

MURPHY CITY COUNCIL AGENDA
REGULAR CITY COUNCIL MEETING
FEBRUARY 18, 2014 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 February 14, 2014 at Murphy City Hall for the purpose of considering the following items. The City Council of the City of Murphy, Texas, reserves the right to meet in closed session on any of the items listed below should the need arise and if applicable pursuant to authorization by Title 5, Chapter 551, of the Texas Government Code.

❖ **PRE-MEETING PRESENTATION: 5:45 PM**

The Murphy Green Team and Progressive Waste Solutions will be revealing the winning artwork wraps on the Recycling Trucks in front of City Hall at 5:45 pm. A quorum of Council and the Parks Board may be present at the reveal.

1. CALL TO ORDER

2. INVOCATION & PLEDGE OF ALLEGIANCE

3. ROLL CALL & CERTIFICATION OF A QUORUM

4. PUBLIC COMMENTS

5. PRESENTATION ITEMS

- A. Presentation on the 2014 Annual Event Sponsorship Packet.
- B. Presentation of financial report as of January 31, 2014.

6. CONSENT AGENDA

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

- A. Consider and/or act upon minutes
 - 1. January 30, 2014 special meeting minutes; and,
 - 2. February 4, 2014 regular meeting minutes.

7. INDIVIDUAL CONSIDERATION

- A. Hold a Public Hearing and consider and/or act on a proposed amendment to the City of Murphy Code of Ordinances, Chapter 86 - Zoning, Section 86.662, Use Chart, to allow for Martial Arts School in 'O' Office District.
- B. Hold a Public Hearing and consider and/or act on the zoning category change of approximately 5 acres (Track 35, 1.598 acres of Abstract A0859 and Track 36, 3.216 acres of Abstract A0859): FM 544 between Dublin Road and Heritage Parkway – from Single-Family Residential SF-15 to Planned Development 09-02-785.
- C. Consider and/or act on approval of the low bid award for the seasonal Median Mowing/Beautification Contract to Carruthers Landscaping for \$86,152 and authorize the City Manager to execute the contract.

- D. Discussion on the Safe Routes to School proposed sidewalk in the Rolling Ridge Subdivision.
- E. Discuss, consider and/or act on awarding a contract for a Utility Rate Study of water and sewer rates and authorizing the City Manager to execute contract documents.
- F. Consider and take action, if any, on the amenity for permanent closure of Grant Street in south Murphy.
- G. Discussion on benchmark cities for compensation analysis and service delivery.

8. CITY MANAGER/STAFF REPORTS

North Murphy Road Construction Update
Murphy Central Park Grand Opening – April 5th
May Election – Deadline to file February 28th

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. § 551.072. Deliberation regarding the purchase, exchange, lease, or value of real property if deliberation in an open meeting would have a detrimental effect on the position of the governmental body in negotiations with a third person.
- B. §551.074 Deliberation regarding the appointment, evaluation, reassignment, duties, discipline or dismissal of the City Secretary.

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. § 551.072. Deliberation regarding the purchase, exchange, lease, or value of real property if deliberation in an open meeting would have a detrimental effect on the position of the governmental body in negotiations with a third person.
- B. §551.074 Deliberation regarding the appointment, evaluation, reassignment, duties, discipline or dismissal of the City Secretary.
- 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 February 14, 2014 by 5:00 p.m. and will remain posted continuously for 72 hours prior to the scheduled meeting pursuant to Chapter 551 of the Texas Government Code.



Kristi Gilbert, 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.

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 February 14, 2014 by 5:00 p.m. and will remain posted continuously for 72 hours prior to the scheduled meeting pursuant to Chapter 551 of the Texas Government Code.



Kristi Gilbert, 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
JANUARY 30, 2014 CITY COUNCIL SPECIAL MEETING

1. CALL TO ORDER

Deputy Mayor Pro Tem St. Clair called the meeting to order at 6:35 p.m.

2. ROLL CALL & CERTIFICATION OF A QUORUM

City Manager James Fisher certified a quorum with the following Councilmembers present:

Mayor Pro Tem Owais Siddiqui (*arrived at 6:55 pm*)

Deputy Mayor Pro Tem Ben St. Clair

Councilmember Scott Bradley

Councilmember Betty Nichols Spraggins

Councilmember Bernard Grant

Councilmembers absent:

Mayor Eric Barna

Councilmember Rob Thomas

3. INDIVIDUAL CONSIDERATION

A. Discuss and conduct interviews with utility rate consultants.

The City Council discussed their expectations in conducting a water and sewer rate study with J Stowe & Company and CAPEX Consulting Group.

4. ADJOURNMENT

With no further business, the meeting was adjourned at 8:30 p.m.

APPROVED BY:

Eric Barna, Mayor

ATTEST:

Kristi Gilbert, City Secretary

CITY COUNCIL MINUTES
FEBRUARY 4, 2014 REGULAR CITY COUNCIL MEETING

1. CALL TO ORDER

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

2. INVOCATION & PLEDGE OF ALLEGIANCE

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

3. ROLL CALL & CERTIFICATION OF A QUORUM

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

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

Councilmembers absent: None

4. PUBLIC COMMENTS –

Marv Williams, 1201 Cactus Back Drive – Mr. Williams updated the Council on the ribbon cutting ceremony at the new Baylor Medical facility and thanked the Council for their attendance. Mr. Williams stated that the Exchange Club would display their 100 flags on President’s Day. Mr. Williams also presented the Council with information on the legacy bricks that can be purchased and installed in Murphy Central Park.

5. PRESENTATION ITEMS – There were no presentation items.

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 January 21, 2014 regular meeting minutes.
- B. Consider and/or act upon approval of an Ordinance ordering a General Election to be held on May 10, 2014, for the purpose of electing the Mayor and Council Members for Place 3, and Place 5 to a three (3) year term of office. (*Ordinance 14-02-970*)
- C. Consider and/or act on authorizing the City Manager to execute the Contract for Election Services for the May 10, 2014 General Election between the City of Murphy and the Elections Administrator of Collin County, Texas. (*CLA 201402001*)
- D. Acceptance of the Annual Traffic Contact Report for 2013 for the Murphy Police Department (also known as the Racial Profiling Report).

COUNCIL ACTION (6A, 6B and 6D):

APPROVED

Mayor Pro Tem Siddiqui moved to approve the consent agenda A, B and D, as presented. Deputy Mayor Pro Tem St. Clair seconded the motion. For: Unanimous. The motion carried by a vote of 7 to 0.

Mayor Pro Tem Siddiqui inquired as to Election Day polling locations, enforcement and planned notification methods.

COUNCIL ACTION (6C):

APPROVED

Mayor Pro Tem Siddiqui moved to approve the consent agenda Item C, as presented. Deputy Mayor Pro Tem St. Clair seconded the motion. For: Unanimous. The motion carried by a vote of 7 to 0.

7. INDIVIDUAL CONSIDERATION

A. Discussion regarding North Murphy Road and associated projects:

1. Taking North Murphy Road off of the state highway system; and,
2. Safe Routes to Schools (SRTS) sidewalk and enhanced crosswalk grant projects.

City Manager James Fisher advised Council that this was a non-action item and introduced Barry Heard with TxDOT to discuss the item. Mr. Heard reviewed a hand-out on removing FM 2551 from the state highway system. Mr. Heard stated that TxDOT is responsible for access permitting, utility permitting and maintenance, such as mowing and striping. TxDOT also controls speed zones, landscaping and pedestrian movements. Mr. Heard stated that the Maxwell Creek Bridge is covered under the state's off-system bridge program and would remain that way regardless of who owns the road. Mr. Heard stated that, if the City took the road off-system, the State would quit claim the right-of-way to the City and pay for the surveying costs. Mr. Heard stated that FM 544 was approximately 20 years old, but it was constructed under different standards that were not as strong as the current North Murphy Road project.

Councilmember Grant inquired as to what types of crosswalks were allowed if the road remained on the state system. Mr. Heard stated that colored concrete is being included in the SRTS and some additional non-standard items were being considered.

Mayor Pro Tem Siddiqui inquired as to the possibility of LED lights. Mr. Heard stated that TxDOT does not typically allow LED lighting on their roadways.

Councilmember Grant inquired as to the upfront costs involved in taking over the road and asked if there was an alternative to a quit claim deed. Mr. Heard stated that, under the current policy, there were no upfront costs to the City.

Councilmember Bradley inquired as to the State standard sidewalk designs. Mr. Heard stated that the initial plans indicated a five foot wide sidewalk; however, the plans were changed to provide an eight foot wide sidewalk throughout most of the length.

Councilmember Bradley inquired as to how quickly the City would be able to implement design choices if the road was taken off-system. Mr. Heard stated that the City could begin implementing the design elements when the Memorandum of Understanding was executed.

Councilmember Thomas inquired as to if TxDOT would require the City to take the road off-system at some point in the future. Mr. Heard responded that was the direction that TxDOT was moving and could possibly happen within the next 10 years.

Councilmember Thomas inquired as to the maintenance costs. Mr. Heard stated, since TxDOT began using the continuously reinforced paving in the early 2000's there has been little maintenance involved. Mr. Heard stated that striping and landscaping would be the main costs in the first 15 years and regular maintenance after that.

Councilmember Bradley inquired as to TxDOT's cost maintenance estimates. Mr. Heard stated that there isn't enough data to provide adequate cost estimates.

Deputy Mayor Pro Tem St. Clair inquired as to the school zone speed limit. Mr. Heard stated that it would remain the same.

Mayor Pro Tem Siddiqui commented that he wanted to know what the City would lose if the road was not taken off-system. Mr. Heard stated that a monument sign would not be allowed within the right-of-way and conduit was being installed, without lights.

Councilmember Bradley commented that one item that the City would lose would be an enhanced crosswalk in front of the high school.

Mayor Pro Tem Siddiqui inquired as to whether the City would also take on the maintenance of the signal lights at Betsy and North Murphy Road. Mr. Heard stated that the City would be responsible for maintaining the lights.

Councilmember Thomas stated he would like to see a special Council meeting to hear public comments prior to making a decision. Mayor Barna stated he would like to have such a meeting after the City received cost estimates.

Mr. Fisher advised the Council that staff was reviewing plans for monument signs in the medians of North Murphy Road to identify city facilities. Councilmember Grant expressed concerns regarding potential traffic accidents. Deputy Mayor Pro Tem St. Clair expressed concerns regarding installing signs near crosswalks where individuals may be able to hide behind. Councilmember Thomas expressed concerns regarding the signs causing a visibility issue.

Mr. Fisher stated that, right now, the SRTS project was under budget.

COUNCIL ACTION (7.A.):

No action was taken.

NON ACTION ITEM

- B. Hold a public hearing and consider and/or act on the application of BV Murphy TFG, LLC to replat 150 West FM 544, currently platted as Lot 1R-A, Block A, Murphy Village Addition.

Director of Community and Economic Development Kristen Roberts stated that the property is the site of the former Neighborhood Walmart. Ms. Roberts stated the replat would allow for a

new lot to be created at the front of FM 544. Ms. Roberts stated that a fast food restaurant was currently under staff review. Ms. Roberts stated that there would be a shared parking agreement with Hobby Lobby.

Council expressed concerns regarding cross access to the subject property and the Jack in the Box property. Mr. Fisher stated that Council could approve the replat with the strong suggestion that an access easement be provided prior to site plan approval.

Mayor Barna opened the hearing to public comment at 7:48 pm

Don Kiertscher, 416 Skyline Dr – Mr. Kiertscher inquired as to if the Council had the authority to enforce the cross access easement in future project approvals.

Ryan Sullentrup, 416 Woodcrest Cr – Mr. Sullentrup commended Councilmember Bradley for his foresight.

