, excluding amounts to pay costs of issuance, shall be deposited in a construction fund maintained at a depository of the City. Pending expenditure for authorized projects and purposes, such proceeds of sale may be invested in authorized investments in accordance with the provisions of the Texas

Government Code, Chapter 2256, as amended, and the City's investment policies and guidelines, and any investment earnings realized shall be expended for such authorized projects and purposes or deposited in the Interest and Sinking Fund as shall be determined by the appropriate authorized officials of the City. Any excess Note proceeds, including investment earnings, remaining after completion of all authorized projects or purposes shall be deposited to the credit of the Interest and Sinking Fund.

SECTION 17. Notices to Holders - Waiver. Wherever this Ordinance provides for notice to Holders of any event, such notice shall be sufficiently given (unless otherwise herein expressly provided) if in writing and sent by United States Mail, first class postage prepaid, to the address of each Holder appearing in the Security Register at the close of business on the business day next preceding the mailing of such notice.

In any case where notice to Holders is given by mail, neither the failure to mail such notice to any particular Holders, nor any defect in any notice so mailed, shall affect the sufficiency of such notice with respect to all other Notes. Where this Ordinance provides for notice in any manner, such notice may be waived in writing by the Holder entitled to receive such notice, either before or after the event with respect to which such notice is given, and such waiver shall be the equivalent of such notice. Waivers of notice by Holders shall be filed with the Paying Agent/Registrar, but such filing shall not be a condition precedent to the validity of any action taken in reliance upon such waiver.

SECTION 18. Cancellation. All Notes surrendered for payment, transfer, exchange, or replacement, if surrendered to the Paying Agent/Registrar, shall be promptly canceled by it and, if surrendered to the City, shall be delivered to the Paying Agent/Registrar and, if not already canceled, shall be promptly canceled by the Paying Agent/Registrar. The City may at any time deliver to the Paying Agent/Registrar for cancellation any Notes previously certified or registered and delivered which the City may have acquired in any manner whatsoever, and all Notes so delivered shall be promptly canceled by the Paying Agent/Registrar. All canceled Notes held by the Paying Agent/Registrar shall be returned to the City.

SECTION 19. Legal Opinion. The Purchaser's obligation to accept delivery of the Notes is subject to being furnished a final opinion of Fulbright & Jaworski LLP, Dallas, Texas, approving the Notes as to their validity, said opinion to be dated and delivered as of the date of delivery and payment for the Notes. An executed counterpart of said opinion shall accompany the global certificates deposited with DTC or a reproduction thereof shall be printed on the definitive Notes in the event the book-entry-only system shall be discontinued.

SECTION 20. CUSIP Numbers. CUSIP numbers may be printed or typed on the definitive Notes. It is expressly provided, however, that the presence or absence of CUSIP numbers on the definitive Notes shall be of no significance or effect as regards the legality thereof and neither the City nor attorneys approving the Notes as to legality are to be held responsible for CUSIP numbers incorrectly printed or typed on the definitive Notes.

SECTION 21. Benefits of Ordinance. Nothing in this Ordinance, expressed or implied, is intended or shall be construed to confer upon any person other than the City, the

Paying Agent/Registrar and the Holders, any right, remedy, or claim, legal or equitable, under or by reason of this Ordinance or any provision hereof, this Ordinance and all its provisions being intended to be and being for the sole and exclusive benefit of the City, the Paying Agent/Registrar and the Holders.

SECTION 22. Inconsistent Provisions. All ordinances, orders or resolutions, or parts thereof, which are in conflict or inconsistent with any provision of this Ordinance are hereby repealed to the extent of such conflict, and the provisions of this Ordinance shall be and remain controlling as to the matters contained herein.

SECTION 23. Governing Law. This Ordinance shall be construed and enforced in accordance with the laws of the State of Texas and the United States of America.

SECTION 24. Effect of Headings. The Section headings herein are for convenience of reference only and shall not affect the construction hereof.

SECTION 25. Construction of Terms. If appropriate in the context of this Ordinance, words of the singular number shall be considered to include the plural, words of the plural number shall be considered to include the singular, and words of the masculine, feminine or neuter gender shall be considered to include the other genders.

SECTION 26. Severability. If any provision of this Ordinance or the application thereof to any circumstance shall be held to be invalid, the remainder of this Ordinance and the application thereof to other circumstances shall nevertheless be valid, and the City Council hereby declares that this Ordinance would have been enacted without such invalid provision.

SECTION 27. Further Procedures. Any one or more of the Mayor, Mayor Pro Tem, City Secretary, City Manager, and Director of Finance are hereby expressly authorized, empowered and directed from time to time and at any time to do and perform all such acts and things and to execute, acknowledge and deliver in the name and on behalf of the City all agreements, instruments, certificates or other documents, whether mentioned herein or not, as may be necessary or desirable in order to carry out the terms and provisions of this Ordinance and the issuance of the Notes. In addition, prior to the initial delivery of the Notes, the Mayor, Mayor Pro Tem, City Secretary, City Manager, Director of Finance, or Bond Counsel to the City are each hereby authorized and directed to approve any changes or corrections to this Ordinance or to any of the documents authorized and approved by this Ordinance: (i) in order to cure any ambiguity, formal defect or omission in the Ordinance or such other document; or (ii) as requested by the Attorney General of the State of Texas or his representative to obtain the approval of the Notes by the Attorney General and if such officer or counsel determines that such changes are consistent with the intent and purpose of the Ordinance, which determination shall be final. In the event that any officer of the City whose signature shall appear on any document shall cease to be such officer before the delivery of such document, such signature nevertheless shall be valid and sufficient for all purposes the same as if such officer had remained in office until such delivery.

SECTION 28. Incorporation of Findings and Determinations. The findings and determinations of the City Council contained in the preamble hereof are hereby incorporated by

reference and made a part of this Ordinance for all purposes as if the same were restated in full in this Section.

SECTION 29. Public Meeting. It is officially found, determined, and declared that the meeting at which this Ordinance is adopted was open to the public and public notice of the time, place, and subject matter of the public business to be considered at such meeting, including this Ordinance, was given, all as required by the Texas Government Code, Chapter 551, as amended.

SECTION 30. Effective Date. This Ordinance shall be in force and effect from and after its passage on the date shown below in accordance with the Texas Government Code, Section 1201.028, as amended, and it is so ordained.

[The remainder of this page intentionally left blank.]

PASSED AND APPROVED, this December 10, 2013.

CITY OF MURPHY, TEXAS

Eric Barna, Mayor

ATTEST:

Kristi Gilbert, City Secretary

(City Seal)

EXHIBIT A
PAYING AGENT/REGISTRAR AGREEMENT

EXHIBIT B
PURCHASE LETTER

City Council Meeting December 10, 2013

Issue

Consider and/or act on a Resolution of the City of Murphy, Texas, approving and authorizing the execution of a Project Contract with the Murphy Municipal Development District.

Staff Resource/Department

James Fisher, City Manager
Linda Truitt, Finance Director

Summary

The City will issue \$1,000,000 Tax Notes to be used in the construction of the Murphy Central Park, Murphy Community Center, signage for the Murphy Municipal Complex to include Central Park and Murphy Community Center and Animal Shelter while the Murphy Municipal Development District (MMDD) will provide for the annual principal and interest payments for the seven year life of the Tax Notes with the exception of the Animal Shelter which will be funded by the General Fund.

Background/History

In the summer of 2012, Plano Sports Authority (PSA) approached the City regarding the possibility of constructing a 3rd PSA site in Murphy. On August 21, 2012, the City Council and Parks and Recreation Board reviewed the PSA Proposal. On August 30, 2012, the Parks and Recreation Board held a public meeting to solicit public input and to make a recommendation to City Council. At the October 1, 2012, MMDD meeting the funding of the additional cost for the PSA Project and Murphy Central Park was discussed. A motion was made and approved to allocate up to \$1.1M to the PSA Project (\$600,000 of cash to be used and \$500,000 in tax notes to be issued). On February 19, 2013, the City Council discussed the additional funding for the Murphy Central Park. A motion was made and approved to authorize the City Manager to approach the MMDD Board to negotiate the increase of \$500,000 in tax notes up to \$1.0M in tax notes. At the April 1, 2013, MMDD meeting a motion was made and approved to issue tax notes in the amount of \$1.0M for the construction of Murphy Central Park, Animal Shelter, and other City capital projects as discussed.

The Murphy Municipal Development District will consider the approval of a Project Contract and Resolution to issue Tax Notes in the amount of \$1,000,000 to be repaid with funds from the MMDD annual revenues with the exception of the funds for the Animal Shelter which will be funded by the General Fund at a meeting of the MMDD on December 9, 2013. The Tax Notes will be repaid within seven years.

Financial Considerations

The resolution will allow the Murphy Municipal Development District (MMDD) to fund the annual principal and interest payments for the 2014 Tax Notes with the exception of the Animal Shelter which will be funded by the General Fund.

Board Discussion/Action

Murphy Municipal Development District (MMDD) will consider the approval the Project Contract at their December 9, 2013 meeting.

Action Requested

Approval of a Resolution of the City of Murphy, Texas, approving and authorizing the execution of a Project Contract with the Murphy Municipal Development District.

Attachments

Resolution and Project Contract

RESOLUTION NO. _____

**A RESOLUTION OF THE CITY OF MURPHY, TEXAS, APPROVING
AND AUTHORIZING THE EXECUTION OF A PROJECT
CONTRACT WITH THE MURPHY MUNICIPAL
DEVELOPMENT DISTRICT.**

WHEREAS, the City Council of the City of Murphy, Texas (the “City”), has determined that anticipation notes (the “Notes”) should be issued under and pursuant to the provisions of Texas Government Code, Chapter 1431, as amended, for the purpose of the development of City parks, the City’s multipurpose recreational and community center and signage related thereto, including the design, construction, renovation, equipping, improving, operation and maintenance of such projects and related infrastructure, and any financing thereon (collectively, the “Project”); and

WHEREAS, the Board of Directors of the Murphy Municipal Development District (the “District”) has agreed to pay the costs of such Project by remitting to the City from the receipts of the local sales and use taxes received by the District to pay the principal of and interest on such Notes; and

WHEREAS, a Project Contract by and between the District and the City (substantially in the form and content attached hereto as **Exhibit A**) has been submitted to the City Council for approval and execution; now, therefore,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MURPHY, TEXAS: The Project is hereby adopted and confirmed as a project of the District and the Project Contract by and between the District and the City (substantially in the form and content of **Exhibit A** attached hereto and incorporated herein by reference as a part hereof for all purposes) is hereby approved, and the Mayor and City Secretary are hereby authorized and directed to execute such Project Contract for and on behalf of the City and as the act and deed of this Council.

[The remainder of this page intentionally left blank.]

PASSED AND ADOPTED, this December 10, 2013.

CITY OF MURPHY, TEXAS

Eric Barna, Mayor

ATTEST:

Kristi Gilbert, City Secretary

(City Seal)

EXHIBIT A
PROJECT CONTRACT

PROJECT CONTRACT

THIS PROJECT CONTRACT (“Contract”) is executed by and between the City of Murphy, Texas (“City”), a municipality created, existing, and organized under the laws of the State of Texas and the Murphy Municipal Development District (“District”), a political subdivision created and organized under the laws of the State of Texas, particularly Chapter 377 of the Texas Local Government Code.

WITNESSETH

WHEREAS, in accordance with Chapter 377 of the Texas Local Government Code (“Act”), an election was duly held and conducted in the City on the 8th day of November, 2011, to submit a proposition to the voters of the City on the question of the adoption of a sales and use tax within the City at a rate of one-half of one percent to undertake development projects as described in the Act; and

WHEREAS, the proposition submitted to the voters of the City at said election was duly approved, and thereafter the City created the District as authorized by the Act; and

WHEREAS, the receipts received from the collection of the local sales and use tax of one-half of one percent (“Sales Tax”) for the benefit of the District may be used to pay the costs of “development projects” described in the Act; and

WHEREAS, the City Council of the City and Board of Directors of the District have determined to undertake a project involving public park purposes and events, including the development of and improvements to City parks and park facilities, open space improvements, the City’s multipurpose recreational and community center and related automobile parking facilities and signage, related roads, streets, and water and sewer facilities, and other related improvements that enhance any of the items described above, and professional services rendered in relation to such projects and the financing thereof (collectively, the “Project”) and the Project is a “development project” as defined in the Act; and

WHEREAS, after considering the options available to finance the costs of the Project, the City and District have further determined that the best and most cost effective manner to finance the costs of said improvements would be for the City to issue anticipation notes secured by the City’s ad valorem taxing authority, with the understanding and agreement of the District to pay the costs of such Project by remitting to the City from the receipts of the Sales Tax the principal of and interest on the anticipation notes to be used for the Project as the same shall become due and payable;

NOW, THEREFORE, in consideration of the covenants and agreements herein made, and subject to the conditions herein set forth, the City and the District agree as follows:

Section 1. DEFINITIONS AND INCORPORATION OF PREAMBLES. The terms and expressions used in this Contract, unless the context shows clearly otherwise, shall have meanings set forth herein, including terms defined in the preambles hereto, which preambles are incorporated herein and made a part hereof for all purposes.

Section 2. **FINANCING OF PROJECT.** The parties agree and understand the costs of the Project, including all construction costs, equipment costs and improvements contemplated, are to be paid from the proceeds received from the sale of anticipation notes authorized to be issued and sold by the City in a principal amount of approximately \$1,000,000 (“Obligations”) on or about the 10th day of December, 2013.

Section 3. **OBLIGATION OF THE DISTRICT.** The District agrees to pay to the City the principal of and interest on the Obligations as the same shall become due and payable. As soon as possible following the issuance and sale of the Obligations, the City shall furnish the District a debt retirement schedule for such Obligations. On or about 45 days prior to the next succeeding interest payment date for the Obligations, the City will notify the District of the amount due from the District on such interest payment date, taking into account any funds which the City has allocated to the payment of such debt retirement, including any funds from payments received in connection with the development of the Project. Upon being furnished with such notice, the District agrees to pay to the City on or before the 30th day preceding such interest payment date, the amount so indicated in the notice from the City.

The District further agrees the payments due hereunder to the City for the payment of the debt service on the Obligations will be incorporated and included in the District’s annual budget, as adopted or amended, and the City shall be entitled to a claim on and right to the amounts budgeted each year for the payment of the debt service requirements on the Obligations.

Section 4. **CONSTRUCTION CONTRACTS.** The City shall be solely responsible for the construction and maintenance of the Project and the payment of the Obligations, and the District shall have no liability with respect to the construction, operation or maintenance of the Project or the Obligations other than to make the payments to the City herein contemplated from the District’s receipts from the Sales Tax levied and allocated for the District’s benefit.

Section 5. **PROJECT OWNERSHIP, OPERATION AND MAINTENANCE.** The City shall own the Project and have sole responsibility for its operation and maintenance.

Section 6. **FORCE MAJEURE.** If, by reason of Force Majeure, either party hereto shall be rendered unable wholly or in part to carry out its obligations under this Contract, then such party shall give notice and full particulars of such Force Majeure in writing to the other party within a reasonable time after occurrence of the event or cause relied upon, and the obligation of the party giving such notice, so far as it is affected by such Force Majeure, shall be suspended during the continuance of the inability then claimed, except as hereinafter provided, but for no longer period, and any such party shall endeavor to remove or overcome such inability with all reasonable dispatch. The term Force Majeure, as employed herein, shall mean acts of God, strikes, lockouts, or other industrial disturbances, acts of public enemy, orders of any kind of the Government of the United States or the State of Texas or any civil or military authority, insurrections, riots, epidemics, landslides, lightning, earthquake, fires, hurricanes, storms, floods, washouts, droughts, arrests, restraint of government and people, civil disturbances, explosions, breakage or accidents to machinery, pipelines, or canals, or other causes not reasonably within the control of the party claiming such inability. It is understood and agreed that the settlement of strikes and lockouts shall be entirely within the discretion of the party having the difficulty, and that the above requirement that any Force Majeure shall be remedied with all reasonable dispatch

shall not require the settlement of strikes and lockouts by acceding to the demands of the opposing party or parties when such settlement is unfavorable to it in the judgment of the party having the difficulty.

Section 7. REGULATORY BODIES. This Contract shall be subject to all valid rules, regulations, and laws applicable thereto passed or promulgated by the United States of America, the State of Texas, or any governmental body or agency having lawful jurisdiction or any authorized representative or agency of any of them.

Section 8. TERM OF CONTRACT. That the term of this Contract shall be for the period during which the Obligations are Outstanding.

[The remainder of this page intentionally left blank.]

IN WITNESS WHEREOF, the District and the City, acting under authority of their respective governing bodies have caused this Contract to be duly executed in several counterparts, each of which shall constitute an original, all as of the 2nd day of December, 2013, which is the date of this Contract.

**MURPHY MUNICIPAL
DEVELOPMENT DISTRICT**

CITY OF MURPHY, TEXAS

By: _____
President, Board of Directors

By: _____
Mayor

ATTEST:

ATTEST:

Secretary, Board of Directors

City Secretary

(City Seal)

City Council
December 10, 2013

Issue

Consider and/or act upon Ethics Review Commission recommendations:

1. A proposed resolution establishing the Rules and Procedures for the City of Murphy Ethics Commission
2. A proposed ordinance amending Chapter 2, Article IX of the Code of Ordinances entitled Code of Ethics.