Mayor Barna closed the hearing to public comment at 6:49pm

COUNCIL ACTION (7.B.):

APPROVED

Deputy Mayor Pro Tem St. Clair moved to approve replat as submitted. Councilmember Bradley seconded the motion. For: Unanimous. The motion carried by a vote of 7 to 0.

- C. Consider and/or act on revising the Alcohol Policy for the Murphy Community Center (MCC) and Murphy Activity Center (MAC).

Council held discussion removing the exemption for city events.

COUNCIL ACTION (7.C.):

APPROVED

Councilmember Grant moved to approve the revised Alcohol Policy for the Murphy Community Center and the Murphy Activity Center, with the exception of striking the language of “an approved City sponsored event is exempt from Saturday only”. Councilmember Nichols Spraggins seconded the motion. For: Unanimous. The motion carried by a vote of 7 to 0.

- D. Consider and/or act on awarding the bid for Animal Shelter Project and authorizing the City Manager to execute contract documents.

Police Chief GM Cox presented the Council with a background on the current animal shelter and the current facilities.

Chief Cox stated that the State was contacted and they commented that the City would not be written up solely as a result of the facility. Chief Cox stated that there were repairs needed to the existing facility. Chief Cox continued to state that alternatives were researched in regards to privatizing the shelter; however, there was no outside interest. Chief Cox stated that contracting with other municipalities would be cost prohibitive.

Mayor Barna inquired as to the possibility of allowing residents to get their impounded animals out the first time for free.

Mayor Pro Tem Siddiqui inquired of Quorum why the bids were lower than previously and wanted to confirm there were no problems with the current bids.

David Duman, Quorum Architects, stated that the add alternates were removed, which reduced confusion and bidding the project out during a slow time.

Keith Patton, 451 Poindexter – Mr. Patton commented that the average home value in Murphy is \$250,000 and the City is looking at building an \$800,000 facility for animals. Mr. Patton encouraged the Council to look at other options to decrease the price.

Kim Rozman, Mockingbird – Ms. Rozman inquired as to what could be done to get the building designated as a no kill facility.

Kim Heartly, Lovebird – Ms. Heartly referenced the Irving Animal Shelter and commented that the City has worked with the Humane Society to increase the number of adoptions.

Chief Cox responded that the Animal Control Officers make every effort to adopt animals out and euthanasia is a last resort.

Mr. Fisher stated that the Municipal Development District and the 4B Community Development Corporation have been in discussions regarding establishing a 501(c)3 as a community foundation that could be a resource.

COUNCIL ACTION (7.E.):

APPROVED

Councilmember Bradley moved to award the animal shelter construction project to 3i Construction, LLC, in accordance with the bid, as submitted, utilizing the approved bid specs and documents for the Animal Shelter Project and authorize the City Manager to execute contract documents and funding the overage of \$161,000 from the general fund. Mayor Pro Tem Siddiqui seconded the motion. For: Unanimous. The motion carried by a vote of 7 to 0. (CLA201402002)

- E. Consider and/or act upon authorizing the City Manager to execute the necessary Right of Way Lease Agreements with DART (Dallas Area Rapid Transit).

COUNCIL ACTION (7.E.):

APPROVED

Councilmember Grant moved to authorize the City Manager to execute the necessary Right of Way Lease Agreements with DART. Mayor Pro Tem Siddiqui seconded the motion. For: Unanimous. The motion carried by a vote of 7 to 0. (CLA Nos. 201402003; 201402004; 201402005; 201402006; 201402007; 201402008; 201402009; 201402010; 201402011; 201402012; 201402013 and 201402014)

8. CITY MANAGER/STAFF REPORTS

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

- North Murphy Road Construction Update
- Murphy Central Park Grand Opening – April 5th
- May Election

9. EXECUTIVE SESSION

The City Council did not convene into Executive Session.

10. RECONVENE INTO REGULAR SESSION

The City Council did not convene into Executive Session.

11. ADJOURNMENT

With no further business, the meeting was adjourned at 7:39 p.m.

APPROVED BY:

Eric Barna, Mayor

ATTEST:

Kristi Gilbert, City Secretary

February 18, 2014

Issue

Hold a Public Hearing and consider and/or act on an ordinance amending the City of Murphy Code of Ordinances, Chapter 86 - Zoning, Section 86.662, Use Chart, to allow for Martial Arts School in 'O' Office District.

Staff Resource/Department

Kristen Roberts, Director of Community and Economic Development

Background

In reviewing the Use Chart for various zoning districts, it was realized by staff that although Dance/Drama/Music Schools (Performing Arts) was an allowed use in 'O' Office District, Martial Arts School was not.

Considerations

1. Martial Arts School, per the Use Chart, is a Permitted (P) use in the following districts:
 - a. 'NS' Neighborhood Services
 - b. 'LC' Light Commercial
 - c. 'BP' Business Park

2. Dance/Drama/Music Schools (Performing Arts), per the Use Chart, is a Permitted (P) use in the following districts:
 - a. 'O' Office
 - b. 'NS' Neighborhood Services
 - c. 'LC' Light Commercial
 - d. 'BP' Business Park

3. Parking requirements and all development regulations of each of these uses are the same and staff is recommending Martial Arts School become a Permitted (P) use in 'O' Office District as well.

4. A public hearing notification for this proposed zoning change was published in the newspaper. At this time of this packet, no public comments were received.

The proposed addition of this use within any 'O' Office zoning district into the Zoning Ordinance text does not result in the rezoning of any property.

Board Discussion / Action

On January 27, 2014, the Planning & Zoning Commission voted unanimously, 7-0 to approve this item.

Staff Recommendation

Staff recommends the City of Murphy Code of Ordinances, Chapter 86 - Zoning, Section 86.662, Use Chart, be amended to allow for Martial Arts School in 'O' Office District.

Attachment

Ordinance

ORDINANCE NO. 14-02-XXX

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MURPHY, COLLIN COUNTY, TEXAS, AMENDING CHAPTER 86 OF THE CODE OF ORDINANCES OF THE CITY OF MURPHY, TEXAS, BY AMENDING ARTICLE VI, ENTITLED “USE REGULATIONS,” TO AMEND THE USE CHART AS IT PERTAINS TO A MARTIAL ARTS SCHOOL; PROVIDING A SEVERABILITY CLAUSE AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, Section 86-142 of the Code of Ordinances of the City of Murphy requires proposed changes to the text of the Zoning Ordinance that notice of the Planning and Zoning Commission hearing shall be accomplished by publishing the purpose, time, and place of the public hearing in the official newspaper of the City before the fifteenth (15th) calendar day prior to the date of the public hearing; and

WHEREAS, the Planning and Zoning Commission of the City of Murphy and the City Council of the City of Murphy, in compliance with the laws of the State of Texas, have given the requisite notices by publication and otherwise, and have held due hearings and afforded a full and fair hearing to all property owners generally and to all persons interested, and the City Council of the City of Murphy is of the opinion and finds that said changes should be granted and that Chapter 86 of the Code of Ordinances should be amended;

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

Section 1. FINDINGS INCORPORATED

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

Section 2. That Chapter 86 Zoning, Article VI Use Regulations, Section 86. 662 Use Chart of the Code of Ordinances of the City of Murphy, Texas, is hereby amended to amend the use chart to allow a martial arts school as a permitted use in the “O” Office zoning district, as follows:

	Residential Zoning Districts											Nonresidential Zoning Districts				
Types of Land Uses	AG	SF-E	SF-20	SF-15	SF-11	SF-9 (PD only)	SF-PH (PD only)	2F (PD only)	SFA (PD only)	MF-12	MH	O	NS	R	LC	BP
Personal and Business Service Uses																
“Martial Arts School												P	P	S	P	P”

Section 3. SEVERABILITY CLAUSE

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

Section 4. REPEALER CLAUSE

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

Section 5. EFFECTIVE DATE

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

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

Eric Barna, Mayor
City of Murphy

ATTEST:

Kristi Gilbert, City Secretary
City of Murphy

February 18, 2014

Issue

Hold a Public Hearing and consider and/or act on the zoning category change of approximately 5 acres (Track 35, 1.598 acres of Abstract A0859 and Track 36, 3.216 acres of Abstract A0859): FM 544 between Dublin Road and Heritage Parkway – from Single-Family Residential SF-15 to Planned Development 09-02-785.

Staff Resource / Department

Kristen Roberts, Director of Community and Economic Development

Background

In the process of reviewing and updating the City of Murphy's Official Zoning Map, it was determined that several areas of the City which were depicted on the zoning map did not reflect the existing development of the property. As part of that Zoning Map Project, which was undertaken in 2012 to address inconsistencies on the City's Official Zoning Map, it was determined that the best course of action was to ensure that the amended Official Zoning Map be updated to reflect as accurately as possible the current developed conditions.

All such changes did not alter the rights of the respective property owners; such changes further clarified the actual development that has occurred within the City prior to Official Zoning Map update.

During this project, a property was inadvertently omitted and is being brought to the Council for consideration. The change would allow for the zoning map to be depicted appropriately for the existing (since 2009) zoning of the property.

Considerations

1. The current zoning category shown on the Zoning Map for this property is Single Family 15 (SF-15).
2. After approval of this zoning category change, the property will be shown on the Zoning Map as Planned Development 09-02-785. (Exhibit C)
3. Public hearing notifications for this proposed zoning change was published in the newspaper and mailed to the property owners included in the required 200 feet notification radius.
 - a. Responses are included in this packet. (Exhibit B)
4. The map included with this agenda item shows the location for zoning category change of approximately 5 acres (Track 35, 1.598 acres of Abstract A0859 and Track 36, 3.216 acres of Abstract A0859): FM 544 between Dublin Road and Heritage Parkway – from Single-Family Residential SF-15 to Planned Development 09-02-785. (Exhibit A)

Board Discussion / Action

On January 27, 2014, the Planning & Zoning Commission considered this item and approved 7-0.

Staff Recommendation

Staff recommends approval of the proposed zoning category change on the City's Official Zoning Map.