Staff Resource / Department

James Fisher, City Manager
Kristi Gilbert, City Secretary
Andy Messer, City Attorney

Background

The Ethics Review Commission was established in 2012 and held several meetings in order to appoint its officers, review, consider and discuss the Code of Ethics of the City of Murphy and the Commission's duties and responsibilities in this regard, and to discuss, prepare and adopt its proposed Rules and Procedures for submission to the City Council for consideration and action. On July 19, 2012, the Commission approved its proposed Rules and Procedures and also approved certain recommendations, requests and notifications to be presented to the City Council.

Council took action at their October 16, 2012 and November 11, 2012 meetings providing direction for the proposed changes.

Four new members were appointed to the Ethics Review Commission in December of 2012. The Commission held meetings in February and April to review the proposed changes with the Assistant City Attorney.

Council took action at their September 3, 2013 meeting to continue consideration in December.

The attached includes the resulting documents after final attorney review.

Attachments

1. Proposed Resolution establishing the Rules and Procedures – Clean Version
2. Proposed Resolution establishing the Rules and Procedures – Blackline Version
3. Proposed Ordinance amending the Code of Ethics – Clean Version
4. Proposed Ordinance amending the Code of Ethics – Blackline Version

RESOLUTION NO. 13-R-774

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MURPHY, TEXAS, ADOPTING CERTAIN RULES AND PROCEDURES FOR THE ETHICS REVIEW COMMISSION; PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, Article VIII, Section 8.01 of the City of Murphy, Texas Home-Rule Charter authorizes the City Council to create committees deemed desirable by the City Council and those which may be necessary to carry out the functions and obligations of the City; and,

WHEREAS, Ordinance 10-11-863 created the Ethics Review Commission; and

WHEREAS, Article VIII, Section 8.01 of the City of Murphy, Texas Home-Rule Charter also provides that the City Council shall by ordinance or resolution prescribe the purpose, composition, function, duties, accountability and tenure of each board, commission and committee where such are not prescribed by law or City Charter.

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

Section 1. That the foregoing recitals are hereby found to be true and correct findings of the City of Murphy, Texas, and are fully incorporated into the body of this resolution.

Section 2. Purpose and Intent. Recognizing that every legislative body needs a systematic way of conducting its business, this Resolution is to provide for the orderly conduct of business City of Murphy Ethics Review Commission.

Section 3. The Rules and Procedures attached as Exhibit "A" are hereby adopted as the official Rules and Procedures for the Ethics Review Commission.

Section 4. This resolution shall become effective from and after its passage.

DULY RESOLVED by the City Council of the City of Murphy, Texas, on this the _____ day of _____, 2013.

Eric Barna, Mayor
City of Murphy

ATTEST:

Kristi Gilbert, City Secretary
City of Murphy

APPROVED AS TO FORM:

Wm. Andrew Messer, City Attorney
City of Murphy

Exhibit "A"

**CITY OF MURPHY
ETHICS REVIEW COMMISSION****RULES AND PROCEDURES****SECTION 1. INTRODUCTION**

(a) The Ethics Review Commission (the "Commission") is an advisory body of the City of Murphy, Texas, having jurisdiction over ethics complaints as described in Chapter 2, Article IX of the Code of Ordinances of the City of Murphy, Texas. The Commission is responsible for its performance of its duties and responsibilities. The development of these rules and procedures is designed to ensure effective and efficient application of these rules and procedures.

(b) These rules and procedures address Commission relations among Commission members, and with City employees and officials. By adopting these rules and procedures, we, as members of the Commission, acknowledge our responsibility to each other, to City staff and to the public. These rules and procedures will be reviewed as necessary.

SECTION 2. MISSION

(a) The Commission will provide for the fair and equal review of all ethics complaints.

(b) In order to ensure proper consideration of all matters brought before the Commission, members of the Commission will display behavior that demonstrates independent and impartial review of all matters addressed by them, and be duly responsible to the City Council, citizens of the City of Murphy and to each other.

SECTION 3. INFORMATION

(a) The Complaint Process will be followed as outlined in Article IX, Section 2-514, as amended.

(b) All Commission members shall have access to the same information with which to make decisions in the hearing and sanctions process. When one Commission member has an information request, the response may be shared with all members of the Commission so that each member may be equally informed.

(c) All correspondence or communications shall be copied to the City Attorney.

SECTION 4. ROLES

- (a) The Chairperson shall preside at meetings of the Commission, and shall be recognized as head of the Ethics Review Commission for all purposes. The Chairperson may participate in the discussion of all matters coming before the Commission. The Chairperson shall be entitled to vote as a member thereof unless prohibited by law, and shall have no power of veto.
- (b) The Commission shall elect from among the Commission members a Vice Chairperson who shall act as Chairperson during the absence, conflict or disability of the Chairperson.
- (c) The Chairperson shall preserve order and decorum and shall require Commission members engaged in debate to limit discussion to the question under consideration.
- (d) The Chairperson is the spokesperson for the Commission on all official positions taken unless absent, at which time the Vice Chairperson or other designee will assume the role.
- (e) The Chairperson will encourage all Commission members to fully participate in Commission discussion before an item is brought to vote.
- (f) The Chairperson may appoint a subcommittee made up of Commission members and City staff as deemed necessary by the Commission to recommend direction to the full Commission. City staff may only be used upon approval by the City Manager.
- (g) The Chairperson or designee shall act as the appointed liaison to the City Council.

SECTION 5. MEETINGS

- (a) **Annual Meeting** – The Commission shall meet at least once a year as outlined in Article IX, Section 2-513(b)(3) as amended.
- (b) **Special Meetings** – Special Meetings may be held on any day of the week to consider items that require action prior to the annual meeting and may be called at the request of the Chairperson, or any two (2) members of the Commission as outlined in Article IX, Section 2-513(b)(3) as amended. Special meetings will be open to the public in accordance with the Texas Open Meetings Act.
- (c) **Work sessions** – Work sessions shall be held as needed. Work sessions will be open to the public in accordance with the Texas Open Meetings Act.
- (d) **Executive Sessions** – The Commission may meet in executive session in compliance with the Texas Open Meetings Act. All final actions, decisions or votes on any matter deliberated in an executive session shall be made in open session for which proper notice has been provided. All discussions in executive session shall remain confidential. Executive sessions are not open to the public in accordance with the Texas Open Meetings Act.
- (e) **Confidentiality and Nondisclosure Agreement** – Each Commission member shall sign a confidentiality and non-disclosure agreement the earlier of, thirty (30) days following

appointment by the City Council or prior to receiving any information regarding an ethics complaint.

(f) **Attendance** - Commission members are expected to attend all meetings and stay in attendance during each meeting. No member shall leave a meeting without advising the Chairperson.

(g) The Commission may create a subcommittee of two Commission members as necessary.

(h) **Punctuality and Recess** – Members of the Commission are expected to arrive at meetings at or before the scheduled time for the meeting to begin and shall advise the Chairperson or Secretary if there is an expectation that the Commission member will be delayed in attending the meeting or may need to leave the meeting before it is adjourned. At the beginning of each meeting, the Chairperson shall announce those members that are absent and shall announce the arrival time of any member arriving after the beginning of any meeting. The Chairperson may at any time, upon his or her own motion, or upon the request of a Commission member, declare a recess of the meeting. The time period of the recess shall be strictly followed.

(i) **Conflict of Interest** – A Commission member prevented from voting due to a conflict of interest shall leave the room during the debate, shall not vote on the matter, and shall otherwise comply with the state law and the Charter and ordinances concerning conflicts of interest. Any Commission member filing a conflict of interest affidavit on an item shall not thereafter confer with staff, or Commission members regarding that matter. The City Attorney may provide assistance to a Commission member in determining whether or not a conflict of interest exists.

(k) **Conduct of Meetings and Work Sessions**

1) During Commission meetings and work sessions, Commission members shall assist in preserving order and decorum and shall neither by conversation or otherwise delay or interrupt the proceedings nor refuse to obey the rules of the Commission.

2) A Commission member shall confine discussion to the question under debate, avoid the discussion of personalities and the use of inappropriate language, and refrain from personal attacks or from publicly criticizing a citizen, a City Councilmember, a member of any board, commission or committee of the City, an individual employee, or an operational issue. Questioning facts or the opinion of staff is allowed.

3) When there is more than one witness during a final hearing who is called to address the matter, Commission Members may delay their comments until after all witnesses on the subject have been heard.

4) The Chairperson shall state all questions submitted for a vote and announce the result.

(l) **Citizens and Visitors**

(1) Everyone attending a meeting will refrain from private conversations and turn mobile phones to silent or vibrate while the Commission is in session.

(2) Citizens and visitors attending Commission meetings, work sessions and hearings shall observe the same rules of propriety, decorum and good conduct applicable to members of the Commission. Any person making personal, impertinent, disruptive, profane or defamatory remarks or who becomes boisterous while addressing the Commission or while attending the meeting, work session or hearing, shall be removed from the room if so directed by the Chairperson. Such person shall be barred from further audience before the Commission during that session. If the Chairperson fails to act, any member of the Commission may move to require enforcement of the rules, and the affirmative vote of a majority of the Commission shall require the Chairperson to act.

(4) Unauthorized remarks from the audience, stamping of feet, whistles, yells and similar demonstrations shall not be permitted by the Chairperson, who may direct the removal of offenders from the room. In case the Chairperson shall fail to act, any member of the Commission may move to require enforcement of the rules and the affirmative vote of a majority of the Commission shall require the Chairperson to act.

(5) No placards, banners, or signs will be permitted in the Commission meeting room or in any other room in which the Commission is meeting. Exhibits, displays and visual aids used in connection with presentations, however, are permitted.

(m) **Motions At Meetings**

(1) At a meeting, the Commission may discuss an agenda item prior to a motion being made. This allows a motion to be crafted that will incorporate the issues discussed.

(2) A motion made and seconded will be considered the main motion. Any Commission member may make a motion to amend a motion. The amendment must receive a second before it may be discussed and must be voted on prior to voting on the main motion.

(3) A motion may be withdrawn or modified by its mover without asking permission until the motion is voted upon. If the mover modified the motion, the Commission member who seconded the motion may withdraw the second.

(4) A motion to reconsider any action of the Commission must be made no later than prior to the conclusion of the next regularly scheduled meeting of the Commission. Such a motion may only be made by a Commission member who voted with the prevailing side. The motion to reconsider may be seconded by any member. No issue shall be twice reconsidered except by unanimous vote of the Commission.

(i) If a motion to reconsider is made at the same meeting at which the matter was acted upon, the motion may be heard and voted upon and the original action on the matter is set aside. Deliberation may then resume on the matter at that same meeting.

- (ii) If a motion to reconsider is made at the next meeting after the matter was acted upon the motion to reconsider may be heard and voted upon and the original action on the matter is not set aside. Deliberation may not resume on the matter, but it shall be placed on the next available agenda for deliberation and action.
- (n) **Suspension of Rules** – Any provision of these rules not governed by the City Charter, City Code, State or Federal law may be temporarily suspended by a majority vote of the members of the Commission present. The vote on any such suspension shall be taken by yeas and nays and entered upon the record.
- (o) **Amendment of Rules** – These rules may be amended or new rules adopted, by a majority vote of the members of the Commission and approved by the Commission and then recommended to City Council for final approval.
- (p) **Failure to Comply** - A failure to comply with these rules does not invalidate any otherwise lawful act of the Commission.
- (q) **Tabling** – An item under consideration may be tabled until a later point in the same meeting.
- (r) **Postponement** – An item may be postponed until a future meeting, a specific future date, or until a specific outside action occurs. Items may also be postponed indefinitely, which means the item is dead and cannot be brought back before the Commission.
- (s) **Retention Policy** - The document retention policy of the Commission shall be the same as that of the City.

SECTION 6. PUBLIC CONTACT / MEDIA RELATIONS

The Commission shall refer all media inquiries to the City Manager or his or her designee as the City's official representative to the media.

RESOLUTION NO. 13-R-

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MURPHY, TEXAS, ADOPTING CERTAIN RULES AND PROCEDURES FOR THE ETHICS REVIEW COMMISSION; PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, Article VIII, Section 8.01 of the City of Murphy, Texas Home-Rule Charter authorizes the City Council to create committees deemed desirable by the City Council and those which may be necessary to carry out the functions and obligations of the City; and,

WHEREAS, Ordinance 10-11-863 created the Ethics Review Commission; and

WHEREAS, Article VIII, Section 8.01 of the City of Murphy, Texas Home-Rule Charter also provides that the City Council shall by ordinance or resolution prescribe the purpose, composition, function, duties, accountability and tenure of each board, commission and committee where such are not prescribed by law or City Charter.

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

Section 1. That the foregoing recitals are hereby found to be true and correct findings of the City of Murphy, Texas, and are fully incorporated into the body of this resolution.

Section 2. Purpose and Intent. Recognizing that every legislative body needs a systematic way of conducting its business, this Resolution is to provide for the orderly conduct of business City of Murphy Ethics Review Commission.

Section 3. The Rules and Procedures attached as Exhibit "A" are hereby adopted as the official Rules and Procedures for the Ethics Review Commission.

Section 4. This resolution shall become effective from and after its passage.

DULY RESOLVED by the City Council of the City of Murphy, Texas, on this the _____ day of _____, 2013.

Eric Barna, Mayor

City of Murphy

ATTEST:

Kristi Gilbert, City Secretary
City of Murphy

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APPROVED AS TO FORM:

Wm. Andrew Messer, City Attorney
City of Murphy

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Exhibit "A"

CITY OF MURPHY
ETHICS REVIEW COMMISSION

RULES AND PROCEDURES

SECTION 1. INTRODUCTION

(a) The Ethics Review Commission (the "Commission") is an advisory body of the City of Murphy, Texas, having jurisdiction over ethics complaints as described in Chapter 2, Article IX of the Code of Ordinances of the City of Murphy, Texas. The Commission is responsible for its ~~own development, discipline, and~~ performance of its duties and responsibilities. The development of these rules and procedures is policy is designed to ensure effective and efficient application of these rules and procedures.

(b) These rules and procedures is policy addresses Commission relations among Commission members, and with City employees and officials. By adopting these rules and procedures is policy, we, as members of the Commission, acknowledge our responsibility to each other, to City staff and to the public. These rules and procedures is policy will be reviewed as necessary.

SECTION 2. MISSION

(a) The Commission will provide for the fair and equal resolution review of all ethics complaints ~~brought forth for its review in order to determine whether or not it should impose a sanction per Section 2-517 of the Code of Ethics.~~

(b) In order to ensure proper consideration ~~resolution review~~ of all matters brought before the Commission, members of the Commission will display behavior that demonstrates independent and impartial review of all matters addressed by them, and be duly responsible to the City Council, citizens of the City of Murphy and to each other.

SECTION 3. INFORMATION

(a) The Complaint Process will be followed as outlined in Article IX, Section 2-514, as amended.

(b) All Commission members shall have access to the same information with which to make decisions in the hearing and sanctions process. When one Commission member has an information request, the response may be shared with all members of the Commission so that each member may be equally informed.

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- (c) All correspondence or communications shall be copied to the City Attorney.

SECTION 4. ROLES

- (a) The Chairperson shall preside at meetings of the Commission, and shall be recognized as head of the Ethics Review Commission for all purposes. The Chairperson may participate in the discussion of all matters coming before the Commission. The Chairperson shall be entitled to vote as a member thereof unless prohibited by law, and shall have no power of veto.
- (b) The Commission shall elect from among the Commission members a Vice Chairperson who shall act as Chairperson~~Presiding Officer~~ during the absence, conflict or disability of the Chairperson.
- (c) The Chairperson shall preserve order and decorum and shall require Commission members engaged in debate to limit discussion to the question under consideration.
- (d) The Chairperson is the spokesperson for the Commission on all official positions taken unless absent, at which time the Vice Chairperson or other designee will assume the role.
- (e) The Chairperson will encourage all Commission members to fully participate in Commission discussion before an item is brought to vote.
- (f) The Chairperson may appoint a subcommittee made up of Commission members and City staff as deemed necessary by the Commission to recommend direction to the full Commission. City staff may only be used upon approval by the City Manager.
- (g) The Chairperson or designee shall act as the appointed liaison to the City Council.

SECTION 5. MEETINGS

- (a) **Annual Meeting** – The Commission shall meet at least once a year as outlined in Article IX, Section 2-513**(b)(3)**~~(subsection 3)~~ as amended.
- (b) **Special Meetings** – Special Meetings may be held on any day of the week to consider items that require action prior to the annual meeting and may be called ~~upon~~ at the request of the Chairperson, or any two (2) members of the Commission as outlined in Article IX, Section 2-513(b)(3) as amended~~Vice Chairperson or City Manager~~. Special meetings will be open to the public in accordance with the Texas Open Meetings Act.
- (c) **Work sessions** – Work sessions shall be held as needed ~~and used to allow the Commission to discuss procedures~~. Work sessions will be open to the public in accordance with the Texas Open Meetings Act.
- (d) **Executive Sessions** – The Commission may meet in executive session in compliance with the Texas Open Meetings Act. All final actions, decisions or votes on any matter

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deliberated in an executive session shall be made in open session for which proper notice has been provided. All discussions in executive session shall remain confidential. Executive sessions are not open to the public in accordance with the Texas Open Meetings Act.