Attachments

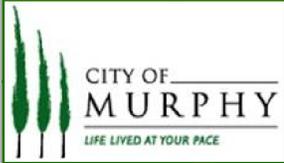
Exhibit A - Site Location Map

Exhibit B - Resident Reply Forms

Exhibit C - Ordinance

Exhibit A

Site Location Map



**Nelson Living Trust
Tracts 35 & 36/FM 544
(200-foot Buffer)**

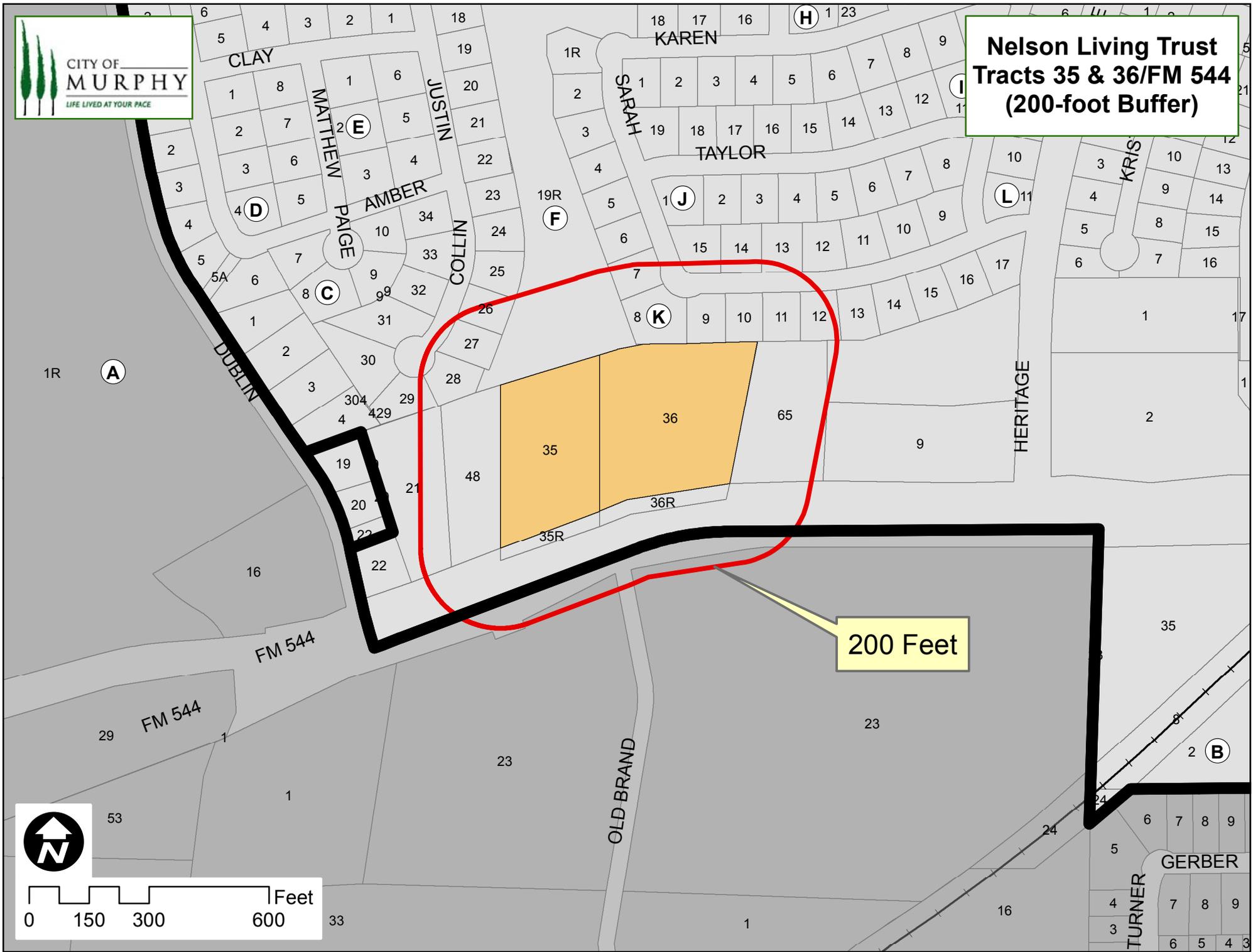
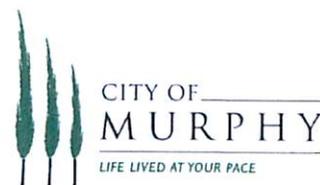


Exhibit B

Resident Reply Forms

Reply Form

P&Z Commission / City Council
206 North Murphy Road
Murphy, Texas 75094



Dear Commissioners / Councilmembers:

This letter is regarding the zoning category change request on the 5 acres (Track 35, 1.598 acres of Abstract A0859 and Track 36, 3.216 acres of Abstract A0859) FM 544 between Dublin Road and Heritage parkway – from Single-Family Residential SF-15 to Planned Development 09-02-785 (zoning has been in place since 2009).

 I am **IN FAVOR** of the requested zoning category change.

I am **OPPOSED** to the requested zoning category change.

This item will be heard by the Planning and Zoning Commission on Monday, January 27, 2014 at 6:00 p.m. and the City Council on Tuesday, February 18, 2014 at 6:00 p.m. in the City Council Chambers at 206 N. Murphy Road, Murphy, Texas. Please provide your written comments below regarding the requested zoning category change. If additional space is required, you may continue writing on a separate sheet, one-sided for printing purposes.

PROPERTY VALUES WILL DECLINE FOR HOME OWNERS IF THE VEGETATION ON THE EAST OR WEST SIDE OF THE CREEK IS DESTROYED IN THE PROCESS OF LAND DEVELOPMENT.

CONTD

By signing this letter, I declare I am the owner or authorized agent of the property at the address written below.

LESLIE E. TINGLE
Name (Please Print)

Leslie E. Tingle
Signature

124 COLLIN CT MURPHY TX
Address

11 JAN 2014
Date

PLEASE IGNORE THIS AND USE TYPED TEXT, ALSO INCLUDED —

JAN 24 2014

Zoning Category Change Request: Track 35, 1.598 acres of Abstract A0859, Track 36, 3.2516 of Abstract A0859 FM 544, Murphy Texas

Property Owner Response Lot 27 Windy Hill Farms:

Property values for all the creek view lots in Windy Hill Farms (WHF) have been sustained and are now increasing as the real estate market recovers. Those of us, who bought these lots more than ten years ago, did so, influenced by the representation that the WHFs Green Belt that surrounds this branch of Rowlett creek extended south to FM 544 and was not zoned for any development.

Understanding that the representations made by my home builder were not correct and that Murphy will eventually allow development of something in these areas, I respectfully request that our Murphy City leadership carefully consider the following.

With any future development the trees and undergrowth along both sides of this tributary of Rowlett creek must be preserved. In addition the forest located on the north side of lots 35 and 36 should be preserved. Failure to preserve this vegetation will immediately lead to noise, light and "sight" pollution, and to destruction of one of Murphy's most attractive creek lot neighborhoods.

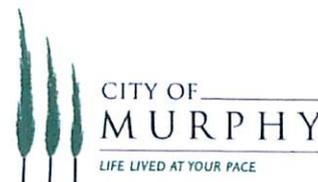
In summary, I oppose a zoning change from Single-Family Residential SF-15 to Planned Unit Development 09-02-785. Regardless of whether a zoning change is approved, special restrictions should be placed on any future development project with the aim to protect the esthetic and financial value of the creek lots along this WHFs greenbelt.

Thank you for considering my comments.

Leslie E Tingle - LESLIE E. TINGLE LOT 27

Reply Form

P&Z Commission / City Council
206 North Murphy Road
Murphy, Texas 75094



Dear Commissioners / Councilmembers:

This letter is regarding the zoning category change request on the 5 acres (Track 35, 1.598 acres of Abstract A0859 and Track 36, 3.216 acres of Abstract A0859) FM 544 between Dublin Road and Heritage parkway – from Single-Family Residential SF-15 to Planned Development 09-02-785 (zoning has been in place since 2009).

I am **IN FAVOR** of the requested zoning category change.

I am **OPPOSED** to the requested zoning category change.

This item will be heard by the Planning and Zoning Commission on Monday, January 27, 2014 at 6:00 p.m. and the City Council on Tuesday, February 18, 2014 at 6:00 p.m. in the City Council Chambers at 206 N. Murphy Road, Murphy, Texas. Please provide your written comments below regarding the requested zoning category change. If additional space is required, you may continue writing on a separate sheet, one-sided for printing purposes.

We approve of this zoning and feel this is the most appropriate for this land.

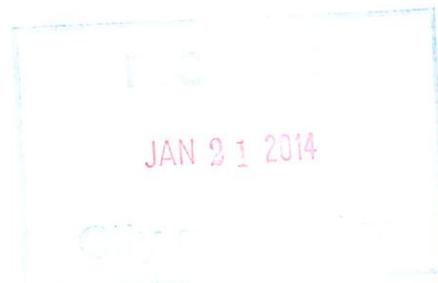
By signing this letter, I declare I am the owner or authorized agent of the property at the address written below.

Lloyd M Nelson
Name (Please Print)

Lloyd M Nelson
Signature

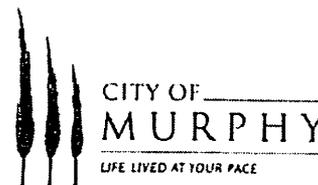
7087 Shire Lane
Address
*McKinney, Tx.
75091*

Jan. 15, 2014
Date



Reply Form

P&Z Commission / City Council
206 North Murphy Road
Murphy, Texas 75094



Dear Commissioners / Councilmembers:

This letter is regarding the zoning category change request on the 5 acres (Track 35, 1.598 acres of Abstract A0859 and Track 36, 3.216 acres of Abstract A0859) FM 544 between Dublin Road and Heritage parkway – from Single-Family Residential SF-15 to Planned Development 09-02-785 (zoning has been in place since 2009).

I am **IN FAVOR** of the requested zoning category change.

I am **OPPOSED** to the requested zoning category change.

This item will be heard by the Planning and Zoning Commission on Monday, January 27, 2014 at 6:00 p.m. and the City Council on Tuesday, February 18, 2014 at 6:00 p.m. in the City Council Chambers at 206 N. Murphy Road, Murphy, Texas. Please provide your written comments below regarding the requested zoning category change. If additional space is required, you may continue writing on a separate sheet, one-sided for printing purposes.

By signing this letter, I declare I am the owner or authorized agent of the property at the address written below.

DAVID CULWELL
Name (Please Print)

David Culwell
Signature

121 HERITAGE PKWY
Address

1-17-14
Date

Exhibit C

Ordinance

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MURPHY, COLLIN COUNTY, TEXAS, AMENDING ITS COMPREHENSIVE ZONING ORDINANCE AND MAP, CHAPTER 86 OF THE CITY OF MURPHY CODE OF ORDINANCES, BY CHANGING THE ZONING CLASSIFICATION FROM SINGLE-FAMILY RESIDENTIAL 15 (SF-15) TO PLANNED DEVELOPMENT DISTRICT 09-02-785 FOR THE PROPERTY COMMONLY KNOWN AS TRACK 35, 1.598 ACRES OF ABSTRACT A0859 AND TRACK 36, 3.216 ACRES OF ABSTRACT A0859, IN MURPHY, TEXAS; AND PROVIDING A SEVERABILITY CLAUSE, A REPEALER CLAUSE, A PENALTY CLAUSE, AND AN EFFECTIVE DATE.

WHEREAS, during the process of reviewing and updating the City of Murphy's Comprehensive Zoning Map, City staff determined that several areas of the City depicted on the map do not reflect the current development of the property; and

WHEREAS, the City desires to amend its Ordinances and Comprehensive Zoning Map to reflect the current developed conditions; and

WHEREAS, the property commonly known as Track 35, 1.598 acres of Abstract A0859 and Track 36, 3.216 acres of Abstract A0859 in Murphy, Texas (the "Property") is currently zoned as Single-Family Residential 15 (SF-15); and

WHEREAS, based on a planned development district zoned in 2009, the appropriate Zoning Classification for the Property is Planned Development District 09-02-785;

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

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

Section 1. The Zoning Classification for and the Comprehensive Zoning Map depicting the property commonly known as Track 35, 1.598 acres of Abstract A0859 and Track 36, 3.216 acres of Abstract A0859, in Murphy, Texas, is hereby changed from Single-Family Residential 15 (SF-15) to Planned Development District 09-02-785.

Section 2. Chapter 86 of the City of Murphy Code of Ordinances, as amended, shall be and remain in full force and effect save and except as amended by this Ordinance.

Section 3. If any word, section, article, phrase, paragraph, sentence, clause or portion of this Ordinance is held to be invalid or unconstitutional by a court of competent jurisdiction, such holding shall not affect, for any reason, the validity of the remaining portions of the Comprehensive Zoning Ordinance, Chapter 86 of the City of Murphy Code of Ordinances, and the remaining portions shall remain in full force and effect.

Section 4. Any person, firm or corporation violating any of the provisions of this ordinance shall be deemed guilty of a misdemeanor and, upon conviction, in the municipal court of the City of Murphy, Texas, shall be punished by a fine not to exceed the sum of two thousand dollars (\$2,000.00) for each offense, and each and every day any such violation shall continue shall be deemed to constitute a separate offense.

Section 5. This Ordinance shall take effect immediately from and after its passage and the publication of the caption, as the law and Charter in such cases provide.

PASSED, APPROVED, AND ADOPTED on this the 18th day of February, 2014.