(e) ~~Each member shall sign a n~~Confidentiality and Nondisclosure Agreement. – ~~Each Commission member shall sign a confidentiality and non-disclosure agreement the earlier of, thirty (30) days following appointment by the City Council or prior to receiving any information regarding an ethics complaint.~~

(f) **Attendance** - Commission members are expected to attend all meetings and stay in attendance during each meeting. No member shall leave a meeting without advising the ~~Chairperson~~Presiding Officer.

(g) The Commission may create a subcommittee of two Commission members as necessary.

(h) **Punctuality and Recess** – Members of the Commission are expected to arrive at meetings at or before the scheduled time for the meeting to begin and shall advise the Chairperson or Secretary if there is an expectation that the Commission member will be ~~tardy~~delayed in attending the meeting or may need to leave the meeting before it is adjourned. At the beginning of each meeting, the ~~Chairperson~~Presiding Officer shall announce those members that are absent and shall announce the arrival time of any member arriving after the beginning of any meeting. The ~~Chairperson~~Presiding Officer may at any time, upon his or her own motion, or upon the request of a Commission member, declare a recess of the meeting. The time period of the recess shall be strictly followed.

(i) **Conflict of Interest** – A Commission member prevented from voting due to a conflict of interest shall leave the room during the debate, shall not vote on the matter, and shall otherwise comply with the state law and the Charter and ordinances concerning conflicts of interest. Any Commission member filing a conflict of interest affidavit on an ~~Executive Session~~ item shall not thereafter confer with staff, or Commission members regarding that matter. The City ~~A~~ttorney may provide assistance to a Commission member in determining whether or not a conflict of interest exists.

Process of Ethics Hearing: Complaint Hearing Process:

~~The City Attorney shall perform an initial review of the submitted complaint for conformity with the requirements of Section 2-514 of the Code of Ethics. If the complaint is found to be insufficient, the City Attorney shall notify the complainant that the complaint is deficient and the matter shall be closed without prejudice to subsequent re-filing. If the complaint is found to be sufficient, it shall be forwarded to the City Manager, the Chairperson of the Ethics Review Commission, the City Secretary and the complainee, and a preliminary hearing shall be scheduled with proper notice being provided to the complaint and complainee. Complaints against the City Attorney shall be forwarded to the Municipal Judge.~~

~~An initial meeting will be held to discuss the filed complaint. The complainant and the complainee may attend the initial meeting preliminary hearing and each shall be~~

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~~allowed to make a presentation to the Commission and, but the . The complainant and the complaine must be allowed to make a presentation at the initial meeting, but the Commission may not limit the time for the presentation to no fewer than five (5) minutes.~~

~~A majority vote of the full Commission shall will be required for the Commission to continue its investigation of the complaint; otherwise, the matter will be closed.~~

~~The Chairperson or authorized designee shall send written notice following the preliminary hearing of the initial review and its outcome to both the complainant and the complaine within a reasonable amount of time five (5) business days after the initial review preliminary hearing decision is has been made made by the Commission.~~

~~The Commission will may then exercise its powers as outlined in Article IX, Section 2-5132-516 to investigate, request and gather evidence as necessary to determine if an ethics violation has occurred.~~

~~If the Commission determines that there are reasonable grounds to believe that a violation of Article IX has occurred, it shall schedule a final hearing. Otherwise, the complaint may be dismissed.~~

~~The complainant and the complaine may attend the final hearing and each shall be allowed to make a presentation to the Commission. The complainant and the complaine must be allowed to make a presentation at the final hearing and, but the Commission may not limit the time for the presentation to no fewer than five (5) minutes.~~

~~Sanctions may be imposed in accordance with Article IX, Section 2-517 as amended, by majority vote of the full Commission.~~

~~All actions of the Commission are immediately appealable by complaine only to a committee comprised of the Mayor, the City Attorney, and the Municipal Judge or with an alternate city official being appointed by a majority of the City Council official in the case of a conflict of interest. This committee shall have the authority to affirm, dismiss or remand the decision of the Commission with instructions.~~

(k) **Conduct of Meetings and Work Sessions**

1) During Commission meetings and work sessions, Commission members shall assist in preserving order and decorum and shall neither by conversation or otherwise delay or interrupt the proceedings nor refuse to obey the rules of the Commission.

2) A Commission member shall confine discussion to the question under debate, avoid the discussion of personalities and the use of inappropriate language, and refrain from personal attacks or from publicly criticizing a citizen, a City Councilmember, a member of any board, commission or committee of the City, an individual employee, or an operational issue. ~~QCriticism is differentiated from~~ questioning facts or the opinion of staff ~~is allowed.~~

3) When there is more than one ~~witness~~ ~~speaker~~ during a final hearing who is called to address the matter, Commission Members ~~may~~ ~~shall~~ delay their comments until after all ~~witnesses~~ ~~speakers~~ on the subject have been heard.

4) The Chairperson shall state all questions submitted for a vote and announce the result.

(1) **Citizens and Visitors**

(1) Everyone attending a meeting will refrain from private conversations and turn mobile phones to silent or vibrate while the Commission is in session.

(2) Citizens and visitors attending Commission meetings, work sessions and hearings shall observe the same rules of propriety, decorum and good conduct applicable to members of the Commission. Any person making personal, impertinent, disruptive, profane or defamatory remarks or who becomes boisterous while addressing the Commission or while attending the meeting, work session or hearing, shall be removed from the room if so directed by the Chairperson Presiding Officer. Such person shall be barred from further audience before the Commission during that session. If the Chairperson Presiding Officer fails to act, any member of the Commission may move to require enforcement of the rules, and the affirmative vote of a majority of the Commission shall require the Chairperson Presiding Officer to act.

(4) Unauthorized remarks from the audience, stamping of feet, whistles, yells and similar demonstrations shall not be permitted by the Chairperson Presiding Officer, who may direct the removal of offenders from the room. In case the Chairperson Presiding Officer shall fail to act, any member of the Commission may move to require enforcement of the rules and the affirmative vote of a majority of the Commission shall require the Chairperson Presiding Officer to act.

(5) No placards, banners, or signs will be permitted in the Commission meeting room or in any other room in which the Commission is meeting. Exhibits, displays and visual aids used in connection with presentations, however, are permitted. ~~Video presentations requested by a citizen or visitor as visual aids will not be broadcast over any city public access cable channel.~~

~~(m)~~ **Agenda**

~~(1) The Chairperson and/or alternatively Vice Chairperson shall set the agenda. Any Commission member may request an item be placed on a future agenda at a meeting.~~

~~(2) Agenda item requests made outside of an open meeting shall be submitted to the City Secretary.~~

~~(m)~~ **Motions At Meetings**

(1) At a meeting, ~~t~~The Commission may discuss an agenda item prior to a motion being made. This allows a motion to be crafted that will incorporate the issues discussed.

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(2) A motion made and seconded will be considered the main motion. Any Commission member may make a motion to amend a motion. The amendment must receive a second before it may be discussed and must be voted on prior to voting on the main motion.

(3) A motion may be withdrawn or modified by its mover without asking permission until the motion is voted upon. If the mover modified the motion, the Commission member who seconded the motion may withdraw the second.

(4) A motion to reconsider any action of the Commission must be made no later than prior to the conclusion of the next regularly scheduled meeting of the Commission. Such a motion may only be made by a Commission member who voted with the prevailing side. The motion to reconsider may be seconded by any member. No issue/question shall be twice reconsidered except by unanimous vote of the Commission.

(i) If a motion to reconsider is made at the same meeting at which the matter was acted upon, the motion may be heard and voted upon and the original action on the matter is set aside. Deliberation may then resume on the matter at that same meeting.

(ii) If a motion to reconsider is made at the next meeting after the matter was acted upon, ~~with the exception of any final determination of the Commission,~~ the motion to reconsider may be heard and voted upon and the original action on the matter is not set aside. Deliberation may not resume on the matter, but it shall be placed on the next available agenda for deliberation and action.

(n) **Suspension of Rules** – Any provision of these rules not governed by the City Charter, City Code, State or Federal law may be temporarily suspended by a majority vote of the members of the Commission present. The vote on any such suspension shall be taken by yeas and nays and entered upon the record.

(o) **Amendment of Rules** – These rules may be amended or new rules adopted, by a majority vote of the members of the Commission and approved by the Commission and then recommended to City Council for final approval.

(p) **Failure to Comply** - A failure to comply with these rules does not invalidate any otherwise lawful act of the Commission.

(q) **Tabling** – An item under consideration may be tabled until a later point in the same meeting.

(r) **Postponement** – An item may be postponed until a future meeting, a specific future date, or until a specific outside action occurs. Items may also be postponed indefinitely, which means the item is dead and cannot be brought back before the Commission ~~unless there is a change~~.

(s) **Retention Policy** - The document retention policy of the Commission shall be the same as that of the City.

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SECTION 6. PUBLIC CONTACT / MEDIA RELATIONS

~~(a) All reporters may receive an agenda in advance and will be furnished supporting materials needed for clarification if requested.~~

(b) The Commission shall refer all media inquires to the City Manager or his or her designee as the City's official representative to the media.

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ORDINANCE NO. 13--09-

AN ORDINANCE OF THE CITY OF MURPHY, TEXAS, AMENDING CHAPTER 2 OF THE CITY OF MURPHY'S CODE OF ORDINANCES, AMENDING ARTICLE IX CODE OF ETHICS FOR CITY OFFICIALS AND EMPLOYEES, INCLUDING REGULATIONS RELATED TO STANDARDS OF CONDUCT; GIFTS AND HONORARIUMS; CONFLICTS OF INTEREST; CONFLICT DISCLOSURE STATEMENTS; INTEREST IN PROPERTY ACQUIRED WITH PUBLIC FUNDS; NEPOTISM; BRIBERY; CITY RECORDS; MISUSE OF OFFICIAL INFORMATION; ABUSE OF OFFICIAL CAPACITY; AND OFFICIAL OPPRESSION; CREATING AN ETHICS REVIEW COMMISSION; PROVIDING A COMPLAINT PROCESS FOR VIOLATIONS OF THE CODE OF ETHICS; PRESCRIBING THE ROLE OF THE CITY ATTORNEY IN THE COMPLAINT PROCESS; PROVIDING A HEARING PROCESS; PROVIDING SANCTIONS FOR VIOLATIONS OF THE CODE OF ETHICS; AND PROVIDING FOR DISTRIBUTION AND PROOF OF COMPLIANCE; AND PROVIDING FOR AN EFFECTIVE DATE, PROPER NOTICE AND MEETING; SEVERABILITY CLAUSE AND REPEALER CLAUSE.

WHEREAS, statutory provisions governing the ethical conduct of public officials and employees are found in various codes including the Texas Local Government Code, the Texas Government Code and the Texas Penal Code; and

WHEREAS, the City Council finds it desirable and necessary to adopt a comprehensive ethics ordinance that sets out the parameters relating to the conduct of public officials and employees in one easily accessible location; and

WHEREAS, the City Council believes that a position in government is a position of public trust that demands a high standard of behavior, and

WHEREAS, each employee and official of the City of Murphy should uphold the Constitution, laws and regulations of the United States and the State of Texas and the Charter and ordinances of the City of Murphy; and

WHEREAS, the City of Murphy seeks to promote personal integrity, honesty and ethical conduct in all activities undertaken by City Officials and employees through the adoption of this Ordinance; and

WHEREAS, the City of Murphy seeks to inspire public confidence and trust in City of Murphy officials and employees through the adoption of this "Code of Ethics";

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

SECTION 1. RECITALS

The City Council hereby finds that the statements set forth in the recitals of this Ordinance are true and correct, and the City Council hereby incorporates such recitals as part of this Ordinance.

SECTION 2. ADOPTION OF CODE OF ETHICS

Chapter 2, Administration, of the Code of Ordinances of the City of Murphy is hereby amended by amending Article IX, Code of Ethics:

Article IX, Code of Ethics attached hereto as Exhibit "A" and incorporated herein for all purposes is hereby enacted.

SECTION 3. Effective Date

This Ordinance shall take effect immediately from and after its passage and publication as may be required by governing law.

SECTION 4. Proper Notice and Meeting

It is hereby officially found and determined that the meeting at which this Ordinance was passed was open to the public as required and that public notice of the time, place and purpose of said meeting was given as required by the Open Meetings Act, Chapter 551 of the Texas Government Code and as required by Chapter 552 of the Texas Local Government Code.

SECTION 5. Severability

It is hereby declared to be the intention of the City Council that the phrases, clauses, sentences, paragraphs and sections of this Ordinance be 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 or sections of this Ordinance, and the remainder of this Ordinance shall be enforced as written.

SECTION 6. Repealer

The provisions of this Ordinance shall be cumulative of all other ordinances or parts of ordinances governing or regulating the same subject matter as that covered herein; provided, however, that all prior ordinances or parts of ordinances inconsistent or in conflict with any of the provisions of this Ordinance are hereby expressly repealed to the extent that such inconsistency is apparent.

PASSED AND APPROVED by the City Council of the City of Murphy, Texas this _____ day of _____, 2013.

Eric Barna, Mayor
City of Murphy

ATTEST:

Kristi Gilbert, City Secretary
City of Murphy

APPROVED AS TO FORM:

Wm. Andrew Messer, City Attorney
City of Murphy

EXHIBIT “A”

**ARTICLE IX
CODE OF ETHICS**

Section 2-501. Definitions.

The terms used in this Article shall have the following meanings:

Business Entity means a sole proprietorship, partnership, firm, corporation, holding company, joint-stock company, receivership, trust, or any other entity recognized by law.

Candidate. This term has the meaning assigned by section 251.001, Election Code.

City Council means the mayor and six (6) council members elected to serve as the governing body of the City.

City Employee means any person employed by the City, including those individuals that are employed on a part-time or temporary basis and employees of any corporation created by the City, but such term shall not be extended to apply to any independent contractor.

City Attorney means the City Attorney appointed by the City Council pursuant to the City Charter.

City Engineer means the City Engineer appointed by the City Manager.

City Manager means the City Manager appointed by the City Council pursuant to the City Charter.

City Official means every member of the City Council, the City Manager, City Secretary, the City Attorney, the Municipal Judge, the City Engineer and all members of any board, commission, or committee appointed by the City Council, including the board members of the Murphy Municipal Development District (MDD), the Murphy Economic Development Corporation (4A) (“MEDC”) and the 4B Murphy Community Development Corporation (“MCDC”), and the executive directors of the MEDC and the MCDC.

City Secretary means the City Secretary appointed by the City Council pursuant to the City Charter.

Confidential Information means any information that a City Official would be privy to because of the official’s position but otherwise is not available to the public under the provisions of the Texas Public Information Act (Tex. Gov’t Code Ch. 552).

Conflict Disclosure Statement means the disclosure statement form adopted by the Texas Ethics Commission required by Chapter 176 of the Local Government Code.

Conflict of Interest Questionnaire means the conflicts of interest form adopted by the Texas Ethics Commission required by Chapter 176 of the Local Government Code.

Economic Benefit means any taxable income or any money, real or personal property, contract rights, sale, lease, option, credit, loan, discount, service, or other tangible or intangible thing of value, whether similar or dissimilar to those enumerated.

Economic Interest means a legal or equitable interest in real or personal property or a fiduciary obligation to such property or contractual right in such property that is more than Two Thousand Five Hundred Dollars (\$2500.00). Service by a City Official or City Employee as an officer, director, advisor, or otherwise active participant in an educational, religious, charitable, fraternal, or civic organization does not create an Economic Interest in the property of that organization. Ownership of an interest in a mutual or common investment fund that holds securities or other assets is not an Economic Interest in the securities or other assets unless the City Official or City Employee participates in the management of the fund. A City Official or City Employee does not have an Economic Interest in a matter if the economic impact on the City Official or City Employee is indistinguishable from the impact on the public or on the particular group affected by the matter.

Family Member means a person related to a City Official in the first degree of consanguinity or affinity, as described by Subchapter B, Chapter 573 of the Government Code, except that the term does not include a person who is considered to be related to a City Official by affinity only as described by Section 573.024(b) of the Government Code. This definition would include children, spouses, parents, step-children and parents-in-law or children-in-law, except that relationships by affinity would end upon divorce.

Gift means a favor, hospitality, or economic benefit other than compensation but which does not include campaign contributions reported as required by state law, gifts received from a relative if given on account of kinship, or any value received by will, intestate succession, or as a distribution from an *inter vivos* or testamentary trust.

Municipal Judge means the Municipal Judge or alternate Municipal Judge appointed by the City Council pursuant to the City Charter.

Permissible Gift means a thing of nominal value given (not to exceed \$100.00 in value), and not given to request a specific favor, special treatment, or influence a City Official or City Employee. Marketing advertisement items of nominal value, or certificates or plaques having no intrinsic value, are considered permissible gifts or gratuities. The purchase of meals of nominal value, provided there is a rotation of purchasing, is considered a permissible gift. The provision of training/education programs of a general nature is considered a permissible gift or gratuity. Items that exceed \$100.00 in value, if divided (e.g. holiday food or sporting event tickets distributed by lot) or donated for a City-sponsored function, are considered permissible gifts and/or gratuities.