APPROVED:

Eric Barna, Mayor
City of Murphy

ATTEST:

Kristi Gilbert, City Secretary
City of Murphy

APPROVED AS TO FORM:

Wm. Andrew Messer,
Attorney for the City of Murphy

City Council Meeting
February 18, 2014

Issue

Consider and/or act upon approval of the low bid award for the seasonal Median Mowing/Beautification Contract to Carruthers Landscaping for \$86,152 and authorize the City Manager to execute the contract.

Staff Resource/Department

Steven Ventura, Interim Director of Parks and Public Works

Summary

Award the seasonal contract mowing bid to Carruthers Landscaping at \$86,152.

Background/History

City Council approved a budget of \$110,000 for FY2014 contract mowing services. The contract will contain the provision that only the completed work will be paid. If circumstances (such as drought) preclude mowing for one or more cycles, the contractor will not be paid for those cycles. The contract will also include a provision prohibiting the contractor from sub-contracting any work on City of Murphy properties.

The City of Murphy does not have the maintenance staff nor equipment to maintain a weekly mowing schedule in the spring and summer of all of the city properties; therefore, seasonal contract mowing has been used the past four (4) summers.

The public bids were opened February 4, 2014 and the city received four (4) bidders. The lowest bidder has received intense reference checks with exceptional reviews.

Financial Considerations

FY 2014 general fund park maintenance budget for contract mowing is \$110,000.

Action Requested

Motion to award the bid to Carruther's Landscaping at \$86,152 and authorize the City Manager to execute the contract.

Attachments

Bid Tabulation

Bid Packet

Reference Check Results

FY14 CITY MOWING CONTRACT - BID TABULATION, FEBRUARY 4, 2014

COMPANY NAME	CONTACT INFO	Base Bid
Carruthers Landscape Management, Inc. 11593 Goodnight Ln. Dallas, Texas 75229	Paul Myers 972-620-9560 paul@carrutherslandscaping.com	\$86,152.00
Dyna-Mist 2808 Capital St. Wylie, Texas 75098	Randy Plumlee 972-424-5343 rplumlee@dyna-mist.net	\$132,992.50
Oak Grove 810 Water Farmersville, Texas 75442	Chad Dillard 972-896-2557 chad@oakgrovelandscape.com	\$105,305.00
VMC Landscape Services 2433 Merrell Road Dallas, Texas 75229	Dave Myers 972-445-5654 dmyers@vmclandscape.com	\$104,407.00



MOWING CONTRACT BID/CONTRACT SCHEDULE

Thursday, January 9, 2014 – 1st Advertisement

Thursday, January 16, 2014 – 2nd Advertisement

Friday, January 17, 2013, 3:00 pm – Mandatory Pre-Bid Meeting

Tuesday, February 4, 2014, 2:00 pm – Bid Opening

Tuesday, February 18, 2014 – City Council Considers Bid Award

Monday, March 3, 2014 – Contract Begins

CITY OF MURPHY, TEXAS BEAUTIFICATION SERVICES

PURPOSE AND CLASSIFICATION

Purpose

The City of Murphy is seeking to obtain an annual agreement with one contractor for mowing, edging, trimming, and cleanup of turf on City properties, parks, medians, and right-of-ways. This is a non-bagged agreement on all sites.

Classification

The landscape maintenance services will be performed at various City of Murphy parks, medians, and other public property.

SCOPE OF WORK

The grounds maintenance services shall be provided as deemed necessary to meet the agreement requirements. The contractor shall provide landscape maintenance services as described herein and shall provide all labor, material, appliances, tools, equipment, transportation, and services necessary for and incidental to performing all operations in connection with the execution of this document.

The schedule of work hours for accomplishment of the maintenance service shall conform to the requirements of the City of Murphy. No weekend or holiday work will be permitted and all work shall be performed Monday through Friday, 8:00 a.m. to 7:00 p.m. A variance from these hours may be approved, with prior written approval of the Parks Superintendent. The Contractor shall in no way interfere with the normal work of City employees.

The contractor shall furnish and maintain all equipment necessary for the proper maintenance of each location. Contractor shall provide an equipment inventory list to be submitted with the quote, identifying all equipment by age and condition to be used in the performance of this agreement. The City of Murphy reserves the right to make inspections of equipment. Should any and all equipment be found to be in poor condition, it must be pulled from service and replaced at the Contractor's expense. Failure to provide suitable equipment for the performance of this agreement will be grounds for the City to terminate the agreement. The Parks Superintendent shall be the undisputed judge as to the condition of the equipment.

Materials and supplies used by the Contractor shall conform to the requirements listed herein. No material shall be used which will damage the turf, trees, shrubs, or fixtures. Where a specific product is specified there shall be no deviation without the express permission of the City of Murphy. In the event a deviation is requested by the contractor, samples of all materials will be submitted prior to approval.

Inclement Weather shall mean rainy weather or when the condition of the soil is such that the rutting of the property will not allow cutting of grass to be accomplished satisfactorily.

Median shall refer to the areas on City streets and thoroughfares. They shall include any and all portions within the streets or intersection of streets such as grass areas, trees, and concrete only areas.

Trash and Litter shall mean any debris within the grounds maintenance area such as paper, bottles, cans, limbs three (3) inches or smaller in diameter, rocks, etc. which is not intended to be present as part of the landscape. Inclusive to the entire area including parks, medians, streets, sidewalks, curbs, hillsides, ditches, etc. Removal of debris will require sweeping of hard surface areas such as sidewalks and curbs. All debris is to be removed at the contractor's expense.

Trimming shall refer to the cutting or removal of any and all plant material immediately adjacent to or under park structures, trees, poles, tables, signs, fences, and shrub bed. Also includes removal of all plant material from expansion joints and any other cracks in curbs, sidewalks, driveways, and any other hard or concrete surface. Any damage to trees, turf, hardscape, building, structures, etc. shall be repaired at the contractor's expense.

Edging shall refer to the vertical removal of any and all plant material that encroaches over onto sidewalks (both sides), curbs, steps, driveways, and pavements.

Chemical Trimming shall refer to the use of an herbicide (such as Roundup or an approved equal) as an alternative to the physical removal or cutting of plant material from areas to be trimmed. Approval for the application of herbicides must be requested from, and a plan for application of said chemicals filed with the Parks Superintendent, prior to herbicide application and must be applied by a Texas Department of Agriculture Certified Applicator.

Scalping shall refer to any action that will result in the mowing of any turf area below a three-inch (3") height down to and including the soil.

Initial _____

Shrub Beds shall mean any area purposefully planted in domestic or ornamental plant growth.

Foreign Growth shall include all weeds, thickets, and noxious plants.

Fixtures shall include but is not limited to fences, tables, recreational equipment, playgrounds, light poles, signs, etc.

Mulch or Tree Rings shall refer to those areas adjacent to trees, shrub beds, and other purposefully planted landscape areas in which all plant growth is removed physically or chemically.

Time to Complete Work: On the mowing cycle start date, as indicated on the work order, the contractor shall begin work and shall proceed with all reasonable dispatch to completion. The contractor will be required to maintain all project areas assigned to him in the time allotments-maintenance cycles-set for each area. Work within an area must be completed in consecutive days. Inclement weather may result in the cancellation of a mowing cycle only if Parks Superintendent or designated alternate determines that there was an insufficient time period during the entire mowing cycle available for the services described to be performed. If a mowing cycle is cancelled due to inclement weather, the contractor will be compensated for only those areas completed before the inclement weather occurred. It shall be assumed that the contractor can perform said services.

Sub-Contracting: Contractor may not sell, sublet, or otherwise delegate services outlined in this bid to others without written consent from the City.

Maintenance Schedule and Liquidated Damages: Failure on the part of the contractor to maintain the required production rate for a project area or in the event the contractor develops difficulty in performing maintenance schedule or meeting contract specifications, the contractor may be assessed two hundred fifty dollars (\$250.00) per day as liquidated damages for incomplete work in the project area until all work is completed (liquidated costs will not exceed the total dollars for project area cycle). Liquidated damages will be withheld from the Contractors monthly payment.

Note: Should it become necessary to penalize a contractor on more than one occasion for failure to meet the grounds maintenance specifications within the prescribed maintenance schedule, the agreement may be terminated with the forfeiture of any performance bond. The project area will then be awarded to an existing alternate contractor of next lowest and best quote.

Adjust Rotations and/or Cycles: The City of Murphy reserves the right to request a reduction of services when needed. The contractor will be notified of any reduction in services i.e. reduced rotations, less cycles, etc. that may be needed due to weather and/or budget issues that may arise during said contractual dates set. When this occurs the adjustments will in effect reduce the amount of cost per cycle and/or rotation; the reduction in rotations and/or cycles, as well as the reduction in the billing price, is to be shown on the invoices.

The City of Murphy also reserves the right to request additional rotations and/or cycles and may request the contractor to adjust their schedule to accommodate for the weather, as well as for special events, which may be going to take place. When the City requests additional services this is to be shown on the billing invoice in a category stating "one time/special event." The City of Murphy at times during said contract will add locations to the maintenance contract; these areas will be listed on the invoice as a category called "additions to contract."

Invoicing: Contractor must invoice on a monthly basis. The invoice shall be presented to the City of Murphy's Finance Department on the first working day after the first day of each month. The dates of the cycle shall be included on each invoice. A copy of the invoices will be emailed to the Parks Superintendent for examination and approval. Each category is to be itemized; listing property, line item as it is designated on the contract and cost for maintenance performed for each line item as it is designated on the contract and cost for maintenance performed at the location. This statement will show the total cost per line item for each category, monthly and total for the year to date. All itemized statements will be provided in an Excel format or one that is compatible with Excel. At the end of the annual billing year an itemized statement for all maintenance performed in each category, by line item, will be provided for the whole year, in an Excel format or one that is compatible with Excel. This statement will show the total cost per line item and total cost for each category, monthly and total for the year.

Cancellation: This agreement can be cancelled on thirty (30) days written notice by either party. The Parks Department reserves the right to cancel the agreement if the Department determines that the Contractor is not fulfilling their responsibilities.

Note: Should it become necessary to terminate the agreement due to failure to fulfill the responsibilities of the contract; the contract will be awarded to an existing alternate contractor of next lowest and best quote.

Initial _____

Assessment of Damages to Trees During Grounds Maintenance Operations:

1. Trees in the contract area will be checked before contract work begins with Contractor and Manager. Any existing damage is to be noted and a copy placed in the file and Contractor.
2. Random checks of the trees will be carried out during the agreement period at the option of the Parks Superintendent.
3. A check of all trees may be made at the end of the agreement period. The inspection will be attended by the City's designated forester or arborist, parks superintendent, and the contractor.
4. Damages shall be documented by memo to the Parks Superintendent with a copy to the agreement file and Contractor.
5. Damages shall be assessed: \$200.00 for any slight damage to trees, this is damage that may heal; \$500.00 for badly damaged trees which in the opinion of the City's designated forester, arborist, or parks superintendent may eventually contribute to the death of the tree.

GROUNDS MAINTENANCE

1. Supplemental mowing may be required on an as needed basis. In some cases, special events may dictate the need for additional mowing in areas designated by the Parks Superintendent. Typically, most sites will only require mowing once per week; however, the Contractor must be capable of providing mowing crews with short notice in case the Parks Superintendent requests a site be mowed for a special event. Mowing will be quoted on a unit basis per site/per mowing. (SEE ATTACHED QUOTE).
2. Mowing shall be at the proper height according to the season and type of grass (Bermuda: 1½"), to keep all turf areas looking crisp, clean, and well groomed. Most sites are planted with Common Bermuda. Height of mowing will be dictated by the time of the season. Mowing heights will vary according to growth rate. The contractor shall be responsible for adjusting mower heights to prevent scalping.
3. City owned right of ways are included and will be mowed at the same frequency as medians.
4. Use of rotary mulching type mowers designed for commercial use is required on medians and right of ways. Rotary mulching mower blades will be kept sharp at all times. The Owner will perform periodic inspections on mowers for blade sharpness.
5. All lawns damaged due to negligence of the Contractor will be sodded by the Contractor as necessary to maintain a healthy growth and attractive appearance at all times.