Qualified Voter means a person who meets the qualifications of Section 11.002 of the Texas Election Code to vote in City elections.

Second Degree by Affinity is defined by Subchapter B., Chapter 573 of the Government Code and examples of such relationship are set out in the Chart attached hereto as Exhibit “1.”

Substantial Interest means the interest that a City Official and/or a Family Member has in a business or business entity or in real property as described below:

- (a) The City Official and/or a Family Member owns ten percent (10%) or more of the voting stock or shares of the business entity; or
- (b) The City Official and/or a Family Member owns ten percent (10%) or more or \$15,000.00 or more of the fair market value of the business entity; or
- (c) Funds received by the City Official and/or a Family Member from the business entity exceed ten percent (10%) of the person's gross income for the previous year;
- (d) The City Official and/or Family Member has a Substantial Interest in real property if the interest is an equitable or legal interest with a fair market value of \$2,500 or more.

Third Degree by Consanguinity is defined by Subchapter B., Chapter 573 of the Government Code and examples of such relationship are set out in the Chart attached hereto as Exhibit “1.”

Section 2-502. Standards of Conduct

(a) General Provisions

- (1) No City Official or City Employee may disclose any Confidential Information gained through the City Official's or City Employee's office or position concerning property, operations, policies, or affairs of the City, or use such Confidential Information to advance any Economic Interest of the City Official or City Employee, confer any Economic Benefit to the City Official or City Employee, or their Family Member. This Subsection shall not preclude disclosure of such Confidential Information in connection with any investigation or proceeding regarding whether there has been a violation of this Code of Ethics to any investigatory, administrative or judicial authority.
- (2) No City Official or City Employee may use his or her office or position or City owned facilities, equipment, supplies, or resources of the City to advance any Economic Interest of the City Official or City Employee, confer any Economic Benefit to the City Official or City Employee, for a political campaign of the City Official or City Employee, or for any of the City Official's or City Employee's Family Members. Notwithstanding the foregoing, City owned facilities, equipment, supplies or resources may be used by City Officials or City Employees to the extent such uses are customary, incidental or lawfully available to the public.

- (3) No City Official shall knowingly represent, directly or indirectly, any person, group or business entity:
- (A) Before the City Council or the board, commission or committee of which he or she is a member;
 - (B) Before a board or commission which has appellate jurisdiction over the board, commission or committee of which he or she is a member;
 - (C) In any action or proceeding against the interests of the City or in any litigation in which the City or any department, agency, board, commission or committee is a party; or
 - (C) In any action or proceeding in the municipal court(s) of the City which was instituted by a City Official or City Employee in the course of his or her official duties, or a criminal proceeding in which any City Official or City Employee is a material witness for the prosecution.
- (4) The restrictions contained in Subsection (3) do not prohibit the following:
- (A) A City Official, or his or her spouse, appearing before the City Council or a City board, commission or committee to represent himself or herself in a matter affecting his or her property; provided, however, that no such person, or his or her spouse, shall personally appear before the City Council, board, commission or committee of which he or she is a member and must submit their case through an authorized representative;
 - (B) A City Official or City Employee appearing before the City Council or a City board, commission or committee to address employment matters;
- (5) No City Official may act as surety for any person or business entity that has work, business, or a contract with the City, or act as a surety on any bond required by the City for a City Official.
- (6) No City Official or City employee shall default or refuse to answer any questions pertinent to the proceedings before the City Council, or fail or refuse to obey any subpoena, or to produce any books, papers or other material issued by the City Council.
- (7) No City Official or City Employee shall deny, abridge or compromise equality of rights under state and federal law with respect to appointment to or removal of any appointed position with the City as prohibited by Sec. 14.02 of the City Charter.
- (8) No City Official or City Employee who seeks appointment or promotion with respect to any City appointed position shall, directly or indirectly, give, render or pay any money, service or other valuable thing to any person for, or in connection with, his or her test,

appointment or promotion with respect to any City position as prohibited by Sec. 14.03 of the City Charter.

- (9) No City Official or City Employee shall willfully make any false statement, certificate, mark, rating or report in regard to any test, certification, appointment or promotion with respect to any City position, or attempt to commit any fraud preventing the impartial execution of the personnel provisions, rules and regulations of the City Charter as prohibited by Sec. 14.04 of the City Charter.
- (10) No City Official, who holds any compensated, non-elective City position, or City Employee shall use their official title or position with the City to solicit any contribution or endorse the candidacy of any Candidate for public office in the City as prohibited by Sec. 14.05 of the City Charter. Any such person shall have the right to exercise his/her legal rights to participate in the election process when he/she is not on duty, in a City building, City provided uniform or attire, or using a City vehicle or equipment.
- (11) Members of the City Council shall not in any way dictate the appointment, removal or discipline of the City Officials or City Employees appointed by the City Manager or any of the City Manager's subordinates as prohibited by Sec. 3.08(2) of the Charter. Notwithstanding the foregoing, the City Council, at a meeting called for that purpose, may express its views and fully and freely discuss with the City Manager anything pertaining to the appointment and removal of such City Officials and City Employees.
- (12) Except for the purpose of inquiries and investigations provided by the Charter, the City Council shall interact with City Officials and City Employees who are subject to the direction and supervision of the City Manager in accordance with the Governance Policy adopted by the City Council. The City Council shall not give orders to any such City Official or City Employee, either publicly or privately, except as otherwise provided in the Charter.

SECTION 2-503. Gifts and Honorariums

(a) Prohibition:

- (1) No City Official or City Employee may solicit or accept any Gift, favor or privilege, that is offered or given with the intention of influencing the judgment or discretion of the City Official or City Employee; or given in consideration of the favorable exercise of the City Official's or City Employee's judgment or discretion in the past.
- (2) A City Employee performing regulatory functions or conducting inspections or investigations shall not solicit, accept, or agree to accept any benefit from a person the

City Employee knows to be subject to regulation, inspection, or investigation by the City Employee or the City.

- (3) A City Employee having custody of prisoners shall not solicit, accept, or agree to accept any benefit from a person the City Employee knows to be in his custody or the custody of the City.
- (4) A City Employee or a City Official who exercises discretion in connection with contracts, purchases, payments, claims, or other pecuniary transactions of the City shall not solicit, accept, or agree to accept any benefit from a person the City Employee or City official knows is interested in or likely to become interested in any contract, purchase, payment, claim or transaction involving the exercise of his discretion.
- (5) A City Employee or City Official who has judicial or administrative authority, who is employed by or in a tribunal having judicial or administrative authority, or who participates in the enforcement of the tribunal's decision shall not solicit, accept, or agree to accept any Economic Benefit from a person the City Employee or City Official knows is interested in or likely to become interested in any matter before the City Employee or City Official or tribunal.
- (6) A City Official is prohibited from soliciting, accepting, or agreeing to accept an honorarium in consideration for services that the City Official would not have been requested to provide but for the City Official's official position or duties.

(b) Donation of Unsolicited Gift

A City Employee or City Official who receives an unsolicited Gift that the City Employee or City Official is prohibited from accepting under this section may donate the benefit to a governmental entity that has the authority to accept the gift or may donate the benefit to a recognized tax-exempt charitable organization formed for educational, religious, or scientific purposes.

(c) Exceptions

The prohibitions set out in this section do not apply to:

- (1) a fee prescribed by law to be received by a City Employee or City Official or any other benefit to which the City Employee or City Official is lawfully entitled or for which he gives legitimate consideration in a capacity other than as a City Employee or City Official;
- (2) a Gift or other benefit conferred on account of kinship or a personal, professional, or business relationship independent of the official status of the recipient; or

- (3) a benefit to a City Employee or City Official required to file a statement under Chapter 572, Government Code, or a report under Title 15, Election Code, that is derived from a function in honor or appreciation of the recipient if:
 - (A) the benefit and the source of any benefit in excess of \$50 is reported in the statement; and
 - (B) the benefit is used solely to defray the expenses that accrue in the performance of duties or activities in connection with the office which are non-reimbursable by the state or the City;
- (4) a political contribution as defined by Title 15, Election Code;
- (5) a Permissible Gift as defined in this Ordinance, excluding cash or a negotiable instrument as described by Section 3.104, Business & Commerce Code;
- (6) an item issued by a governmental entity that allows the use of property or facilities owned, leased, or operated by the governmental entity;
- (7) food, lodging, transportation, or entertainment accepted as a guest and, if the donor is required by law to report those items, reported by the donor in accordance with that law;
- (8) any Gift or benefit otherwise excepted under section 36.10, Penal Code; or
- (9) This section does not prohibit a City Official from accepting (1) transportation expenses, (2) lodging expenses or (3) meals in connection with a conference or similar event in which the City Official renders services, such as addressing an audience or engaging in a seminar to the extent that those services are more than merely perfunctory.

SECTION 2-504. Conflict of Interest; Recusal.

- (a) Conflict of Interest. No City Official may vote on or participate in any decision-making process on a matter concerning property or a business entity if the official has a Substantial Interest in the real property or business entity.
- (b) Recusal.
 - (1) A City Official shall disclose the existence of any Substantial Interest in any business entity or real property involved in any decision pending before such City Official, or the body of which he or she is a member. To comply with this Subsection, a City Official shall, prior to any discussion or determination of the matter, either file an affidavit of disclosure as required by Local Government Code § 171.004 or, if not so required, shall publicly disclose in the official records of the City to the City Secretary

the nature of the interest. To further comply with this Subsection, a City Official shall notify the City Manager, or if the City Official is the City Manager, shall notify the City Secretary, in writing of the nature of any Substantial Interest he or she may have in a Business Entity or real property which would be affected by an exercise of discretionary authority by the City Official and the City Manager or City Secretary shall assign the matter to another employee. In disclosing a Substantial Interest in a Business Entity, a City Official shall not be required to disclose the dollar amount of any income that he or she receives from the Business Entity.

- (2) The City Council shall take a separate vote on any budget item specifically dedicated to a contract with a Business Entity in which a member of the Council has a Substantial Interest. The member of the City Council that has the Substantial Interest may not participate in the separate vote.
- (3) In addition to complying with the requirements of Chapter 171 of the Local Government Code, to avoid the appearance and risk of impropriety, a City Official should abstain from participation in, discussion of, and any vote on a matter involving a person or Business Entity that the official knows is likely to affect the Economic Interest of, or confer an Economic Benefit on:
 - (i) The City Official's parent, child, step-child, spouse, or other family member within the second degree of consanguinity or affinity as defined by Chapter 573 of the Government Code, or a client of the City Official;
 - (ii) An employer of the City Official, the City Official's parent, child, step-child, or spouse;
 - (iii) A Business Entity for which the City Official serves as an officer or director or serves in any policy-making position;
 - (iv) A person or Business Entity from whom, within the past twelve months, the City Official or the official's spouse, directly or indirectly, received an Economic Benefit; or
 - (v) A person or Business Entity from whom, within the past twelve months, the City Official or the official's spouse, directly or indirectly, engaged in negotiations pertaining to business opportunities.

SECTION 2-505. Conflict Disclosure Statements.

- (a) A City Official shall file a sworn Conflicts Disclosure Statement with the City Secretary whenever a City Official or a Family Member (i) is receiving taxable income from an employment or other business relationship with a person or Business Entity who has contracted with the City for the sale or purchase of real property, goods or services or that is

considering contracting with the City for the sale or purchase of real property, goods or services that exceeds \$2,500.00 (not including investment income) during the twelve (12) month period preceding the date that the City Official became aware of the contract, or (ii) has received Gifts with a value of more than \$250.00 during the twelve (12) month period preceding the date that the City Official became aware of the contract from a person or Business Entity that contracts with the City for the sale or purchase of real property, goods or services or that the City is considering doing business with such person or Business Entity. The City Official shall file the Conflicts Disclosure Statement with the City Secretary no later than 5:00 p.m. on the seventh business day after the date the City Official becomes aware of the facts that require the filing of the Statement.

- (b) A City Official commits an offense if the City Official knowingly fails to file the Conflicts Disclosure Statement. An offense under the above Subsection is a Class C misdemeanor.
- (c) The City Secretary shall accept and file any and all City Official Conflict Disclosure Statements and any Vendor Conflict of Interest Questionnaires.
- (d) The City Secretary shall maintain a list of City Officials and shall make that list available to the public and any person who may be required to file a Conflict of Interest Questionnaire. The City Secretary shall maintain copies of the Conflict Disclosure Statements and Conflict Questionnaires on the City's website.
- (e) City Officials shall abstain from participation in, discussion of, and any vote on a matter involving a person or Business Entity, if, within the 12 months preceding the date of the vote, the City Official has filed, or should have filed, a Conflicts Disclosure Statement under Chapter 176 of the Local Government Code.

SECTION 2-506. Interest in Property Acquired with Public Funds

(a) Disclosure of Interest in Property

A City Official who has a legal or equitable interest in real property that is to be acquired with public funds shall file an affidavit within 10 days before the date on which the property is to be acquired by purchase or condemnation.

(b) Affidavit

The affidavit must:

- (1) State the name of the City Official;
- (2) State the City Official's office, public title, or job designation;
- (3) Fully describe the property;
- (4) Fully describe the nature, type, and amount of interest in the property, including the percentage of ownership interest;

- (5) State the date when the person acquired an interest in the property;
- (6) Include a verification as follows: “I swear that the information in this affidavit is personally known by me to be correct and contains the information required by Section 553.002, Government Code”; and
- (7) Contain an acknowledgement of the same type required for recording a deed in the deed records of the county.

The affidavit must be filed with the records administrator for the City.

SECTION 2-507. Nepotism

(a) Prohibition:

- (1) A City Official may not appoint, confirm the appointment of, or vote for the appointment or confirmation of the appointment of an individual to a position that is to be directly or indirectly compensated from City funds or fees of office if:
 - (A) the individual is related to the City Official within the Third Degree by Consanguinity or the Second Degree by Affinity; or
 - (B) the City Official holds the appointment or confirmation authority as a member of a state or local Council, the legislature, or a court and the individual is related to another member of that Council, legislature, or court within the Third Degree by Consanguinity or the Second Degree by Affinity.
- (2) A City Official may not appoint, confirm the appointment of, or vote for the appointment or confirmation of the appointment of an individual to a position in which the individual’s services are under the City Official’s direction or control and that is to be compensated directly or indirectly from City funds or fees of office if:
 - (A) The individual is related to another City Official within the Third Degree by Consanguinity or the Second Degree by Affinity; and
 - (B) the appointment, confirmation of the appointment, or vote for appointment or confirmation of the appointment would be carried out in whole or partial consideration for the other City Official appointing, confirming the appointment, or voting for the appointment or confirmation of the appointment of an individual who is related to the first City Official within the Third Degree by Consanguinity or the Second Degree by Affinity.

(b) Exceptions

- (1) The prohibitions in Section 2-507 do not apply to:

- (A) an appointment to the office of a notary public or to the confirmation of that appointment;
 - (B) an appointment or employment of a personal attendant by a City Official for attendance on the City Official who, because of physical infirmities, is required to have a personal attendant; or
 - (C) any other appointment excepted under Chapter 573, Government Code.
- (2) The prohibition in Section 2-507 does not apply to an appointment, confirmation of an appointment, or vote for an appointment or confirmation of an appointment of an individual to a position if:
- (A) the individual is employed in the position immediately before the election or appointment of the City Official to whom the individual is related in a prohibited degree; and
 - (B) that prior employment of the individual has been continuous for at least six (6) months.
- (3) If, under Subsection (b)(2), an individual continues in a position, the City Official to whom the individual is related in a prohibited degree may not participate in any deliberation or vote on the appointment, reappointment, confirmation of the appointment or reappointment, employment, reemployment, change in status, compensation, or dismissal of the individual if that action applies only to the individual and is not taken regarding a bona fide class or category of employees.

SECTION 2-508. Bribery.

(a) Prohibition:

A City Official or City Employee shall not:

- (1) intentionally or knowingly offer, confer, or agree to confer on another person, or solicit, accept or agree to accept from another person:
 - (A) any benefit or consideration for the City Official's or City Employee's decision, vote, recommendation, or other exercise of official discretion as a City Official or City Employee;
 - (B) any benefit as consideration for the City Official's or City Employee's decision, vote, recommendation, or other exercise of official discretion in a judicial or administrative proceeding;

- (C) any benefit as consideration for a violation of a duty imposed by law on a City Official or City Employee; or
- (D) any benefit that is a political contribution as defined by Title 15, Election Code, or that is an expenditure made and reported in accordance with Chapter 305, Government Code, if the benefit was offered, conferred, solicited, accepted, or agreed to pursuant to an express agreement to take or withhold a specific exercise of official discretion if such exercise of official discretion would not have been taken or withheld but for the benefit; notwithstanding any rule of evidence or jury instruction allowing factual interference in the absence of certain evidence, direct evidence of the express agreement shall be required in any prosecution under this Subsection.

(b) No Defense

- (1) It is no defense to prosecution under this Section that a person whom the actor sought to influence was not qualified to act in the desired way whether because he had not yet assumed office or he lacked jurisdiction or for any other reason.
- (2) It is no defense to prosecution under this Section that the benefit is not offered or conferred or that the benefit is not solicited or accepted until after:
 - (A) the decision, opinion, recommendation, vote, or other exercise of discretion has occurred; or
 - (B) the City Official or City Employee ceases to be a public servant.