Edging/Trimming

1. All turf perimeters along and around walks (including pavers and tracks), curbs, walls, bed edging, utility poles and other fixtures (including recessed lighting) will be edged/trimmed at each mowing. Edging will be performed with a handheld edger, and not by chemical means.
2. Sprinkler valve boxes will be trimmed as often as necessary to keep them visible.
3. The hard surface areas adjacent to turf will be swept and/or blown and cleaned after each operation.
4. Turf clippings shall not be left in any street and shall be removed before the Contractor leaves the site.
5. Vegetation shall be trimmed out of the cracks on all concrete end caps or medians.
6. Contractors are required to blow all grass clippings back onto medians or park areas. Contractors are not to blow anything into the street or drains as it is in violation of The Clean Water Act. Contractors observed doing so will be contacted and will go back and rectify the problem immediately and may have the cost of that line item on the contract deducted from the invoice. This repeated activity shall be grounds for immediate termination, without recourse or warning.

Pond and Creek Areas

1. The Contractor is responsible for mowing, edging, and all lawn maintenance related to retention ponds and all adjacent slopes and banks, to the water line.

Initial _____

2. The Contractor is responsible for removal of trash and debris from all water edges.
3. All ground surfaces around any water areas shall be maintained and cleaned to the water line. Retention ponds and detention areas are to be clean, and have a neatly trimmed and edged appearance at all times.

Litter/Cleanup

1. All debris, trash, limbs, rocks, etc. shall be collected in the turf areas and removed from site by the Contractor prior to and after each mowing.
2. All drives, parking areas, storm drains, ditches, culverts, vaults, valley curbs and any storm drainage structure shall be kept clean of grass clippings, litter, soil and debris. A free flow of water shall be maintained at all time.
3. The Contractor is responsible for cleaning any pavement, structure or other surface of debris, litter, tire markings, or material created by grounds maintenance activity.
4. Contractor shall be responsible for removal of all excess grass clumps or excessively piled grass clippings to prevent smothering of turf. Any excessive grass left after mowing will be raked or vacuumed. Clippings shall not be placed in on-site dumpsters. Contractor shall remove clippings to a legal dumpsite.

INSPECTIONS

1. The Owner will make daily inspections of the entire city related to the appearance of the grounds and the Contractor's performance. The Contractor shall make repairs and adjustments as required by the Owner.
2. Schedule: Prior to beginning work under this agreement, the Contractor will provide the Owner with a detailed maintenance schedule of how he expects to accomplish the work along with a statement of anticipated labor forces in order to maximize production, quality and efficiency. The schedule shall include target dates for all cycle and period work, time estimates for task completion, staffing requirements, equipment requirements, etc. Any time the schedule changes or is anticipated to change; the Contractor will provide the Owner with a revised schedule.
3. The Contractor's authorized representative shall personally contact the Owners designated representative should any unforeseen problems arise or if mowing is not to occur on any given day due to weather or any other reason. The Contractor shall issue written daily work reports on company letterhead or printed company work reports including;
 - a) Date
 - b) All information in ink.
 - c) Signature of employee generating report.
 - d) Debris and trash removal of water areas.
 - e) The number of maintenance people on site.
 - f) All tasks performed.
 - g) Equipment employed on each site.
 - h) General weather conditions.
 - i) General site conditions.
 - j) Specific problems or conditions requiring attention, including any property damaged.
 - k) Time of entry on and exit from each site.

Site reports are to be filed with the Owners designated representative at the completion of each work day.

4. It will be Contractor's responsibility to provide adequate personnel, materials and equipment to meet his participation and commitments to these schedules. Periodic meetings will be held either on-site or in the offices of the Owner to discuss progress made to date and modifications to the schedule required to meet short term as well as long term **objectives** and goals of the Owner. It is further understood that a representative of the Contractor shall attend all job meetings of this nature.

GENERAL CONDITIONS

1. All services herein provided shall be done in a courteous and orderly manner with a minimum of inconvenience to the tenants/residents and Owner's representatives. All maintenance personnel shall be appropriately and neatly dressed, in clearly identifiable uniforms that are the same color and bearing the company logo, at all times while on the property. Shirts must be worn. At all times, gym shorts and halter tops are not appropriate dress.

Initial _____

2. The Contractor shall provide an English-speaking supervisor or foreman on-site with each crew at all time during any maintenance activities to be responsible for the progress of the work and the conduct of the Contractor's personnel. Any time the Contractor's work force is divided between 2 or more sites, an English-speaking supervisor will be present at each site. The supervisors/foremen on-site must have read and be familiar with these specifications.
3. The personnel performing the services described herein shall be under the sole responsibility and the employ of the Turf Mowing Contractor and shall be constantly supervised and shall be competent, experienced, skilled lawn and plant maintenance-oriented people. All of the Contractor's employees shall be authorized to work in the United States as required by the Immigration Reform and Control Act of 1986.
4. All materials and equipment brought to the site are the full responsibility and liability of the Contractor until removed from the site as required. Vehicles on the sites must bear the company logo and be clearly identified.
5. While on the site, the Contractor's representative shall take directions from the Owner's designated representative. Each month a schedule of activities and anticipated dates should be provided to the Owner's representative for review. Should the need arise, scheduled grounds-keeping activities may be preempted by the Owner's representative in order to respond to other landscaping priorities. The Contractor shall provide the Owner's representative with a checklist of items completed at the end of each working day (daily work report).
6. The Contractor is responsible for notifying the Owner regarding damaged equipment or dry areas, or other problems related to the site irrigation system.
7. The Contractor shall supervise and direct the work, using his best skill and attention. The Contractor shall be responsible for all turf maintenance methods, techniques, and procedures and for coordinating all portions of the work under the agreement.
8. Unless otherwise specifically noted, the Contractor shall provide and pay for all labor, material, equipment, tools, transportation, and other facilities and services necessary for the proper execution and completion of the work contemplated by the agreement.
9. The Contractor shall at all times enforce strict discipline and good order among his employees. The Contractor shall only utilize workmen who are in the opinion of the owner, satisfactory and sufficiently skilled for the efficient performance of all work under this agreement.
10. The Contractor shall give all notices and comply with all laws, ordinances, rules, regulation and orders of any public authority in connection with the performance of the work.
11. The Contractor shall be responsible for the acts and omissions of all his employees, his agents and employees and all other persons performing any of the work under an agreement with the Contractor. The Contractor shall be responsible for initiating, maintaining and supervising appropriate safety precautions and programs in connection with his work. He shall take all reasonable precautions for safety of and shall provide all reasonable protection to prevent damage, injury or loss to (1) all employees on the project and other persons who may be affected thereby, (2) the project and all materials and equipment to be incorporated therein, and (3) other property at the site or adjacent thereto.
12. The contractor shall instruct his employees to use caution while operating mowers, edger's and line trimmers near trees, shrubs and ground cover to prevent damage. Damage to trees, shrubs, or ground cover will not be tolerated. The Owner shall make weekly inspections of each site to inspect for mower or line trimmer damage. Repeated signs of damage to trees by mowers or by line trimmers may be grounds for termination of this contract or a replacement value shall be assessed by the Owner. The Contractor shall be responsible for seeing that his employees are taking every precaution to protect trees, shrubs, and ground cover from damage.
13. Contractor will be responsible for immediate notification of all damage to the property; including, but not limited to the sprinkler system and metal edging, lighting, windows, fences, trees and shrubs of all sites caused by Contractor and/or employees. The Contractor shall be liable for any and all damages to our property or adjacent property while executing the provisions of the agreement.
14. Any labor, services, or materials over and above the scope of this contract must be approved by Owner's designated representative, and may be billed at extra per man hour cost plus cost of any materials (on quote form).

Initial _____

COMPLIANCE PROCEDURE:

1. Complaints from residents resulting from work done under this agreement will be received and recorded by the Parks Department, City of Murphy. The complaints will then be forwarded to the Contractor. The contractor will make contact with the person or persons registering the complaint within twenty-four (24) hours and do whatever is necessary to investigate the situation and make a sound judgment as to its authenticity. If, in fact, a liability situation does exist, every effort will be taken to insure that the claim is settled as expeditiously as possible. In each case the Parks Department, City of Murphy will be kept informed as to the disposition of complaints.

AVAILABILITY:

1. The agreement must have at least one responsible member of the company on call/available twenty-four (24) hours per day to respond to service and inspection requests from residents of Murphy, Texas. A list of names, titles, addresses and telephone numbers of these responsible individuals will be furnished to the Parks Department.

AGREEMENT TIME AND EXTENSION:

1. This agreement is for one (1) year. However, the agreement may be extended for up to three additional one year periods if mutually agreed to by the Contractor and the City of Murphy. The agreement amount will remain the same as the quote amount unless the contractor can provide proof of increases in labor, material, insurance, etc. which exceeds five (5) percent. Payroll records and/or receipts of materials shall be submitted to the City in order to substantiate increase approvals.

INSURANCE REQUIREMENTS

1. **Commercial General Liability:** \$1,000,000.00 combined single limit per occurrence for Fire Damage, Medical Expenses, Personal & Advertising Injury, General Aggregate and Products – Completed Operations Aggregate. This policy shall have no coverage removed by exclusions.
2. **Automobile Liability:** \$500,000.00 combined single limit per accident for bodily injury and property damage. Coverage should be provided as a “Code 1,” any auto.
3. **Worker’s Compensation and Employers’ Liability:** Statutory. Employers Liability policy limits of \$500,000.00 for each occurrence, \$500,000.00 Aggregate – Disease.

Other Insurance Provisions

1. The City shall be named as an additional insured on the Commercial General Liability and Automobile Liability Insurance policies. These insurance policies shall contain the appropriate additional insured endorsement signed by a person authorized by the insurer to quote coverage on its behalf.
2. Each insurance policy required by this clause shall be endorsed to state that coverage shall not be suspended, voided, canceled, reduced in coverage or in limits except after thirty (30) days prior written notice has been provided to the City. If the policy is canceled for non-payment of premium, only ten (10) days notice is required.
3. Insurance is to be placed with insurers with a Best rating of no less than A:VII. The company must also be duly authorized to transact business in the State of Texas.
4. **Workers’ Compensation and Employers’ Liability Coverage:** The insurer shall agree to waive all rights of subrogation against the City, its officials, employees and volunteers for losses arising from the activities under this agreement.
5. Certificates of Insurance and Endorsements effecting coverage required by this clause shall be forwarded to:

City of Murphy
 Matt Foster, Parks Superintendent
 206 North Murphy Road
 Murphy, Texas 75094

Initial _____

6. Insurance Certificate must be submitted and issued with the City listed as the certificate holder.

Cancellation Policy must read as follows:

“Should any of the above described policies be cancelled before the expiration date thereof, the issuing insurer will mail a 30 days written notice to the certificate holder named to the left.”

Initial _____

INSURANCE REQUIREMENT AFFIDAVIT

TO BE COMPLETED BY APPROPRIATE INSURANCE AGENT.

I, the undersigned agent, certify that the insurance requirements contained in this quote document have been reviewed by me with the vendor identified below. If the vendor identified below is awarded this contract by the City of Murphy, I will be able, within ten (10) working days after being notified of such award, to furnish a valid insurance certificate to the CITY meeting all of the requirements contained in this quote.

Agent Signature

Printed Name

Name of Insurance Carrier

Address of Agency City State Zip

Phone No. Fax No. Email Address

Vendor / Contractor Name

Acknowledgement

Subscribed and Sworn before me by the above named _____

On this _____ day of _____, 2010

(seal)

Notary Public in and for the State of _____

NOTICE TO THE AGENT

If this time requirement is not met, the City has the right to declare this vendor non-responsible and award the agreement the next lowest/responsible bidder/quote meeting the specifications. If you have any questions concerning these requirements, please contact Matt Foster, Parks Superintendent, 972-468-4352.

Initial _____

PROPOSAL

The following quote is made for furnishing the materials/services for the City of Murphy, Texas.

The undersigned, in submitting this quote, represents that they are an equal opportunity employer, and will not discriminate with regard to race, religion, color, national origin, age or sex in the performance of this contract.

The undersigned affirms that they are duly authorized to execute this agreement that this company, corporation, firm, partnership or individual and has not prepared this quote in collusion with any other and that the contents of these prices, terms or conditions of said quote have not been communicated by the undersigned nor by any employee or agent to any other person engaged in this type of business.

Respectfully Submitted,

Federal ID Number: _____

SIGNATURE

DATE

PRINTED NAME TITLE

COMPANY NAME CONTACT PERSON (Must have knowledge of Quote)

BILLING ADDRESS STREET CITY STATE ZIP

MAILING ADDRESS STREET CITY STATE ZIP

PHONE NUMBER (metro/toll free) FAX NUMBER E-MAIL ADDRESS

Initial _____

MEDIANS/ROW

FM 544

- Medians from Dublin Road east to McCreary Road
- ROW on south side from Heritage Parkway east to Chase Bank (to power poles)
- ROW on north side from Dublin Road east to RR tracks (to white fence)
- ROW on north side from Kwik Kar east to Sonic (to power poles)
- ROW on north side from Race Trac east to Elevate Church (to power poles)
- ROW on south side from Hawthorne Drive east to McCreary Road (to power poles)

Brand Road

- Medians from FM 544 south to Plano City Limits
- ROW on both sides from FM 544 to Plano City Limits

Heritage Parkway

- Medians from Betsy Lane south to Glen Ridge Drive
- Medians from Michael Drive south to FM 544
- ROW on east side from Dakota Drive south to Mustang Ridge Drive
- ROW on west side from Mockingbird Drive south along rock wall

West Betsy Lane

- ROW in front of Southfork Animal Clinic
- ROW west of Oriole Drive on north side to Parker City Limits
- Vacant lot on south side of farthest west median
- Vacant lot on north side of farthest west median

Betsy Lane Water Tower

- Entire area inside fence
- Area directly outside fence up to curb

East Betsy Lane

- Medians and ROW from North Murphy Road to Cactus Path (to fences or power poles)
- ROW on south side from Cactus Path to McCreary Road
- ROW on north side from McCreary Road west to end of white fence

South Murphy Road

- Medians from FM 544 south to Briar Oak Drive (across from Murphy Road Baptist Church)
- ROW on east side from Albertson's shopping center south to utility easement (including easement)
- ROW on east side from Ridgeview Drive south to beginning of HOA fence for Murphy Farms
- Cemetery on corner of Skyline Drive and South Murphy Road

McWhirter Road

- ROW on south side from North Murphy Road to HOA fence
- ROW on south side from North Hill Lane to McCreary Road (to bottom of ditch)
- Medians from North Murphy Road west to Parker City Limits

South Maxwell Creek Road

- ROW on west side from FM 544 south to end of white pipe fence
- ROW on east and west side from start of red pipe fence to end of road (to power poles or fences)

Kinney Road

- ROW on north and south side from South Maxwell Creek Road to creek
- Open field on north side of road before curve

Drainage Areas

- Vacant lot on southeast corner of FM 544 and Hawthorne Drive (including drainage ditch)
- Drainage area on Shady Timbers Lane between Sycamore Drive and Woodlake Drive east to park
- Drainage ditch behind houses on Blue Flumar Court

PARKS**Brentwood Park****Travis Farm Park****Timbers Nature Preserve Park****OPEN SPACE****Kinney Road Property – Brush Hog**

- 16 acre tract north of Kinney Road and south of Oncor utility easement
- Mow from street to all fences, barbed wire or wooden

Bunny Run Property – Brush Hog

- Mow south of Bunny Run Road and west of South Maxwell Creek Road.
- Mow to tree line on front section
- Mow around entire pond on far west section of property adjacent to Timbers Preserve Park

Cactus Path

- Behind house on south end of Cactus Path
- Along east side of road to barricade
- North of last house on the end of Cactus Path

Lonesome Dove

- Mow from Betsy Lane north to first house on west side of Lonesome Dove
- Weedeat all ditches and around railings

Hawthorne Property

- Mow from 544 south to first house on Hawthorne Drive and west of Hawthorne to fence on east side
- Mow and weedeat drainage ditch through property

CITY OF MURPHY CONTRACT MOWING BID LIST
MARCH 3, 2014 - October 31, 2014

MOWING SITE	ACRES	PRICE/CYCLE	FREQUENCY	CYCLES	MAINT. TOTAL
MEDIANS & ROW					
FM 544/Brand Rd.	2.5		Weekly	35	
Hawthorne Drive	1		Weekly	35	
Heritage Parkway	8		Weekly	35	
West Betsy Lane	6		Weekly	35	
East Betsy Lane	6.84		Weekly	35	
S. Murphy Road	2.3		Weekly	35	
McWhirter Road	2.77		Bi-Weekly	17	
S. Maxwell Creek Road	0.62		Bi-Weekly	17	
N. Maxwell Creek Road	1.5		Bi-Weekly	17	
Kinney Road	3.05		Bi-Weekly	17	
PARKS					
Brentwood Park	3.5		Weekly	35	
Travis Farm Park	6.71		Weekly	35	
Timbers Nature Preserve	12.69		Weekly	35	
OPEN SPACE					
Kinney Road Property	16		Monthly	8	
Bunny Run Property	12.5		Monthly	8	
Cactus Path/Lonesome Dove	2.5		Weekly	35	
DRAINAGE AREAS					
Woodlake/Sycamore	3.5		Monthly	8	
Blue Flumar	3		Monthly	8	
SPRAYING					
FM544	2		Bi-Weekly	17	
TOTALS	2				

- Complete maintenance to include: mowing, weedeating, weeding bed weekly, edging, and removal of trash from mowing area
- Spraying to include treatment of ornamental beds
 - Glyphosate on FM 544 unplanted medians

NOTE: City reserves the right to change frequency, cycles, and properties listed above. Bid rate is price per cycle. City pays successful bidder monthly only on cycles completed.

 Signature

 Printed Names

 Date

Carruthers Landscape Management, Inc.

Carruthers Landscape Management, Inc. is a full service commercial landscaping contractor located in Dallas, Texas. They have been in business since 1978 and currently service numerous municipalities in the Dallas/Fort Worth metroplex including: Richardson, Plano, Rowlett, Lewisville, Grand Prairie, Garland, University Park, and Addison. The majority of these cities have long-term relationships with Carruthers and have found their quality of work, and responsiveness to the needs of the customers they are servicing, to be excellent.

The City of Richardson has been using Carruthers for 15 years during which there has been a consistent rise in the amount of responsibility given to the contractor. Carruthers is responsible for maintaining the water towers, medians, right of ways, ditches, creeks, and all of Highway 75 for Richardson. In speaking with the references provided; all speak well of the flexibility of Carruthers when dealing with modifications to the mowing contract for reasons associated with reducing cycles due to drought, as well as the addition of services due to special events or other issues that may arise.

Attached is a list of all the references that were contacted along with comments and thoughts relayed to city staff.

Carruthers Landscaping Reference List

City of Rowlett - Streetscape & Right of Way

Al Krajc – 214-733-4051

- Four year annual maintenance contract
- Very responsive to issues as well as emergency needs
- Bid has stayed the same over the course of last three years
- Efficient and neat work

City of Lewisville – City Hall & Arts Center – Medians

Paul Moore – 972-219-3689

- Contract has existed for three years – option for renewal each year has been approved
- Working with Paul Myers is great
- Email communication for completed tasks is excellent
- Great company

City of Grand Prairie – Medians & Right of Way

Charles Gray – 214-537-4931

- Five year contact with renewal option
- Great to work with
- Easy for add-ons or cycle frequency changes
- Mow, Weedeat, Beds, Spraying, Trimming, Mulching
- Really pleased with service from Paul Myers

City of University Park

Tammy Watson – 972-998-6969

- Has been contractor for the past four seasons
- Reasonably priced compared to competition
- Turning bed work over to him this season
- Responsive to issues that arise

City of Plano – Interstate 75/Central Expressway

Matt Simmons – 469-583-4968 – *comments via voicemail*

- I think you will be very pleased with Carruthers and Paul's service
- Do a good job overall
- Haven't had any problems

Town of Addison – Vitruvian Park/Beltline Road new plantings

Ron Lee - 972-672-1817

- Five year renewable contract
- Will keep using them as long as Carruthers wants to keep doing the work
- Maintain 14 acres of park land in high end/high maintenance area
- Paul Myers is good to work with
- You should not having any problems with Carruthers

City of Richardson – Medians & ROW/Interstate 75

Paul Sheckells – 214-908-4484

- Have been mowing contractors for the City for 15-16 years
- Very responsive to any issues that may arise
- Maintain water towers, medians, right of ways, ditches, creeks, and Interstate 75
- Very simple to do add-ons or modifications

City Council Meeting February 18, 2014

Issue

Discussion on the Safe Routes to School program proposed sidewalk in the Rolling Ridge Subdivision.

Background

The Safe Routes to School Program has provided approximately \$100,000 in funding to construct a sidewalk from Liberty Ridge Park northwest to Oriole Court. The purpose of this sidewalk is to create access along Rolling Ridge Drive without having to cross the street for residents who live in that area of Rolling Ridge. The sidewalk is a huge challenge because of existing topography and landscaping. These challenges would only allow for a 4 foot sidewalk and it would be located right next to the curb in some places.

The staff sent a letter to all homeowners whose property would be affected by the proposed sidewalk and invited them to a meeting to listen to their concerns. Three property owners came to the meeting and these were the ones where the landscaping and topography are the most challenging. These owners are also the ones who live closest to the park. They really do not want the sidewalk behind their houses and prefer that the City enhance the crosswalk at the park. Also, they ask for additional signage, consider moving the school zone back to the park and increase police presence to enforce traffic laws. They did support the sidewalk from Featherwood to Oriole Court.

The staff also met with the Rolling Ridge HOA Board to discuss the proposed sidewalk on Wednesday, February 12th. Residents in attendance supported the idea of the sidewalk from Featherwood to Oriole Court. They also asked about pedestrian safety enhancements from Featherwood to Salsbury; i.e. traffic signs, lights, moving school zone and possibly tabletop type crosswalks. There was also a concern about easements and tree replacements.

Finally, the City has received numerous emails in support and against the proposed sidewalk. I have included the ones received up to Thursday, February 13th for your review.

Board/Staff Recommendation

This staff has placed this on the agenda for discussion purposes with the City Council to hear your thoughts and ideas on this proposed sidewalk.

Attachments

Letter Sent to Homeowners
Homeowner Comments



James Fisher
City Manager
jfisher@murphytx.org

206 North Murphy Road
Murphy, TX 75094
www.murphytx.org

February 4, 2014

Resident
Murphy, Texas 75094

Re: Proposed Sidewalk

Dear ,

The City of Murphy has received a grant from the Texas Department of Transportation called the Safe Routes to School (SRTS) program. The primary purpose and focus of this grant is to provide safe pedestrian passage to and from Murphy Middle School, McMillen High School, Kimbrough Stadium and Murphy Central Park along North Murphy Road. The grant will allow residents the ability to walk from their neighborhoods to these amenities, as well as others, in a safe environment.