(c) Exceptions

- (1) It is an exception to the application of Subsections (a)(1)(A), (B) and (C) that the benefit is a political contribution as defined by Title 15, Election Code, or an expenditure made and reported in accordance with Chapter 305, Government Code.

SECTION 2-509. City Records

(a) Prohibition:

A City Official or City Employee shall not:

- (1) knowingly make a false entry in, or false alteration of, a City record;
- (2) make, present, or use any record, document, or thing with knowledge of its falsity and with intent that it be taken as a genuine City record;
- (3) intentionally destroy, conceal, remove, or otherwise impair the verity, legibility, or availability of a City record;

- (4) possess, sell, or offer to sell a City record or a blank City record form with intent that it be used unlawfully;
- (5) make, present, or use a City record with knowledge of its falsity; or
- (6) possess, sell, or offer to sell a City record or a blank City record form with knowledge that it was obtained unlawfully.

(b) Exception

It is an exception to the application of Subsection (a)(3) of this Section that the governmental record is destroyed pursuant to legal authorization or transferred under Section 441.204, Government Code. With regard to the destruction of a local government record, legal authorization includes compliance with the provisions of Subtitle C, Title 6, Local Government Code.

Section 2-510. Misuse of Official Information

(a) Prohibition

- (1) A City Employee or City Official shall not misuse information to which he or she has access by virtue of his or her office or employment and that has not been made public, and shall not:
 - (A) acquire, attempt to acquire or aid another to acquire or attempt to acquire a pecuniary interest in any property, transaction, or enterprise that may be affected by the information;
 - (B) speculate or aid another to speculate on the basis of the information; or
 - (C) as a City Official or City Employee coerce another into suppressing or failing to report that information to a law enforcement agency.
- (2) A City Employee or City Official shall not with intent to obtain a benefit or with intent to harm or defraud another, disclose or use information for a nongovernmental purpose that:
 - (A) the City Official or City Employee has access to by means of his office or employment; and
 - (B) has not been made public.

In this section, “information that has not been made public” means any information to which the public does not generally have access, and/or that is prohibited from disclosure under Chapter 552, Government Code.

SECTION 2-511. Abuse of Official Capacity

(a) Prohibition:

- (1) A City Official or City Employee commits an offense if, with intent to obtain a benefit or with intent to harm or defraud another, he intentionally or knowingly:
 - (A) violates a law relating to the City Official's or City Employee's office or employment; or
 - (B) misuses City property, services, personnel, or any other thing of value belonging to the City that has come into the City Official's or City Employee's custody or possession by virtue of the City Official's or City Employee's office or employment.

(b) Exceptions:

- (1) A discount or award given for travel, such as frequent flyer miles, rental car or hotel discounts, or food coupons, are not things of value belonging to the City for purposes of this Section due to the administrative difficulty and cost involved in recapturing the discount or award for the City.

SECTION 2-512. Official Oppression

(a) Prohibition:

- (1) A City Official or City Employee acting under color of his office or employment commits an offense if he:
 - (A) intentionally subjects another person to mistreatment or to arrest, detention, search, seizure, dispossession, assessment, or lien that he knows is unlawful;
 - (B) intentionally denies or impedes another in the exercise or enjoyment of any right, privilege, power, or immunity, knowing the conduct is unlawful; or
 - (C) intentionally subjects another to sexual harassment.

(b) For purposes of this Section, a City Official or City Employee acts under color of his office or employment if he acts or purports to act in an official capacity or takes advantage of such actual or purported activity.

(c) In this Section, "sexual harassment" means unwelcome sexual advances, requests for sexual favors, or other verbal or physical conduct of a sexual nature, submission to which is made a term or condition of a person's exercise or enjoyment of any right, privilege, power or immunity, either explicitly or implicitly.

Section 2-513. Ethics Review Commission

- (a) There is hereby created an Ethics Review Commission (the “Commission”) an advisory commission having jurisdiction over ethics complaints as described in this Article involving City Officials. All ethics complaints against a City Employee who is not a City Official as defined in Section 2-501 must be filed in the manner prescribed in Chapter 7 of the City of Murphy Personnel Policies and Procedures Manual, as may be amended from time to time.
- (b) The Commission is to be composed of five (5) members each serving a two (2) year term. The City Council shall appoint each member (a “Commissioner”) to the Commission. If a vacancy occurs on the Commission, the City Council shall appoint a person to fill the unexpired term. Each Commissioner shall take an oath of office comparable to that taken by Council members. Commissioners shall serve without compensation, but shall be eligible to be reimbursed for actual expenses in accordance with the City’s reimbursement policy.
- (1) Terms of Commissioners. Beginning January 1, 2013, the Commission shall be comprised of five (5) members each serving a two (2) year term. Thereafter, all members’ terms shall be two (2) years appointed to a term commencing in January of odd-numbered years. The Council may, at its discretion, extend the terms of the outgoing Commissioners for up to one hundred and eighty (180) days in order to resolve any pending complaints. The Commission members shall serve at the pleasure of the City Council and may be removed at the discretion of the City Council. Any Commissioner who misses three (3) consecutive meetings within a twelve (12) month time period or one-third (1/3) of all regular meetings shall be deemed to have automatically vacated his/her position on the Commission. Any Commissioner who applied for and received an excused absence from the Commission chairperson prior to the meeting(s) at issue shall not be considered absent for purposes of this Subsection. Any Commissioner who no longer resides within the corporate boundaries of the City is deemed to have automatically vacated his/her position on the Commission. A Commissioner appointed to serve on the Ethics Commission is not eligible to serve as an appointed official on another City board or commission, including, but not limited to, any development districts until the term has ended.
- (2) Commission Officers; quorum. From among its members the Commission shall elect its officers, those being the Chairperson, Vice-Chairperson, and Secretary. Officers shall be elected for terms of one (1) year. The Chairperson shall preside over all meetings and may vote. If the Chairperson fails or refuses to act, the Vice-Chairperson shall perform the duties of the Chairperson. If the Chairperson and Vice-Chairperson are absent, any Commissioner may be appointed by the remaining members of the Commission to preside over the meeting. Three (3) or more Commissioners present at a meeting shall constitute a quorum, but no action of the Commission shall be of any force or effect unless it is adopted by the favorable votes of three (3) or more of its members.

- (3) Meetings. The Commission shall have such meetings as may be necessary to fulfill its responsibilities. The Commission shall meet at least once a year. The date of the annual meeting shall be in September as set by the Commission. The Chairperson or any two (2) members of the Commission may call a meeting provided that reasonable notice is given to each Commissioner and written notice is posted in accordance with the provisions of the Texas Open Meetings Act. The Commission shall comply with the provisions of the Texas Open Meetings Act when conducting any meetings and/or hearings under this Article.
- (4) Qualifications.
- (A) Commissioners must be Qualified Voters who are residents of the City of Murphy.
 - (B) No Commissioner may be a City Official, a City Employee, an Appointed Board or Commission member or a Family Member of a City Official or City Employee.
 - (C) Commissioners shall maintain objectivity and be free of conflicts of interest in discharging their duties. Commissioners shall be independent in fact and appearance when hearing matters brought before the Commission. When a Commissioner has any reason to believe that he or she cannot be impartial, intellectually honest and free of conflicts of interest in discharging any of the duties of the Commission, such Commissioner shall disclose the facts and circumstances which create the conflict and shall not vote or otherwise participate in consideration of the matter.
 - (D) The Commission shall have the authority to review and investigate complaints filed in accordance with this Article and issue a written finding of the Commission's determination when appropriate.
 - (E) Service on the Commission does not preclude a member from filing a complaint with the Commission. The Commission member filing the complaint must recuse himself/herself from the Commission procedure.
 - (F) The Commission may make recommendations to the City Council regarding revisions and changes to this Ordinance.
 - (G) The Commission may seek any necessary assistance or resources from the City Council and City Manager regarding support needed to carry out the Commission's duties.
 - (H) The Commission shall determine its rules and procedures which shall be submitted in writing and recommended for approval of the Council. The Commission shall establish, amend and rescind its procedures and maintain

proper records of its proceedings and its opinions, subject to City Council approval.

- (I) The Commission shall have the power to investigate, request, and gather evidence necessary to determine if a violation has occurred. The Commission must request access to employees through the City Manager prior to interviewing an employee as a possible witness in a complaint. The Commission shall have the power to enforce the provisions of this Ordinance, including recommending to the City Council the prosecution of alleged violators. Nothing in this Article shall be construed, however, to prevent complainants, including the City, from instituting direct legal action on their own behalf through the appropriate judicial authority.
- (J) The Commission shall receive from the City such administrative support as reasonably necessary to carry out the duties of the Commission and shall assist the Commission with maintenance of its records in compliance with the City's records retention schedule.

Section 2-514. Complaint Process

(a) Filing

- (1) Any City Official, City Employee, or Qualified Voter of the City who believes that there has been a violation of this Ordinance may file a sworn complaint. A complaint alleging a violation of this Ordinance must meet the requirements herein and must be filed with the City Secretary. A complaint alleging a violation of this Article by the City Attorney must also be filed with the persons named in Section 2-515(f). A complaint must be filed within six (6) months from the date of the alleged violation. Please refer to Section 2-515 City Attorney (c).
- (2) Required Contents of a Complaint. A complaint must be in writing, filed on the official complaint form approved by the City, under oath and must set forth in simple, concise, and direct statements the following:
 - (A) The name of the complainant;
 - (B) The street or mailing address and the telephone number of the complainant;
 - (C) The name of the person who allegedly committed the violation;
 - (D) The position or title of the person who allegedly committed the violation;
 - (E) The nature of the alleged violation, including, if possible, the specific rule or provision of this Article alleged to have been violated;

- (F) A statement of the facts constituting the alleged violation and the dates on which or period of time in which the alleged violation occurred; and must contain the following:
- (i) Documents or other material available to the complainant relevant to the allegation;
 - (ii) A list of all documents or other material relevant to the allegation and available to the complainant, but that are not in the possession of the complainant, including the location of the documents; if known, and
 - (iii) A list of all documents or other material relevant to the allegation, but unavailable to the complainant, including the location of the documents, if known.
- (G) If the complaint is based on information and belief, the complaint shall state the source and basis of the information and belief.

- (3) The complaint must be accompanied by an affidavit stating that the information contained in the complaint is either true and correct or that the complainant has good reason to believe and does believe that the facts alleged constitute a violation of this Ordinance.
- (4) Upon request, the City Secretary shall provide information to persons about the requirements of a complaint and the process for filing a complaint.

(b) Confidentiality and Ex Parte Communications

- (1) No City Official or City Employee may reveal information relating to the filing or processing of a complaint except as required for the performance of official duties.
- (2) All documents relating to a pending complaint are confidential, unless they are required to be disclosed under the Texas Public Information Act (Tex. Gov. Code Ch. 552).
- (3) After a complaint has been filed, and during the consideration of a complaint by the Commission, a member of the Commission may not communicate directly or indirectly with any party or person about any issue of fact or law regarding the complaint, except at a meeting of the Commission. This provision does not prevent a member of the Commission from consulting with the City Attorney, or its independent legal counsel selected by the City Council regarding procedural and legal issues.
- (4) City Council approval shall be required for legal fees, cost, and related expenses of \$5,000 or more.

(c) Notification

- (1) A copy of a complaint shall be promptly forwarded by the City Secretary to the City Attorney and to the person charged in the complaint.
- (2) The person alleged in the complaint to have violated this Article shall be provided with a copy of this Code of Ethics and informed that:
 - (A) Within fourteen (14) days of receipt of the complaint, a sworn response must be filed with the City Secretary;
 - (B) Failure to file a response does not preclude the City Attorney from processing the complaint.
- (3) City Officials and City Employees have a duty to cooperate with the City Attorney, pursuant to this Section. All requests for access to City Employees throughout the course of an investigation shall be submitted to the City Manager in writing.
- (4) All members of the Commission shall receive copies of the complaint, any background documentation, and any responses at least seven (7) days before a hearing on the matter.

Section 2-515. Role of the City Attorney

- (a) The City Attorney serves as legal counsel to the Ethics Review Commission. When complaints are filed against members of the City Council, the City Manager, or the City Attorney, independent legal counsel may be utilized to advise the Commission and take part in its proceedings, subject to approval of the fee arrangement by the City Council.
- (b) The City Attorney serves as Ethics Advisor to City Officials. As Ethics Advisor, the City Attorney is available to respond to inquiries relating to the Ethics Ordinance (this Article) and may render advisory opinions on potential conflicts of interest or violation of this section at the request of a City Official or City Employee. The advisory opinion in any subsequent charges concerning the matter may be used as a defense to an alleged violation of this section unless material facts were omitted or misstated by the person requesting the opinion.
- (c) The City Attorney shall receive all sworn complaints and, if found sufficient, shall provide a copy and a preliminary review of the complaint to the Commission for action. The City Attorney shall, within fifteen (15) days of receiving the complaint and the response of the accused person, if any, provide a written report to the Commission. The report shall state whether, in the City Attorney's opinion, the written complaint: (1) was filed timely; (2) alleges misconduct by a person whose conduct is regulated under this Code; (3) alleges the occurrence of conduct that might reasonably constitute a violation of this Article; and (4) is signed and sworn to by the person filing the complaint.
- (d) The City Attorney shall also advise the Commission whether the City Attorney has issued a written opinion or opinions to the accused person that relate to the conduct at issue and

whether, in the City Attorney's opinion, the conduct was undertaken in good faith reliance on a written opinion that concluded the conduct was not in violation of this Article. Where the City Attorney concludes that the conduct was undertaken in good faith reliance on a written opinion, the City Attorney shall recommend that the Commission dismiss the complaint following the preliminary hearing.

- (e) The City Attorney's recommendation that the Commission conduct further proceedings does not mean that any of the allegations of the complaint are true or false or that any City Official or City Employee has violated or not violated this Article.
- (f) If a complainant alleges a violation by the City Attorney, the complaint must be filed with the City Secretary, and be forwarded to the Municipal Judge, with a copy to the Mayor and the City Manager. The Municipal Judge will follow the procedures in this Section.

Section 2-516. Hearing Process

(a) Preliminary Hearing

- (1) After the City Attorney, or independent legal counsel selected by the Commission as set out in Sec. 2-515(a) above, has found that a complaint is not defective as to form nor is insufficient (for example, because it does not allege the existence of reasonable grounds to believe that a violation of this Ordinance has occurred), the Commission, as soon as reasonably possible, but in no event later than sixty (60) days after receiving a complaint, shall conduct a Preliminary Hearing. The purpose of the Preliminary Hearing is to make an initial determination as to whether or not a violation of this Ordinance has occurred.
- (2) The complainant and the City Official named in the complaint have the right of representation by legal counsel.
 - (B) The City may pay for legal fees, cost, and related expenses for representation of the City Official, as decided by the City Council. .
- (3) Statements at a Preliminary Hearing shall be under oath, but there shall be no cross examination or requests for persons or evidence issued for the hearing. The Commission members may ask open-ended questions. No public comments are allowed in a preliminary hearing.
- (4) The person filing a complaint shall state the alleged violation and describe in narrative form the testimony and other evidence which are presented to prove the alleged violation as stated in the written complaint.
- (5) The City Official named in the complaint shall have the opportunity to respond but is not required to attend or make any statement. The City Official may describe in narrative form the testimony and other evidence presented to disprove the alleged violation. If the

City Official agrees that a violation has occurred, the Commission may consider the appropriate sanction.

- (6) Only members of the Commission may question the complainant, the independent counsel for the Commission, or the City Official named in the complaint.
- (7) At the conclusion of the Preliminary Hearing one of the following actions shall be taken:
 - (A) If the Commission does not determine that there are reasonable grounds to believe that a violation of this Article has occurred, the complaint shall be dismissed.
 - (B) If the Commission determines that there are reasonable grounds to believe that a violation of this Article has occurred, it shall schedule a final hearing.
 - (C) If the City Official has agreed that a violation has occurred, the Commission may proceed to determine the appropriate sanction without the necessity of a final hearing and state its findings pursuant to Subsection (b)(4) below.

(b) Final Hearing

- (1) Except as provided by Subsection 2-516(a)(7)(C) above, a final hearing shall be held as expeditiously as possible following the determination by the Commission that there are reasonable grounds to believe that a violation of this Article has occurred, but in no event shall it be held more than thirty (30) days after said determination. The Commission may grant up to two postponements, not to exceed fifteen (15) days each, upon the request of the City Official named in the complaint.
- (2) If a complaint proceeds to a final hearing, the Commission may request witnesses to attend and testify, administer oaths and affirmations, take evidence and request the production of books, papers, records, or other evidence needed for the performance of the Commission's duties or exercise of its powers, including its powers of investigation. No public comments are allowed during the final hearing.
- (3) The complainant and the City Official named in the complaint have the right of representation by legal counsel.
- (4) The issue at a final hearing is whether a violation of this Article has occurred. The Commission shall make its determination based on the preponderance of the evidence in the record. All witnesses shall make their statements under oath. Witnesses may be cross-examined. If the Commission determines that a violation has occurred, it shall state its findings in writing, identify the particular provision(s) of this Article which have been violated, and within five (5) working days deliver a copy of the findings to the complainant, the person accused in the complaint, and the City Secretary. The City

Secretary shall deliver a copy of the findings to the Council, the City Manager and the City Attorney.

Section 2-517. Sanctions for Violations

- (a) If the Commission determines that a violation of this Article has occurred, it shall consider appropriate sanctions. The Commission may receive additional testimony or statements before considering sanctions, but is not required to do so.
- (b) If the Commission determines that a violation has occurred, it may impose the following sanctions.
 - (1) A letter of notification is an appropriate sanction when the violation is clearly unintentional, or when the conduct of the person complained against was done in reliance upon an opinion of the City Attorney. The letter of notification shall advise the City Official of any steps to be taken to avoid future violations.
 - (2) A letter of admonition is the appropriate sanction when the Commission finds the violation is minor and/or may have been unintentional, but calls for a more substantial response than a letter of notification.
 - (3) A letter of reprimand is the appropriate sanction when the Commission finds a serious violation has been committed intentionally or knowingly or through disregard of this Ordinance. A written reprimand directed to a City Official who also serves as a City Employee shall be included in the employee's personnel file.
 - (4) A letter of censure is the appropriate sanction when the Commission finds that a serious violation has occurred and/or more than one serious violation or repeated serious violations of this Article have been committed by a City Official.
- (c) Copies of all sanction letters issued by the Commission under this section shall be sent to the City Council.
- (d) In addition, if the violation is found by the Commission to be done willfully and the seriousness of the violation warrants, the Commission may recommend to the City Council the suspension or removal from office of any official serving in a City-appointed position.
- (e) Except with regard to violations of Chapters 171 and 176 of the Texas Local Government Code, violations of the Penal Code, or violations of the Government Code, a violation by any City Official or City Employee as designated herein of one or more of the provisions of this Article shall not be deemed to be a Class C misdemeanor under the laws of the State of Texas.

Section 2-518. Distribution and Proof of Compliance

The City Secretary shall provide each new City Official designated in this Article, a copy of the text of this Ordinance; Chapter 171 and Chapter 176 of the Texas Local Government Code pertaining to conflicts of interest; the Texas Open Meetings Act (Tex.Gov. Code Ch. 551); the Texas Public Information Act (Tex. Gov. Code Ch. 552) Chapter 573 of the Texas Government Code; Texas Penal Code Sections 36.02, 37.10, 39.02, 39.03 and 39.06 (collectively referred to in this section as the “Ethics Statutes”) with a signature receipt of all said documents.

EXHIBIT "1"

Consanguinity and Affinity

Affinity Kinship (Marriage) Relationships

1 st Degree	2 nd Degree
Father-in-Law	Spouse's Grandfather
Mother-in-Law	Spouse's Grandmother
Son-in-Law	Spouse's Brother (Brother-in-Law)
Daughter-in-Law	Spouse's Sister (Sister-in-Law)
Spouse	Spouse's Grandson
	Spouse's Granddaughter
	Brother's Spouse (Sister-in-Law)
	Sister's Spouse (Brother-in-Law)

Consanguinity (Blood) Relationships

1 st Degree	2 nd Degree	3 rd Degree
Father	Grandfather	Great-Grandfather
Mother	Grandmother	Great-Grandmother
Son	Brother	Nephew
Daughter	Sister	Niece
	Grandson	Great-Grandson
	Granddaughter	Great-Granddaughter
		Uncle
		Aunt

ORDINANCE NO. 13--07-

AN ORDINANCE OF THE CITY OF MURPHY, TEXAS, AMENDING CHAPTER 2 OF THE CITY OF MURPHY'S CODE OF ORDINANCES, ~~TO ESTABLISH~~ AMENDING ARTICLE IX CODE OF ETHICS FOR CITY OFFICIALS AND EMPLOYEES, INCLUDING REGULATIONS RELATED TO STANDARDS OF CONDUCT; GIFTS AND HONORARIUMS; CONFLICTS OF INTEREST; CONFLICT DISCLOSURE STATEMENTS; INTEREST IN PROPERTY ACQUIRED WITH PUBLIC FUNDS; NEPOTISM; BRIBERY; CITY RECORDS; MISUSE OF OFFICIAL INFORMATION; ABUSE OF OFFICIAL CAPACITY; AND OFFICIAL OPPRESSION; CREATING AN ETHICS REVIEW COMMISSION; PROVIDING A COMPLAINT PROCESS FOR VIOLATIONS OF THE CODE OF ETHICS; PRESCRIBING THE ROLE OF THE CITY ATTORNEY IN THE COMPLAINT PROCESS; PROVIDING A HEARING PROCESS; PROVIDING SANCTIONS FOR VIOLATIONS OF THE CODE OF ETHICS; AND PROVIDING FOR DISTRIBUTION AND PROOF OF COMPLIANCE; AND PROVIDING FOR AN EFFECTIVE DATE, PROPER NOTICE AND MEETING; SEVERABILITY CLAUSE AND REPEALER CLAUSE.

WHEREAS, statutory provisions governing the ethical conduct of public officials and employees are found in various codes including the Texas Local Government Code, the Texas Government Code and the Texas Penal Code; and

WHEREAS, the City Council finds it desirable and necessary to adopt a comprehensive ethics ordinance that sets out the ~~statutory~~ parameters relating to the conduct of public officials and employees in one easily accessible location; and

WHEREAS, the City Council believes that a position in government is a position of public trust that demands a high standard of behavior, and

WHEREAS, each employee and official of the City of Murphy should uphold the Constitution, laws and regulations of the United States and the State of Texas and the Charter and ordinances of the City of Murphy; and

WHEREAS, the City of Murphy seeks to promote personal integrity, honesty and ethical conduct in all activities undertaken by City Officials and employees through the adoption of this Ordinance; and

WHEREAS, the City of Murphy seeks to inspire public confidence and trust in City of Murphy officials and employees through the adoption of this "Code of Ethics";

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

SECTION 1. RECITALS

The City Council hereby finds that the statements set forth in the recitals of this Ordinance are true and correct, and the City Council hereby incorporates such recitals as part of this Ordinance.

SECTION 2. ADOPTION OF CODE OF ETHICS

Chapter 2, Administration, of the Code of Ordinances of the City of Murphy is hereby amended by amending Article IX, Code of Ethics:

Article IX, Code of Ethics attached hereto as Exhibit "A" and incorporated herein for all purposes is hereby enacted.

SECTION 3. Effective Date

This Ordinance shall take effect immediately from and after its passage and publication as may be required by governing law.

SECTION 4. Proper Notice and Meeting

It is hereby officially found and determined that the meeting at which this Ordinance was passed was open to the public as required and that public notice of the time, place and purpose of said meeting was given as required by the Open Meetings Act, Chapter 551 of the Texas Government Code and as required by Chapter 552 of the Texas Local Government Code.

SECTION 5. Severability

It is hereby declared to be the intention of the City Council that the phrases, clauses, sentences, paragraphs and sections of this Ordinance be 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 or sections of this Ordinance, and the remainder of this Ordinance shall be enforced as written.

SECTION 6. Repealer

The provisions of this Ordinance shall be cumulative of all other ordinances or parts of ordinances governing or regulating the same subject matter as that covered herein; provided, however, that all prior ordinances or parts of ordinances inconsistent or in conflict with any of the provisions of this Ordinance are hereby expressly repealed to the extent that such inconsistency is apparent.

PASSED AND APPROVED by the City Council of the City of Murphy, Texas this ____
day of _____, 2013.

Eric Barna, Mayor
City of Murphy

ATTEST:

Kristi Gilbert, City Secretary
City of Murphy

APPROVED AS TO FORM:

Wm. Andrew Messer, City Attorney
City of Murphy

EXHIBIT “A”

**ARTICLE IX
CODE OF ETHICS**

Section 2-501. Definitions.

The terms used in this Article shall have the following meanings:

Business Entity means a sole proprietorship, partnership, firm, corporation, holding company, joint-stock company, receivership, trust, or any other entity recognized by law.

Candidate. This term has the meaning assigned by section 251.001, Election Code.

City Council means the mayor and six (6) council members elected to serve as the governing body of the City.

City Employee means any person employed by the City, including those individuals that are employed on a part-time or temporary basis and employees of any corporation created by the City, but such term shall not be extended to apply to any independent contractor.

City Attorney means the City Attorney appointed by the City Council pursuant to the City Charter.

City Engineer means the City Engineer appointed by the City Manager.

City Manager means the City Manager appointed by the City Council pursuant to the City Charter.

City Official means every member of the City Council, the City Manager, City Secretary, the City Attorney, the Municipal Judge, the City Engineer and all members of any board, commission, or committee appointed by the City Council, including; the board members of the Murphy Municipal Development District (MDD), the Murphy Economic Development Corporation (4A) (“MEDC”) and the 4B Murphy Community Development Corporation (“MCDC”), and the executive directors of the MEDC and the MCDC.

City Secretary means the City Secretary appointed by the City Council pursuant to the City Charter.

Confidential Information means any information that a City Official would be privy to because of the official’s position but otherwise is not available to the public under the provisions of the Texas Public Information Act (Tex. Gov’t Code Ch. 552).

Conflict Disclosure Statement means the disclosure statement form adopted by the Texas Ethics Commission required by Chapter 176 of the Local Government Code.

Conflict of Interest Questionnaire means the conflicts of interest form adopted by the Texas Ethics Commission required by Chapter 176 of the Local Government Code.

Economic Benefit means any taxable income or any money, real or personal property, contract rights, sale, lease, option, credit, loan, discount, service, or other tangible or intangible thing of value, whether similar or dissimilar to those enumerated.

Economic Interest means a legal or equitable interest in real or personal property or a fiduciary obligation to such property or contractual right in such property that is more than Two Thousand Five Hundred Dollars (\$2500.00). Service by a City Official or City Employee as an officer, director, advisor, or otherwise active participant in an educational, religious, charitable, fraternal, or civic organization does not create an Economic Interest in the property of that organization. Ownership of an interest in a mutual or common investment fund that holds securities or other assets is not an Economic Interest in the securities or other assets unless the City Official or City Employee participates in the management of the fund. A City Official or City Employee does not have an Economic Interest in a matter if the economic impact on the City Official or City Employee is indistinguishable from the impact on the public or on the particular group affected by the matter.

Family Member means a person related to a City Official in the first degree of consanguinity or affinity, as described by Subchapter B, Chapter 573 of the Government Code, except that the term does not include a person who is considered to be related to a City Official by affinity only as described by Section 573.024(b) of the Government Code. This definition would include children, spouses, parents, step-children and parents-in-law or children-in-law, except that relationships by affinity would end upon divorce.

Gift means a favor, hospitality, or economic benefit other than compensation but which does not include campaign contributions reported as required by state law, gifts received from a relative if given on account of kinship, or any value received by will, intestate succession, or as a distribution from an *inter vivos* or testamentary trust.

Municipal Judge means the Municipal Judge or alternate Municipal Judge appointed by the City Council pursuant to the City Charter.

Permissible Gift means a thing of nominal value given (not to exceed \$100.00 in value), and not given to request a specific favor, special treatment, or influence a City Official or City Employee. Marketing advertisement items of nominal value, or certificates or plaques having no intrinsic value, are considered permissible gifts or gratuities. The purchase of meals of nominal value, provided there is a rotation of purchasing, is considered a permissible gift. The provision of training/education programs of a general nature is considered a permissible gift or gratuity. Items that exceed \$100.00 in value, if divided (e.g. holiday food or sporting event tickets distributed by lot) or donated for a City-sponsored function, are considered permissible gifts and/or gratuities.

Qualified Voter means a person who meets the qualifications of Section 11.002 of the Texas Election Code to vote in City elections.

Second Degree by Affinity is defined by Subchapter B., Chapter 573 of the Government Code and examples of such relationship are set out in the Chart attached hereto as Exhibit “1.”

Substantial Interest means the interest that a City Official and/or a Family Member has in a business or business entity or in real property as described below:

- (a) The City Official and/or a Family Member owns ten percent (10%) or more of the voting stock or shares of the business entity; or
- (b) The City Official and/or a Family Member owns ten percent (10%) or more or \$15,000.00 or more of the fair market value of the business entity; or
- (c) Funds received by the City Official and/or a Family Member from the business entity exceed ten percent (10%) of the person's gross income for the previous year;
- (d) The City Official and/or Family Member has a Substantial Interest in real property if the interest is an equitable or legal interest with a fair market value of \$2,500 or more.

Third Degree by Consanguinity is defined by Subchapter B., Chapter 573 of the Government Code and examples of such relationship are set out in the Chart attached hereto as Exhibit “1.”

Section 2-502. Standards of Conduct

(a) General Provisions

- (1) No City Official or City Employee may disclose any Confidential Information gained through the City Official's or City Employee's office or position concerning property, operations, policies, or affairs of the City, or use such Confidential Information to advance any Economic Interest of the City Official or City Employee, confer any Economic Benefit to the City Official or City Employee, or their Family Member. This Subsection shall not preclude disclosure of such Confidential Information in connection with any investigation or proceeding regarding whether there has been a violation of this Code of Ethics to any investigatory, administrative or judicial authority.
- (2) No City Official or City Employee may use his or her office or position or City owned facilities, equipment, supplies, or resources of the City to advance any Economic Interest of the City Official or City Employee, confer any Economic Benefit to the City Official or City Employee, for a political campaign of the City Official or City Employee, or for any of the City Official's or City Employee's Family Members. Notwithstanding the foregoing, City owned facilities, equipment, supplies or resources may be used by City Officials or City Employees to the extent such uses are customary, incidental or lawfully available to the public.

- (3) No City Official shall knowingly represent, directly or indirectly, any person, group or business entity:
- (A) Before the City Council or the board, commission or committee of which he or she is a member;
 - (B) Before a board or commission which has appellate jurisdiction over the board, commission or committee of which he or she is a member;
 - (C) In any action or proceeding against the interests of the City or in any litigation in which the City or any department, agency, board, commission or committee is a party; or
 - (C) In any action or proceeding in the municipal court(s) of the City which was instituted by a City Official or City Employee in the course of his or her official duties, or a criminal proceeding in which any City Official or City Employee is a material witness for the prosecution.
- (4) The restrictions contained in Subsection (3) do not prohibit the following:
- (A) A City Official, or his or her spouse, appearing before the City Council or a City board, commission or committee to represent himself or herself in a matter affecting his or her property; provided, however, that no such person, or his or her spouse, shall personally appear before the City Council, board, commission or committee of which he or she is a member and must submit their case through an authorized representative;
 - (B) A City Official or City Employee appearing before the City Council or a City board, commission or committee to address employment matters;
- (5) No City Official may act as surety for any person or business entity that has work, business, or a contract with the City, or act as a surety on any bond required by the City for a City Official.
- (6) No City Official or City employee shall default or refuse to answer any questions pertinent to the proceedings before the City Council, or fail or refuse to obey any subpoena, or to produce any books, papers or other material issued by the City Council pursuant to Sec. 3.17 of the City Charter.
- (7) No City Official or City Employee shall deny, abridge or compromise equality of rights under state and federal law with respect to appointment to or removal of any appointed position with the City as prohibited by Sec. 14.02 of the City Charter.
- (8) No City Official or City Employee who seeks appointment or promotion with respect to any City appointed position shall, directly or indirectly, give, render or pay any money,

service or other valuable thing to any person for, or in connection with, his or her test, appointment or promotion with respect to any City position as prohibited by Sec. 14.03 of the City Charter.

- (9) No City Official or City Employee shall willfully make any false statement, certificate, mark, rating or report in regard to any test, certification, appointment or promotion with respect to any City position, or attempt to commit any fraud preventing the impartial execution of the personnel provisions, rules and regulations of the City Charter as prohibited by Sec. 14.04 of the City Charter.
- (10) No City Official, who holds any compensated, non-elective City position, or City Employee shall use their official title or position with the City to solicit any contribution or endorse the candidacy of any Candidate for public office in the City as prohibited by Sec. 14.05 of the City Charter. Any such person shall have the right to exercise his/her legal rights to ~~participate campaign or solicit~~ participate in the election process when he/she is not on duty, in a City building, City provided uniform or attire, or using a City vehicle or equipment.
- (11) Members of the City Council shall not in any way dictate the appointment, removal or discipline of the City Officials or City Employees appointed by the City Manager or any of the City Manager's subordinates as prohibited by Sec. 3.08(2) of the Charter. Notwithstanding the foregoing, the City Council, at a meeting called for that purpose, may express its views and fully and freely discuss with the City Manager anything pertaining to the appointment and removal of such City Officials and City Employees.
- (12) Except for the purpose of inquiries and investigations provided by the Charter, the City Council shall interact with City Officials and City Employees who are subject to the direction and supervision of the City Manager in accordance with the Governance Policy adopted by the City Council. The City Council shall not give orders to any such City Official or City Employee, either publicly or privately, except as otherwise provided in the Charter.

SECTION 2-503. Gifts and Honorariums

(a) Prohibition:

- (1) No City Official or City Employee may solicit or accept any Gift, favor or privilege, that is offered or given with the intention of influencing the judgment or discretion of the City Official or City Employee; or given in consideration of the favorable exercise of the City Official's or City Employee's judgment or discretion in the past.
- (2) A City Employee performing regulatory functions or conducting inspections or investigations shall not solicit, accept, or agree to accept any benefit from a person the

City Employee knows to be subject to regulation, inspection, or investigation by the City Employee or the City.