The SRTS grant has also provided funding to construct a sidewalk along the northeastern side of Rolling Ridge Drive from Liberty Park north to Oriole Court. I have attached a copy of the map for your reference. The City staff would like the opportunity to visit with you and your neighbors to hear your thoughts regarding this proposed sidewalk. The staff would like to visit with you on Tuesday, February 11th at 6:30 pm here at City Hall to discuss this idea with you. Please contact Steven Ventura at sventura@murphytx.org to advise him of your availability. The staff will also discuss this proposal with the Rolling Ridge HOA Board on Wednesday, February 12th.

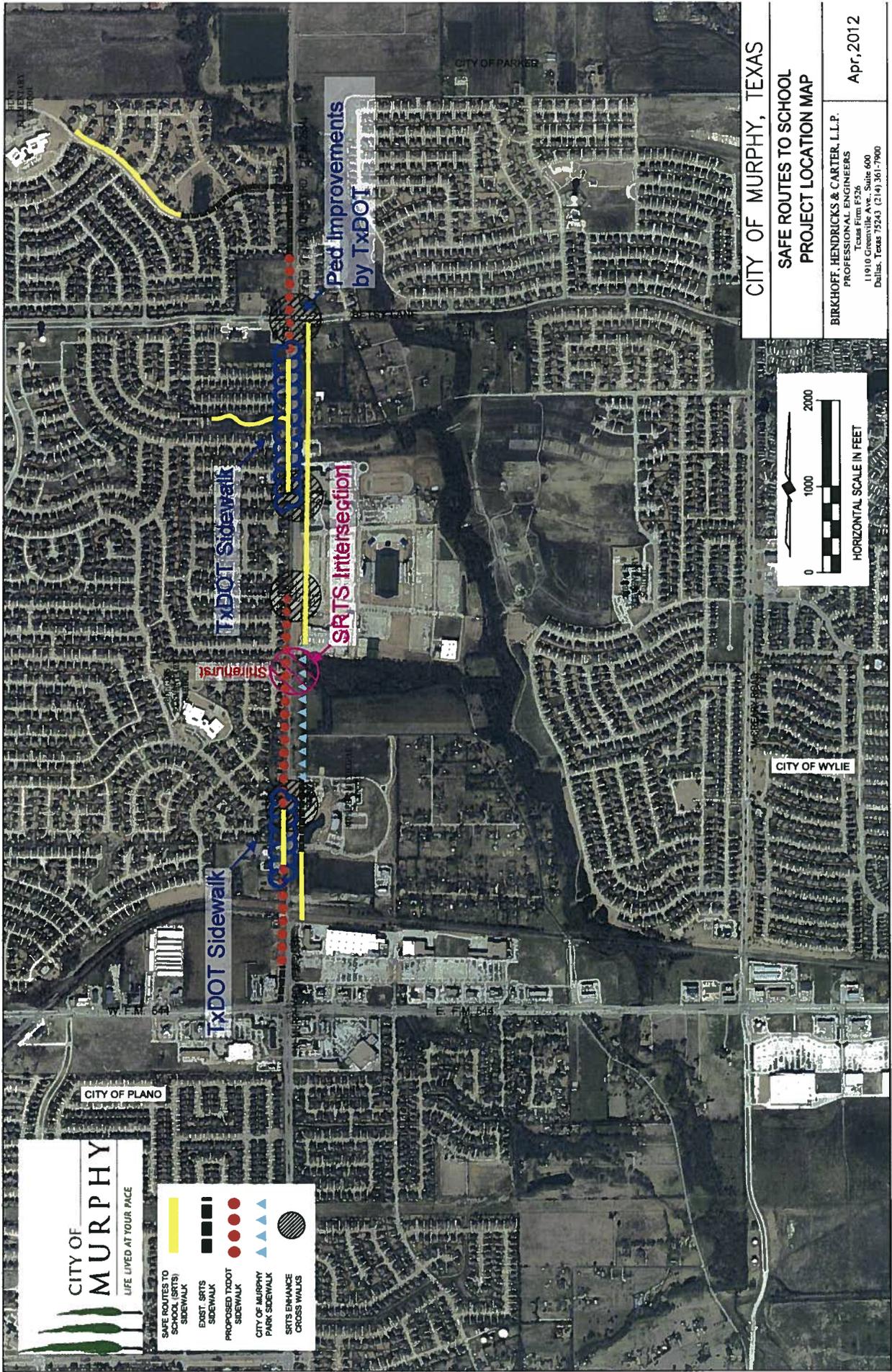
Thank you for your time and attention to this matter. Please feel free to contact me or Steven Ventura, if you have any questions.

Sincerely,

James Fisher
City Manager

Enclosure: SRTS Map

CC: Mayor Eric Barna and City Council Members
Steven Ventura, Interim Director of Parks and Public Works



Dear Mr. Mayor,
Members of City Council,
Mr. City Manager,
City Staff and Members of Rolling Ridge HOA

My name is Alexandra Mims, my address is 1302 Featherwood Drive in Rolling Ridge Estates. Yesterday my husband and I received a letter from the City of Murphy about the proposed sidewalk along the north side of Rolling Ridge Drive from Liberty Park to Oriole Court. The City Staff asked for our thoughts and inputs since we are among those who are going to be **DIRECTLY** and **PAINFULLY** affected by this monstrosity so here they are:

First of all, we already have a beautiful, wide, and **VERY SAFE** sidewalk on the same side of the street with the elementary school. This sidewalk is located on the much more spacious and **PROPERLY DEVELOPED** side of the green belt. The only way to build a sidewalk on our side of Rolling Ridge Drive, without bulldozing and completely destroying the beautiful greenbelt, which attracted so many people into this neighborhood, is to put it right at the edge of the road. Now think about it, is this the safe place for children to be at any time for any reason, on the edge of the road, just like road construction workers who have the highest rate of work related deaths simply because they work and **WALK** next to moving vehicles, not to mention the huge cedar trees and the curve of the road **GREATLY** reducing visibility of the upcoming traffic?

In addition to that, having sidewalks on both sides of the road is going to invite children to cross Rolling Ridge Drive more often and in a more random fashion, just because they suddenly decide to walk with their friends on the other side of the street. As a parent, please, ask yourself or better yet stop by and look at where would you like your children to be, on the properly built wide sidewalk, which has good several feet of green space which separates children from the traffic, and provides very clear visibility of the Rolling Ridge Drive or you want them walking blindsided right next to speeding cars? What is going to happen if a child gets hit by a car and dies? Beside the huge tragedy, don't you think there will be a lawyer comparing the two sidewalks by safety measures and suing the City at the expense of taxpayers?

Secondly, we would like to understand why in the name of children's safety the City wants to discriminate against us and in a process to put our own lives and the lives of our children in danger. In 2005 we had a conversation with our builder and developer of this subdivision Mr. Shaddock. He explained to us why there is no sidewalk on our side of the greenbelt. And I quote "There is just not enough space to build it properly." According to him there was, and may still be, the required distance between a road and a sidewalk and the required distance between a sidewalk and homeowners' fences. Therefore, if you decide to build this sidewalk following all the requirements it

is going to put us, and us especially, in a very big disadvantage compared to our neighbors across the Rolling Ridge Drive. They have plenty of space for trees, grass, bushes and a beautiful sidewalk. We are going to lose all the big gorgeous trees (so much for going green and protecting the environment) and in return have a sidewalk right on the top of our fences. Are we not American enough to enjoy the same advantages of having trees we love and some privacy we have paid for? The second reason is this: Rolling Ridge Drive is not a sleepy residential street, this is why Mr. Shaddock built a long and high berm with trees on top of it right behind our fences to protect us and our children from the fast moving traffic which is just a few steps away. This berm would have to be leveled exposing us to a potential danger of an out of control car. For those of you who might think something like this never going to happen the answer is - IT ALREADY DID. Not to us but to our neighbors in front of us and we have pictures to verify this statement and to show to our lawyers.

Last but not the least, just a few years ago my husband and I met with almost all of you in the Murphy Community Center. You asked us for our vote promising to be much better stewards of our community. We hope since then you have not changed from good neighbors to good bureaucrats who just cannot wait to spend taxpayers' money (YES, A GOVERNMENT GRANT IS A TAXPAYERS MONEY), and we hope you have not completely forgotten that when your fellow neighbors make a huge decision to buy a house they buy the whole package. That includes not just a floor plan and not just the way a house looks from the street but, yes, also the landscape around it, and none of us never ever, ever thinks: "Oh, I just can not wait for a busy body city hall to come out and start doing a PATCHWORK around our house in the name of the children's safety who are going to be more hurt than helped by all of this."

We are going to fight this forever.

Sincerely,
Alexandra and Robert Mims

James Fisher

From: Scott Bradley
Sent: Friday, February 07, 2014 5:03 PM
To: Mims, Bob
Cc: Eric Barna; James Fisher
Subject: Re: Rolling Ridge Sidewalk

Mr. And Mrs. Mims,

Thank you for your email. This section of sidewalk has been a subject of debate for a number of years on both side of the issue. I can tell you that I have received similarly impassioned emails from other Rolling Ridge residents demanding a sidewalk along that side of the road.

Frankly, I have walked the entire area and can see both points of view.

My recommendation the last time this came to council is the same recommendation that I have today. This is a decision Rolling Ridge should make.

We will be presenting the sidewalk options to the HOA and looking for their feedback. I suggest making your opinions known to that body as clearly as you can.

Thank you for your time, and I hope you will continue to communicate your point of view on this topic.

Scott Bradley

Sent from my iPad

On Feb 7, 2014, at 4:36 PM, "Mims, Bob" <~~bob@mims.com~~> wrote:

Please try to read the attachment again. Thank you.

Alexandra Mims

<Sidewalk.pdf>

James Fisher

From: Colleen Halbert <colleen_halbert@hotmail.com>
Sent: Thursday, February 06, 2014 11:17 AM
To: James Fisher
Cc: Steven Ventura; Lynne Clash ; [redacted] ; [redacted] ; [redacted] ; [redacted] ; [redacted]
Subject: Re: Proposed sidewalk on Rolling Ridge Drive

James,

Thank you for you email. I look forward to the responses.

There are two other items that will need to be addressed as well - the sprinkler system and any utility lines buried along there.

Regards,

Colleen
Sent via BlackBerry by AT&T

-----Original Message-----

From: James Fisher <jfisher@murphytx.org>
Date: Thu, 6 Feb 2014 15:33:48
To: <colleen_halbert@hotmail.com>
Cc: <stevenv@murphytx.org>; <lynneclash@comcast.net>; <sbortez@murphytx.org>; <[redacted]>; <[redacted]>; <[redacted]>
Subject: Proposed sidewalk on Rolling Ridge Drive

Thank you for your email. Steven and I will address your questions and get them back to you before the meeting next week.

The City applied for the Safe Routes to School grant back in 2011 - 2012. The proposed sidewalk was listed because at that time, the City had some residents ask about a sidewalk on that side of the road to access the park and get to Hunt Elementary School. The City heard a lot of feedback regarding the proposed sidewalk, some positive and some negative. The City is working on implementing the Safe Routes to School grant program along North Murphy Road and will be submitting to TxDOT for their review very soon. Once this is completed, the Rolling Ridge piece is next, if it is wanted. You bring up some good ideas in your questions. If the sidewalk is not wanted, can the money be reallocated to better crosswalk? I do not know if it we can, but I will look into it. As far as placement, width and trees, those are all concerns that I have had since this proposed sidewalk came up. It is very tight and there is established landscaping that makes it even more challenging. Staff is wanting to hear what the neighbors and HOA want, before we do anything, including removing the sidewalk from the program.
Please let me know how else we can be of assistance.