- (3) A City Employee having custody of prisoners shall not solicit, accept, or agree to accept any benefit from a person the City Employees knows to be in his custody or the custody of the City.
- (4) A City Employee or a City Official who exercises discretion in connection with contracts, purchases, payments, claims, or other pecuniary transactions of the City shall not solicit, accept, or agree to accept any benefit from a person the City Employee or City official knows is interested in or likely to become interested in any contract, purchase, payment, claim or transaction involving the exercise of his discretion.
- (5) A City Employee or City Official who has judicial or administrative authority, who is employed by or in a tribunal having judicial or administrative authority, or who participates in the enforcement of the tribunal's decision shall not solicit, accept, or agree to accept any Economic Benefit from a person the City Employee or City Official knows is interested in or likely to become interested in any matter before the City Employee or City Official or tribunal.
- (6) A City Official is prohibited from soliciting, accepting, or agreeing to accept an honorarium in consideration for services that the City Official would not have been requested to provide but for the City Official's official position or duties.

(b) Donation of Unsolicited Gift

A City Employee or City Official who receives an unsolicited Gift that the City Employee or City Official is prohibited from accepting under this section may donate the benefit to a governmental entity that has the authority to accept the gift or may donate the benefit to a recognized tax-exempt charitable organization formed for educational, religious, or scientific purposes.

(c) Exceptions

The prohibitions set out in this section do not apply to:

- (1) a fee prescribed by law to be received by a City Employee or City Official or any other benefit to which the City Employee or City Official is lawfully entitled or for which he gives legitimate consideration in a capacity other than as a City Employee or City Official;
- (2) a Gift or other benefit conferred on account of kinship or a personal, professional, or business relationship independent of the official status of the recipient; or

- (3) a benefit to a City Employee or City Official required to file a statement under Chapter 572, Government Code, or a report under Title 15, Election Code, that is derived from a function in honor or appreciation of the recipient if:
 - (A) the benefit and the source of any benefit in excess of \$50 is reported in the statement; and
 - (B) the benefit is used solely to defray the expenses that accrue in the performance of duties or activities in connection with the office which are nonreimbursable by the state or the City;
- (4) a political contribution as defined by Title 15, Election Code;
- (5) a Permissible Gift as defined in this Ordinance, excluding cash or a negotiable instrument as described by Section 3.104, Business & Commerce Code;
- (6) an item issued by a governmental entity that allows the use of property or facilities owned, leased, or operated by the governmental entity;
- (7) food, lodging, transportation, or entertainment accepted as a guest and, if the donee is required by law to report those items, reported by the donee in accordance with that law;
- (8) any Gift or benefit otherwise excepted under section 36.10, Penal Code; or
- (9) This section does not prohibit a City Official from accepting (1) transportation expenses, (2) lodging expenses or (3) meals in connection with a conference or similar event in which the City Official renders services, such as addressing an audience or engaging in a seminar to the extent that those services are more than merely perfunctory.

SECTION 2-504. Conflict of Interest; Recusal.

- (a) Conflict of Interest. No City Official may vote on or participate in any decision-making process on a matter concerning property or a business entity if the official has a Substantial Interest in the real property or business entity.
- (b) Recusal.
 - (1) A City Official shall disclose the existence of any Substantial Interest in any business entity or real property involved in any decision pending before such City Official, or the body of which he or she is a member. To comply with this Subsection, a City Official shall, prior to any discussion or determination of the matter, either file an affidavit of disclosure as required by Local Government Code § 171.004 or, if not so required, shall publicly disclose in the official records of the City to the City Secretary

the nature of the interest. To further comply with this Subsection, a City Official shall notify the City Manager, or if the City Official is the City Manager, shall notify the City Secretary, in writing of the nature of any Substantial Interest he or she may have in a Business Entity or real property which would be affected by an exercise of discretionary authority by the City Official and the City Manager or City Secretary shall assign the matter to another employee. In disclosing a Substantial Interest in a Business Entity, a City Official shall not be required to disclose the dollar amount of any income that he or she receives from the Business Entity.

- (2) The City Council shall take a separate vote on any budget item specifically dedicated to a contract with a Business Entity in which a member of the Council has a Substantial Interest. The member of the City Council that has the Substantial Interest may not participate in the separate vote.
- (3) In addition to complying with the requirements of Chapter 171 of the Local Government Code, to avoid the appearance and risk of impropriety, a City Official should abstain from participation in, discussion of, and any vote on a matter involving a person or Business Entity that the official knows is likely to affect the Economic Interest of, or confer an Economic Benefit on:
 - (i) The City Official's parent, child, step-child, spouse, or other family member within the second degree of consanguinity or affinity as defined by Chapter 573 of the Government Code, or a client of the City Official;
 - (ii) An employer of the City Official, the City Official's parent, child, step-child, or spouse;
 - (iii) A Business Entity for which the City Official serves as an officer or director or serves in any policy-making position;
 - (iv) A person or Business Entity from whom, within the past twelve months, the City Official or the official's spouse, directly or indirectly, received an Economic Benefit; or
 - (v) A person or Business Entity from whom, within the past twelve months, the City Official or the official's spouse, directly or indirectly, engaged in negotiations pertaining to business opportunities.

SECTION 2-505. Conflict Disclosure Statements.

- (a) A City Official shall file a sworn Conflicts Disclosure Statement with the City Secretary whenever a City Official or a Family Member (i) is receiving taxable income from an employment or other business relationship with a person or Business Entity who has contracted with the City for the sale or purchase of real property, goods or services or that is

considering contracting with the City for the sale or purchase of real property, goods or services that exceeds \$2,500.00 (not including investment income) during the twelve (12) month period preceding the date that the City Official became aware of the contract, or (ii) has received Gifts with a value of more than \$250.00 during the twelve (12) month period preceding the date that the City Official became aware of the contract from a person or Business Entity that contracts with the City for the sale or purchase of real property, goods or services or that the City is considering doing business with such person or Business Entity. The City Official shall file the Conflicts Disclosure Statement with the City Secretary no later than 5:00 p.m. on the seventh business day after the date the City Official becomes aware of the facts that require the filing of the Statement.

- (b) A City Official commits an offense if the City Official knowingly fails to file the Conflicts Disclosure Statement. An offense under the above Subsection is a Class C misdemeanor.
- (c) The City Secretary shall accept and file any and all City Official Conflict Disclosure Statements and any Vendor Conflict of Interest Questionnaires.
- (d) The City Secretary shall maintain a list of City Officials and shall make that list available to the public and any person who may be required to file a Conflicts of Interest Questionnaire. The City Secretary shall maintain copies of the Conflict Disclosure Statements and Conflict Questionnaires on the City's [internet](#) website.
- (e) City Officials shall abstain from participation in, discussion of, and any vote on a matter involving a person or Business Entity, if, within the 12 months preceding the date of the vote, the City Official has filed, or should have filed, a Conflicts Disclosure Statement under Chapter 176 of the Local Government Code.

SECTION 2-506. Interest in Property Acquired with Public Funds

(a) Disclosure of Interest in Property

A City Official who has a legal or equitable interest in real property that is to be acquired with public funds shall file an affidavit within 10 days before the date on which the property is to be acquired by purchase or condemnation.

(b) Affidavit

The affidavit must:

- (1) State the name of the City Official;
- (2) State the City Official's office, public title, or job designation;
- (3) Fully describe the property;
- (4) Fully describe the nature, type, and amount of interest in the property, including the percentage of ownership interest;

- (5) State the date when the person acquired an interest in the property;
- (6) Include a verification as follows: “I swear that the information in this affidavit is personally known by me to be correct and contains the information required by Section 553.002, Government Code”; and
- (7) Contain an acknowledgement of the same type required for recording a deed in the deed records of the county.

The affidavit must be filed with the records administrator for the City county clerk of the county in which the City Official resides and the county clerk of each county in which the property is located.

SECTION 2-507. Nepotism

(a) Prohibition:

- (1) A City Official may not appoint, confirm the appointment of, or vote for the appointment or confirmation of the appointment of an individual to a position that is to be directly or indirectly compensated from City funds or fees of office if:
 - (A) the individual is related to the City Official within the Third Degree by Consanguinity or the Second Degree by Affinity; or
 - (B) the City Official holds the appointment or confirmation authority as a member of a state or local Council, the legislature, or a court and the individual is related to another member of that Council, legislature, or court within the Third Degree by Consanguinity or the Second Degree by Affinity.
- (2) A City Official may not appoint, confirm the appointment of, or vote for the appointment or confirmation of the appointment of an individual to a position in which the individual’s services are under the City Official’s direction or control and that is to be compensated directly or indirectly from City funds or fees of office if:
 - (A) The individual is related to another City Official within the Third Degree by Consanguinity or the Second Degree by Affinity; and
 - (B) the appointment, confirmation of the appointment, or vote for appointment or confirmation of the appointment would be carried out in whole or partial consideration for the other City Official appointing, confirming the appointment, or voting for the appointment or confirmation of the appointment of an individual who is related to the first City Official within the Third Degree by Consanguinity or the Second Degree by Affinity.

(b) Exceptions

- (1) The prohibitions in Section 2-507 do not apply to:

- (A) an appointment to the office of a notary public or to the confirmation of that appointment;
 - (B) an appointment or employment of a personal attendant by a City Official for attendance on the City Official who, because of physical infirmities, is required to have a personal attendant; or
 - (C) any other appointment excepted under Chapter 573, Government Code.
- (2) The prohibition in Section 2-507 does not apply to an appointment, confirmation of an appointment, or vote for an appointment or confirmation of an appointment of an individual to a position if:
- (A) the individual is employed in the position immediately before the election or appointment of the City Official to whom the individual is related in a prohibited degree; and
 - (B) that prior employment of the individual has been continuous for at least six (6) months.
- (3) If, under Subsection (b)(2), an individual continues in a position, the City Official to whom the individual is related in a prohibited degree may not participate in any deliberation or vote on the appointment, reappointment, confirmation of the appointment or reappointment, employment, reemployment, change in status, compensation, or dismissal of the individual if that action applies only to the individual and is not taken regarding a bona fide class or category of employees.

SECTION 2-508. Bribery.

(a) Prohibition:

A City Official or City Employee shall not:

- (1) intentionally or knowingly offer, confer, or agree to confer on another person, or solicit, accept or agree to accept from another person:
 - (A) any benefit or consideration for the City Official's or City Employee's decision, vote, recommendation, or other exercise of official discretion as a City Official or City Employee;
 - (B) any benefit as consideration for the City Official's or City Employee's decision, vote, recommendation, or other exercise of official discretion in a judicial or administrative proceeding;

- (C) any benefit as consideration for a violation of a duty imposed by law on a City Official or City Employee; or
- (D) any benefit that is a political contribution as defined by Title 15, Election Code, or that is an expenditure made and reported in accordance with Chapter 305, Government Code, if the benefit was offered, conferred, solicited, accepted, or agreed to pursuant to an express agreement to take or withhold a specific exercise of official discretion if such exercise of official discretion would not have been taken or withheld but for the benefit; notwithstanding any rule of evidence or jury instruction allowing factual interference in the absence of certain evidence, direct evidence of the express agreement shall be required in any prosecution under this Subsection.

(b) No Defense

- (1) It is no defense to prosecution under this Section that a person whom the actor sought to influence was not qualified to act in the desired way whether because he had not yet assumed office or he lacked jurisdiction or for any other reason.
- (2) It is no defense to prosecution under this Section that the benefit is not offered or conferred or that the benefit is not solicited or accepted until after:
 - (A) the decision, opinion, recommendation, vote, or other exercise of discretion has occurred; or
 - (B) the City Official or City Employee ceases to be a public servant.

(c) Exceptions

- (1) It is an exception to the application of Subsections (a)(1)(A), (B) and (C) that the benefit is a political contribution as defined by Title 15, Election Code, or an expenditure made and reported in accordance with Chapter 305, Government Code.

SECTION 2-509. City Records

(a) Prohibition:

A City Official or City Employee shall not:

- (1) knowingly make a false entry in, or false alteration of, a City record;
- (2) make, present, or use any record, document, or thing with knowledge of its falsity and with intent that it be taken as a genuine City record;
- (3) intentionally destroy, conceal, remove, or otherwise impair the verity, legibility, or availability of a City record;

- (4) possess, sell, or offer to sell a City record or a blank City record form with intent that it be used unlawfully;
- (5) make, present, or use a City record with knowledge of its falsity; or
- (6) possess, sell, or offer to sell a City record or a blank City record form with knowledge that it was obtained unlawfully.

(b) Exception

It is an exception to the application of Subsection (a)(3) of this Section that the governmental record is destroyed pursuant to legal authorization or transferred under Section 441.204, Government Code. With regard to the destruction of a local government record, legal authorization includes compliance with the provisions of Subtitle C, Title 6, Local Government Code.

Section 2-510. Misuse of Official Information

(a) Prohibition

- (1) A City Employee or City Official shall not misuse information to which he or she has access by virtue of his or her office or employment and that has not been made public, and shall not:
 - (A) acquire, attempt to acquire or aid another to acquire or attempt to acquire a pecuniary interest in any property, transaction, or enterprise that may be affected by the information;
 - (B) speculate or aid another to speculate on the basis of the information; or
 - (C) as a City Official or City Employee coerce another into suppressing or failing to report that information to a law enforcement agency.
- (2) A City Employee or City Official shall not with intent to obtain a benefit or with intent to harm or defraud another, disclose or use information for a nongovernmental purpose that:
 - (A) the City Official or City Employee has access to by means of his office or employment; and
 - (B) has not been made public.

In this section, “information that has not been made public” means any information to which the public does not generally have access, and/or that is prohibited from disclosure under Chapter 552, Government Code.

SECTION 2-511. Abuse of Official Capacity

(a) Prohibition:

- (1) A City Official or City Employee commits an offense if, with intent to obtain a benefit or with intent to harm or defraud another, he intentionally or knowingly:
 - (A) violates a law relating to the City Official's or City Employee's office or employment; or
 - (B) misuses City property, services, personnel, or any other thing of value belonging to the City that has come into the City Official's or City Employee's custody or possession by virtue of the City Official's or City Employee's office or employment.

(b) Exceptions:

- (1) A discount or award given for travel, such as frequent flyer miles, rental car or hotel discounts, or food coupons, are not things of value belonging to the City for purposes of this Section due to the administrative difficulty and cost involved in recapturing the discount or award for the City.

SECTION 2-512. Official Oppression

(a) Prohibition:

- (1) A City Official or City Employee acting under color of his office or employment commits an offense if he:
 - (A) intentionally subjects another person to mistreatment or to arrest, detention, search, seizure, dispossession, assessment, or lien that he knows is unlawful;
 - (B) intentionally denies or impedes another in the exercise or enjoyment of any right, privilege, power, or immunity, knowing the conduct is unlawful; or
 - (C) intentionally subjects another to sexual harassment.

(b) For purposes of this Section, a City Official or City Employee acts under color of his office or employment if he acts or purports to act in an official capacity or takes advantage of such actual or purported activity.

(c) In this Section, "sexual harassment" means unwelcome sexual advances, requests for sexual favors, or other verbal or physical conduct of a sexual nature, submission to which is made a term or condition of a person's exercise or enjoyment of any right, privilege, power or immunity, either explicitly or implicitly.

Section 2-513. Ethics Review Commission

- (a) There is hereby created an Ethics Review Commission (the “Commission”)—~~is~~ an advisory commission having jurisdiction over ethics complaints as described in this Article involving City Officials ~~and City Employees~~. All ethics complaints against a City Employee that who is not a charter designated City Official as defined in Section 2-501 must be filed in the manner prescribed in Chapter 7 of the City of Murphy Personnel Policies and Procedures Manual, as may be amended from time to time.
- (b) The Commission is to be composed of five (5) members each serving a two (2) year term. The City Council shall appoint each member (a “Commissioner”) to the Commission. If a vacancy occurs on the Commission, the City Council shall appoint a person to fill the unexpired term. Each Commissioner shall take an oath of office comparable to that taken by Council members. Commissioners shall serve without compensation, but shall be eligible to be reimbursed for actual expenses in accordance with the City’s reimbursement policy.
- (1) Terms of Commissioners. Beginning January 1, 2013, the Commission shall be comprised of five (5) members each serving a single, two (2) year term. At the City Council meeting which creates the Commission, two (2) Commissioners shall be selected to serve an initial one (1) year term and three (3) Commissioners shall be selected to serve an initial two (2) year term. Thereafter, all members’ terms shall be two (2) years appointed to a term commencing in January of odd-numbered years. The Council may, at its discretion, extend the terms of the outgoing Commissioners for up to one hundred and eighty (180) days in order to resolve any pending complaints. The Commission members shall serve at the pleasure of the City Council and may be removed at the discretion of the City Council. Any Commissioner who misses three (3) consecutive meetings within a twelve (12) month time period or one-third (1/3) of all regular meetings shall be deemed to have automatically vacated his/her position on the Commission. Any Commissioner who applied for and received an excused absence from the Commission chairperson prior to the meetings(s) at issue shall not be considered absent for purposes of this Subsection. Any Commissioner who no longer resides within the corporate boundaries of the City is deemed to have automatically vacated his/her position on the Commission. A Commissioner appointed to serve on the Ethics Commission is not eligible to serve as an appointed official on another City board or commission, including, but not limited to, any development districts until the term has ended.
- (2) Commission Officers; quorum. From among its members the Commission shall elect its officers, those being the Chairperson, Vice-Chairperson, and Secretary. Officers shall be elected for terms of one (1) year. The Chairperson shall preside over all meetings and may vote. If the Chairperson fails or refuses to act, the Vice-Chairperson shall perform the duties of the Chairperson. If the Chairperson and Vice-Chairperson are absent, any Commissioner may be appointed by the remaining members of the Commission to preside over the meeting. Three (3) or more Commissioners present at a

meeting shall constitute a quorum, but no action of the Commission shall be of any force or effect unless it is adopted by the favorable votes of three (3) or more of its members.

- (3) Meetings. The Commission shall have such meetings as may be necessary to fulfill its responsibilities. The Commission shall meet at least once a year. The date of the annual meeting shall be in September as set by the Commission. The Chairperson or any two (2) members of the Commission may call a meeting provided that reasonable notice is given to each Commissioner and written notice is posted in accordance with the provisions of the Texas Open Meetings Act. The Commission shall comply with the provisions of the Texas Open Meetings Act when conducting any meetings and/or hearings under this Article.
- (4) Qualifications.
- (A) Commissioners must be Qualified Voters who are residents of the City of Murphy.
 - (B) No Commissioner may be a City Official, a City Employee, an Appointed Board or Commission member or a Family Member of a City Official or City Employee.
 - (C) Commissioners shall maintain objectivity and be free of conflicts of interest in discharging their duties. Commissioners shall be independent in fact and appearance when hearing matters brought before the Commission. When a Commissioner has any reason to believe that he or she cannot be impartial, intellectually honest and free of conflicts of interest in discharging any of the duties of the Commission, such Commissioner shall disclose the facts and circumstances which create the conflict and shall not vote or otherwise participate in consideration of the matter.
 - (D) The Commission shall have the authority to review and investigate complaints filed in accordance with this Article and issue a written finding of the Commission's determination when appropriate.
 - (E) Service on the Commission does not preclude a member from filing a complaint with the Commission. The Commission member filing the complaint must recuse himself/herself from the Commission procedure.
 - (F) The Commission may make recommendations to the City Council regarding revisions and changes to this Ordinance.
 - (G) The Commission may seek any necessary assistance or resources from the City Council and City Manager regarding support needed to carry out the Commission's duties.

- (H) The Commission shall determine its rules and procedures which shall be submitted in writing and recommended for approval of the Council. The Commission shall establish, amend and rescind its procedures and maintain proper records of its proceedings and its opinions, subject to City Council approval.
- (I) The Commission shall have the power to investigate, request, and gather evidence necessary to determine if a violation has occurred. The Commission must request access to employees through the City Manager prior to interviewing an employee as a possible witness in a complaint. The Commission shall have the power to enforce the provisions of this Ordinance, including recommending to the City Council the prosecution of alleged violators. Nothing in this Article shall be construed, however, to prevent complainants, including the City, from instituting direct legal action on their own behalf through the appropriate judicial authority.
- (J) The Commission shall receive from the City such administrative support as reasonably necessary to carry out the duties of the Commission and shall assist the Commission with maintenance of its records in compliance with the City's records retention schedule.

Section 2-514. Complaint Process

(a) Filing

- (1) Any City Official, City Employee, or Qualified Voter of the City who believes that there has been a violation of this Ordinance may file a sworn complaint. A complaint alleging a violation of this Ordinance must meet the requirements herein and must be filed with the City Secretary. A complaint alleging a violation of this Article by the City Attorney must also be filed with the persons named in Section 2-515(f). A complaint must be filed within six (6) months from the date of the alleged violation. Please refer to Section 2-515 City Attorney (c).
- (2) Required Contents of a Complaint. A complaint must be in writing, filed on the official complaint form approved by the City. An ethics complaint must be in writing and under oath and must set forth in simple, concise, and direct statements the following:
 - (A) The name of the complainant;
 - (B) The street or mailing address and the telephone number of the complainant;
 - (C) The name of the person who allegedly committed the violation;
 - (D) The position or title of the person who allegedly committed the violation;

- (E) The nature of the alleged violation, including, if possible, the specific rule or provision of this Article alleged to have been violated;
 - (F) A statement of the facts constituting the alleged violation and the dates on which or period of time in which the alleged violation occurred; and must contain the following:
 - (i) Documents or other material available to the complainant relevant to the allegation;
 - (ii) A list of all documents or other material relevant to the allegation and available to the complainant, but that are not in the possession of the complainant, including the location of the documents; if known, and
 - (iii) A list of all documents or other material relevant to the allegation, but unavailable to the complainant, including the location of the documents, if known.
 - (G) If the complaint is based on information and belief, the complaint shall state the source and basis of the information and belief.
- (3) The complaint must be accompanied by an affidavit stating that the information contained in the complaint is either true and correct or that the complainant has good reason to believe and does believe that the facts alleged constitute a violation of this Ordinance.
- (4) Upon request, the City Secretary shall provide information to persons about the requirements of a complaint and the process for filing a complaint.
- (b) Confidentiality and Ex Parte Communications
- (1) No City Official or City Employee may reveal information relating to the filing or processing of a complaint except as required for the performance of official duties.
 - (2) All documents relating to a pending complaint are confidential, unless they are required to be disclosed under the Texas Public Information Act (Tex. Gov. Code Ch. 552).
 - (3) After a complaint has been filed, and during the consideration of a complaint by the Commission, a member of the Commission may not communicate directly or indirectly with any party or person about any issue of fact or law regarding the complaint, except at a meeting of the Commission. This provision does not prevent a member of the Commission from consulting with the City Attorney, or its independent legal counsel selected by the City Council regarding procedural and legal issues.

- (4) City Council approval shall be required for legal fees, cost, and related expenses of \$5,000 or more.

(c) Notification

- (1) A copy of a complaint shall be promptly forwarded by the City Secretary to the City Attorney and to the person charged in the complaint.
- (2) The person alleged in the complaint to have violated this Article shall be provided with a copy of this Code of Ethics and informed that:
- (A) Within fourteen (14) days of receipt of the complaint, a sworn response must be filed with the City Secretary;
- (B) Failure to file a response does not preclude the City Attorney from processing the complaint.
- (3) City Officials and City Employees have a duty to cooperate with the City Attorney, pursuant to this Section. All requests for access to City Employees throughout the course of an investigation shall be submitted to the City Manager in writing.
- (4) All members of the Commission shall receive copies of the complaint, any background documentation, and any responses at least seven (7) days before a hearing on the matter.

Section 2-515. Role of the City Attorney

- (a) The City Attorney serves as legal counsel to the Ethics Review Commission. When complaints are filed against members of the City Council, the City Manager, or the City Attorney, independent legal counsel may be utilized to advise the Commission and take part in its proceedings, subject to approval of the fee arrangement by the City Council.
- (b) The City Attorney serves as Ethics Advisor to City Officials ~~and City Employees~~. As Ethics Advisor, the City Attorney is available to respond ~~confidentially~~ to inquiries relating to the Ethics Ordinance (this Article) and may render advisory opinions on potential conflicts of interest or violation of this section at the request of a City Official or City Employee. The advisory opinion in any subsequent charges concerning the matter may be used as a defense to an alleged violation of this section unless material facts were omitted or misstated by the person requesting the opinion.
- (c) The City Attorney shall receive all sworn complaints and, if found sufficient, shall provide a copy and a preliminary review of the complaint to the Commission for action. The City Attorney shall, within fifteen (15) days of receiving the complaint and the response of the accused person, if any, provide a written report to the Commission. The report shall state whether, in the City Attorney's opinion, the written complaint: (1) was filed timely; (2) alleges misconduct by a person whose conduct is regulated under this Code; (3) alleges the

occurrence of conduct that might reasonably constitute a violation of this Article; and (4) is signed and sworn to by the person filing the complaint.

- (d) The City Attorney shall also advise the Commission whether the City Attorney has issued a written opinion or opinions to the accused person that relate to the conduct at issue and whether, in the City Attorney's opinion, the conduct was undertaken in good faith reliance on a written opinion that concluded the conduct was not in violation of this Article. Where the City Attorney concludes that the conduct was undertaken in good faith reliance on a written opinion, the City Attorney shall recommend that the Commission dismiss the complaint following the preliminary hearing.
- (e) The City Attorney's recommendation that the Commission conduct further proceedings does not mean that any of the allegations of the complaint are true or false or that any City Official or City Employee has violated or not violated this Article.
- (f) If a complainant alleges a violation by the City Attorney, the complaint must be filed with the ~~Chairperson of the Commission~~ City Secretary, and be forwarded to the Municipal Judge, with a copy to the Mayor and the City Manager. The Municipal Judge will follow the procedures in this Section.

Section 2-516. Hearing Process

(a) Preliminary Hearing

- (1) ~~When~~ After the City Attorney, or independent legal counsel selected by the Commission as set out in Sec. 2-515(a) above, has ~~rendered an opinion~~ found that a complaint is not defective as to form nor is insufficient (for example, because it does not allege the existence of reasonable grounds to believe that a violation of this Ordinance has occurred), the Commission, as soon as reasonably possible, but in no event later than sixty (60) days after receiving a complaint, shall conduct a Preliminary Hearing. The purpose of the Preliminary Hearing is to make an initial determination as to whether or not ~~there are reasonable grounds to believe that~~ a violation of this Ordinance has occurred.
- (2) The complainant and the City Official ~~or City Employee~~ named in the complaint have the right of representation by legal counsel.
 - (A) ~~The complainant shall pay for complainant's legal fees, cost, and related expenses. If the City Official or Employee is finally found to be in violation of this Ordinance, the City shall reimburse the complainant for his or her reasonable legal fees, costs and related expenses and the City Official or Employee shall reimburse the City for the amount paid to complainant for complainant's legal fees, costs and related expenses.~~

- (B) The City ~~may shall~~ pay for legal fees, cost, and related expenses for representation of the City Official, as decided by the City Council. ~~or Employee.~~
- (3) Statements at a Preliminary Hearing shall be under oath, but there shall be no cross examination or requests for persons or evidence issued for the hearing. The Commission members may ask open-ended questions. No public comments are allowed in a preliminary hearing.
- (4) The person filing a complaint shall state the alleged violation and describe in narrative form the testimony and other evidence which are presented to prove the alleged violation as stated in the written complaint.
- (5) The City Official ~~or City Employee~~ named in the complaint shall have the opportunity to respond but is not required to attend or make any statement. The City Official ~~or City Employee~~ may describe in narrative form the testimony and other evidence presented to disprove the alleged violation. If the City Official ~~or City Employee~~ agrees that a violation has occurred, the Commission may consider the appropriate sanction.
- (6) Only members of the Commission may question the complainant, the independent counsel for the Commission, or the City Official ~~or City Employee~~ named in the complaint.
- (7) At the conclusion of the Preliminary Hearing one of the following actions shall be taken:
- (A) If the Commission does not determine that there are reasonable grounds to believe that a violation of this Article has occurred, the complaint shall be dismissed.
- (B) If the Commission determines that there are reasonable grounds to believe that a violation of this Article has occurred, it shall schedule a final hearing.
- (C) If the City Official ~~or City Employee~~ has agreed that a violation has occurred, the Commission may proceed to determine the appropriate sanction without the necessity of a final hearing and state its findings pursuant to Subsection (b)(4) below.

(b) Final Hearing

- (1) Except as provided by Subsection 2-516(a)(7)(C) above, a final hearing shall be held as expeditiously as possible following the determination by the Commission that there are reasonable grounds to believe that a violation of this Article has occurred, but in no event shall it be held more than thirty (30) days after said determination. The Commission may grant up to two postponements, not to exceed fifteen (15) days each, upon the request of the City Official ~~or City Employee~~ named in the complaint.

- (2) If a complaint proceeds to a final hearing, the Commission may request witnesses to attend and testify, administer oaths and affirmations, take evidence and request the production of books, papers, records, or other evidence needed for the performance of the Commission's duties or exercise of its powers, including its powers of investigation. No public comments are allowed during the final hearing.
- (3) The complainant and the City Official ~~or City Employee~~ named in the complaint have the right of representation by legal counsel.
- (4) The issue at a final hearing is whether a violation of this Article has occurred. The Commission shall make its determination based on the preponderance of the evidence in the record. All witnesses shall make their statements under oath. Witnesses may be cross-examined. If the Commission determines that a violation has occurred, it shall state its findings in writing, identify the particular provision(s) of this Article which have been violated, and within five (5) working days deliver a copy of the findings to the complainant, the person accused in the complaint, and the City Secretary. The City Secretary shall deliver a copy of the findings to the Council, the City Manager and the City Attorney.

Section 2-517. Sanctions for Violations

- (a) If the Commission determines that a violation of this Article has occurred, it shall consider appropriate sanctions. The Commission may receive additional testimony or statements before considering sanctions, but is not required to do so.
- (b) If the Commission determines that a violation has occurred, it may impose the following sanctions.
- (1) A letter of notification is an appropriate sanction when the violation is clearly unintentional, or when the conduct of the person complained against was done in reliance upon an opinion of the City Attorney. The letter of notification shall advise the City Official ~~or City Employee~~ of any steps to be taken to avoid future violations.
- (2) A letter of admonition is the appropriate sanction when the Commission finds the violation is minor and/or may have been unintentional, but calls for a more substantial response than a letter of notification.
- (3) A letter of reprimand is the appropriate sanction when the Commission finds a serious violation has been committed intentionally or knowingly or through disregard of this Ordinance. A written reprimand directed to a City ~~Employee-Official that who also serves as an employee-~~ a City Employee shall be included in the employee's personnel file.

- (4) A letter of censure is the appropriate sanction when the Commission finds that a serious violation has occurred and/or more than one serious violation or repeated serious violations of this Article have been committed by a City Official.
- (c) Copies of all sanction letters issued by the Commission under this section shall be sent to the City Council.
- (d) In addition, if the violation is found by the Commission to be done willfully and the seriousness of the violation warrants, the Commission may recommend to the City Council the suspension or removal from office of any official serving in a City-appointed position.
- (e) Except with regard to violations of Chapters 171 and 176 of the Texas Local Government Code, violations of the Penal Code, or violations of the Government Code, a violation by any City Official or City Employee as designated herein of one or more of the provisions of this Article shall not be deemed to be a Class C misdemeanor under the laws of the State of Texas.

Section 2-518. Distribution and Proof of Compliance

The City Secretary shall ~~make available to~~ provide each new City Official designated in this Article, a copy of the text of this Ordinance; Chapter 171 and Chapter 176 of the Texas Local Government Code pertaining to conflicts of interest; the Texas Open Meetings Act (Tex.Gov. Code Ch. 551); the Texas Public Information Act (Tex. Gov. Code Ch. 552) Chapter 573 of the Texas Government Code; Texas Penal Code Sections 36.02, 37.10, 39.02, 39.03 and 39.06 (collectively referred to in this section as the “Ethics Statutes”) with a signature receipt of all said documents.

EXHIBIT "1"

Consanguinity and Affinity

Affinity Kinship (Marriage) Relationships

1 st Degree	2 nd Degree
Father-in-Law	Spouse's Grandfather
Mother-in-Law	Spouse's Grandmother
Son-in-Law	Spouse's Brother (Brother-in-Law)
Daughter-in-Law	Spouse's Sister (Sister-in-Law)
Spouse	Spouse's Grandson
	Spouse's Granddaughter
	Brother's Spouse (Sister-in-Law)
	Sister's Spouse (Brother-in-Law)

Consanguinity (Blood) Relationships

1 st Degree	2 nd Degree	3 rd Degree
Father	Grandfather	Great-Grandfather
Mother	Grandmother	Great-Grandmother
Son	Brother	Nephew
Daughter	Sister	Niece
	Grandson	Great-Grandson
	Granddaughter	Great-Granddaughter
		Uncle
		Aunt

City Council Meeting December 10, 2013

Issue

Consider and/or act upon the recommendations from the Council Interview Panel regarding appointing board members to the Planning and Zoning Commission, Board of Adjustments, Murphy Municipal Development District, Murphy 4B Community Development District, the Animal Shelter Advisory Committee, the Ethics Review Commission, the Parks and Recreation Board and the Building and Fire Code Board of Appeals.

Staff Resource / Department

Kristi Gilbert, City Secretary

Summary

The Interview Committee comprised of Mayor Pro Tem Siddiqui and Councilmembers Grant and Nichols Spraggins interviewed 32 candidates. The following boards/positions are expiring:

4B Community Development Corporation – Three full term positions

Animal Shelter Advisory Committee – Two full term positions, Council also appoints the Chairperson

Board of Adjustment – Four full term positions and one full term alternate position

Building and Fire Code Appeals Board – Three full term positions

Ethics Review Commission – One full term position

Murphy Municipal Development District – Three full term positions

Park & Recreation Board – Three full term positions

Planning & Zoning Commission – Three full term positions and two full term alternate positions

Attachments

Summary of Applicants as of November 4, 2013 (Attached under separate cover)

Interview Committee Recommendations (Attached under separate cover)