From my mobile desk
James Fisher, City Manager
City of Murphy, Texas

On Feb 5, 2014, at 1:17 PM, "Colleen Halbert" <colleen_halbert@hotmail.com> wrote:

Mr. Ventura,

It has come to my attention that the city is going to be at our next HOA Board Meeting to discuss the proposed sidewalk along Rolling Ridge Drive. I will be at that meeting and have many questions that I would like to have addressed for the group. But I did want to give you the opportunity to be prepared for the meeting so that we can avoid having to meet a second time to get the answers.

I realize that you were not involved when this project was first proposed in 2012 and many of my questions are based on the information Council was given at that time. So if the scope of the project has changed, some of my questions may no longer be relevant.

I have copied our board members in order to keep them in the loop. I look forward to your response.

Colleen Halbert
408 Laurel Hill Lane
Rolling Ridge

Proposed Sidewalk on Rolling Ridge Drive

There are only currently crosswalks at the park and at Featherwood. Has it been considered to add crosswalks at Mayfield, Parkview and Salisbury in order to cross to the existing sidewalk on the southside of Rolling Ridge Drive? And possibly use the SRTS grant to enhance them with bumps, reflective materials, etc? **The Safe Routes to School Grant in Rolling Ridge is from Liberty Ridge Park to Oriole Court. The City has asked TxDOT if we could add crosswalks at Featherwood and Mayfield instead of building the sidewalk. We are waiting on their response if we can amend our application.**

What type of sidewalk is the city proposing – meandering or straight? **Where possible – meandering. However, this may cause more of an impact to existing landscaping and add retaining wall(s).**

If it will be straight, will it be like the one at the park, next to the street? **We are going to try and keep it off of the street if possible. We have not spent time or money designing the sidewalk, until the City knows that this is what the Rolling Ridge HOA would like to do.**

And if next to the street, will the city extend the bumps all the way along the sidewalk to protect pedestrians? **Yes, that would be something strongly considered to ensure the safety of the pedestrians.**

How wide is the actual sidewalk? **4 feet, 5" thick.**

How wide a space will be needed for the proposed sidewalk from within the 20' width that is the HOA common area? **That is not known yet, but would be determined during design.**

Is the city purchasing the land for sidewalks from the HOA? Or are they going to do the work and the HOA will have to maintain going forward? **The City would ask for a sidewalk easement. As for maintenance we would be responsible for what we have built.**

If the city is purchasing the land, how will fair market value be determined? **The City will be asking for an easement, not a purchase.**

What are the city's plans for replacing the lost trees that will need to be removed?

Reimbursement - how will that rate be determined? Replacement – caliper inch for caliper inch and same species? **The City will work with the property owner who lost the tree and replace it as close as we can to caliper inch and species. However, if it costs more to replace trees than to build the sidewalk, then the project may be abandoned.**

Where does this fit on the prioritized list of missing sidewalks that Councilmember Bradly requested in 2012? **The City staff is still working on this list. It changes regularly with development and the need of sidewalk repairs in existing neighborhoods.**

Does the grant cover the removal of the trees, grading the berms, replacing the trees along with the actual sidewalk? **The Grant covers all of the above except for tree replacement. The City would like to avoid tree removal if at all possible. If trees are removed, then the City will have to identify funds for that cost. Again, if it costs more to replace trees than to build the sidewalk, then the project may be abandoned.**

What is the proposed cost for this project? **The Safe Routes to School Project grant allocated approximately \$104,000 for Rolling Ridge.**

Will this be done in two phases as previously proposed or will it be all the way from the park to Oriole in one shot? **It is my understanding that it will be done in one phase.**

What plans are in place for the north side of Rolling Ridge Drive east from the park to N Murphy Rd? **I am not sure of your question. Is there not an existing sidewalk in place now?**

There are two other items that will need to be addressed as well - the sprinkler system and any utility lines buried along there. **There is a water line, but is deep enough that it should not be a problem. If a sprinkler needs to be relocated, we will work with the landscaper to ensure that it is done correctly.**

James Fisher

From: Rex Ramos <[REDACTED]>
Sent: Tuesday, February 11, 2014 2:08 PM
To: James Fisher
Subject: Fwd: [Rolling Ridge] Child Safety Issue - Important - Action Needed Now

James,

Thank you for your time this morning.

I sent the email below to the neighborhood Google Groups. I don't know of any better way to get the word out quickly, but there are a bunch of people who are not members of the groups or who have the emails filtered to spam.

I know it is short notice for the people who get hear about the issue, but I hope the otherwise-silent majority will take action and be heard.

Rex

Rex Ramos
 214-418-9270

Begin forwarded message:

From: "ramos.rex" <[REDACTED]>
Date: February 11, 2014 at 1:31:49 PM CST
To: [REDACTED]
Subject: [Rolling Ridge] Child Safety Issue - Important - Action Needed Now
Reply-To: [REDACTED]

We have an opportunity for the city to build—using federal funds, not local tax dollars—a sidewalk on the North side of Rolling Ridge Drive from Liberty Park to Hunt Elementary. Without your active support, there is a high likelihood that the sidewalk will not get built.

There is a dire need for the sidewalk. During peak times just before and just after school, the traffic on Rolling Ridge Drive increases significantly, and it becomes much more dangerous to cross the street without a crossing guard. Over the past few years, there have been numerous incidents in which pedestrians, typically young elementary school age children, have almost been hit by cars as they try to cross Rolling Ridge Drive going to or coming home from school. As the traffic around Hunt gets busier (as it will with the new construction that is already underway), the situation will only become more dangerous.

“Safe Routes to School” is a 100 percent federally funded cost-reimbursement program managed through the Texas Department of Transportation (TxDOT). The “Safe Routes to School” program provides funds to make walking and biking to school safer and more appealing to children near elementary and middle schools. The program will pay for infrastructure projects like building sidewalks, but not for crossing guards or other “recurring costs”.

The HOA owns the common area near the street (the property does not belong to the homeowners who own the houses adjacent to the common area). To have the sidewalk built, the HOA would grant an easement to the city for the sidewalk, and the city would build and maintain the sidewalk. Using federal funds, the City of Murphy and the HOA can fix this glaring problem—hopefully before someone is badly injured or killed. With the sidewalk, the north side of the street would look and be used much like the south side of the street. It would seem that the issue would be easily resolved—just add the sidewalk using federal funds.

However, it has become clear to me that a few people do not want the sidewalk added—even at no net cost to the residents—because adding a sidewalk would:

- (1) interfere with the aesthetics on the north side of the street, and
- (2) result in a potential loss of privacy to people who own houses adjacent to the HOA-owned common area in which the sidewalk would be built.

Because the few people against the idea of adding a sidewalk are much better organized than the people who want the sidewalk added, you really need to stand up and be heard—the decision could be made within a week.

If you want the city to use federal funds to add the sidewalk, please act now and be heard by doing any or all of the following:

(1) Send an email to City Manager James Fisher (jfisher@murphytx.org) and let him know that you strongly support the adding of the sidewalk;

(2) Attend the HOA meeting tomorrow night (February 12th) at 6:30pm at City Hall on the 2nd Floor;

(3) Attend the City Council Meeting on Tuesday, February 18th at 6:00pm. The sidewalk issue will be on the agenda.

It would be a huge mistake to put aesthetics above child safety. Please do not allow this opportunity to pass because you did not get involved.

Thanks.

Rex Ramos

--
--

You received this message because you are subscribed to the Google Groups "Rolling Ridge Phase 1" group.

To post to this group, send email to rphaser1@googlegroups.com
To unsubscribe from this group, send email to rphaser1-unsubscribe@googlegroups.com

You received this message because you are subscribed to the Google Groups "Rolling Ridge Phase 1" group.

To unsubscribe from this group and stop receiving emails from it, send an email to rphaser1-unsubscribe@googlegroups.com.

For more options, visit <https://groups.google.com/group/opt-out>

James Fisher

From: Larry Call <[REDACTED]>
Sent: Tuesday, February 11, 2014 2:46 PM
To: [REDACTED]; [REDACTED]
Cc: Lynne Clash
Subject: Re: [Rolling Ridge] Child Safety Issue - Important - Action Needed Now

Rex/Others,

The safety issue we have on RR Rd by the park is much greater than just a sidewalk. The bigger issue is that cars (moms and dads), work trucks, and yes....even buses, speed down RR Rd at 40 to 45 miles per hour. They speed going West by the park until they get at the school zone blinking light at Featherwood Dr and then they speed going east once they leave the school zone. The posted speed limited is 25 mph along that stretch of road. I can't tell you how many times I've seen cars blaze through rounding that curve and had to hit their brakes hard when my kids and others were about to cross the street by the playground. Everyone is in a hurry.

The only way traffic will slow down to a safe speed is to have the blinking school zone light repositioned to the current park crosswalk by the playground. A lot of kids who don't live on the North side of RR Rd. also cross over at that point after school to play. And chances are they would continue to walk along the current south sidewalk to the park on their way home....then cross over by the playground if they saw a friend to play with.

I am not opposed to having a sidewalk on the north side **by the curb** but I don't think it would be as beneficial as blinking lights by the problem area. Several years ago, my initial reaction to this issue was to put in a sidewalk and I even asked for it. But after years of watching traffic, I now realize a sidewalk will not slow down traffic in a kid-filled area.

Regards,
 Larry Call

From: ramos.rex
Sent: Tuesday, February 11, 2014 1:31 PM
To: [REDACTED]
Subject: [Rolling Ridge] Child Safety Issue - Important - Action Needed Now

We have an opportunity for the city to build—using federal funds, not local tax dollars—a sidewalk on the North side of Rolling Ridge Drive from Liberty Park to Hunt Elementary. Without your active support, there is a high likelihood that the sidewalk will not get built.

There is a dire need for the sidewalk. During peak times just before and just after school, the traffic on Rolling Ridge Drive increases significantly, and it becomes much more dangerous to cross the street without a crossing guard. Over the past few years, there have been numerous incidents in which pedestrians, typically young elementary school age children, have almost been hit by cars as they try to cross Rolling Ridge Drive going to or coming home from school. As the traffic around Hunt gets busier (as it will with the new construction that is already underway), the situation will only become more dangerous.

“Safe Routes to School” is a 100 percent federally funded cost-reimbursement program managed through the Texas Department of Transportation (TxDOT). The “Safe Routes to School” program provides funds to make walking and biking to school safer and more appealing to children near elementary and middle schools. The program will pay for infrastructure projects like building sidewalks, but not for crossing guards or other “recurring costs”.

The HOA owns the common area near the street (the property does not belong to the homeowners who own the houses adjacent to the common area). To have the sidewalk built, the HOA would grant an easement to the city for the sidewalk, and the city would build and maintain the sidewalk. Using federal funds, the City of Murphy and the HOA can fix this glaring problem—hopefully before someone is badly injured or killed. With the sidewalk, the north side of the street would look and be used much like the south side of the street. It would seem that the issue would be easily resolved—just add the sidewalk using federal funds.

However, it has become clear to me that a few people do not want the sidewalk added—even at no net cost to the residents—because adding a sidewalk would:

(1) interfere with the aesthetics on the north side of the street, and

(2) result in a potential loss of privacy to people who own houses adjacent to the HOA-owned common area in which the sidewalk would be built.

Because the few people against the idea of adding a sidewalk are much better organized than the people who want the sidewalk added, you really need to stand up and be heard—the decision could be made within a week.

If you want to the city to use federal funds to add the sidewalk, please act now and be heard by doing any or all of the following:

(1) Send an email to City Manager James Fisher (jfisher@murphytx.org) and let him know that you strongly support the adding of the sidewalk;

(2) Attend the HOA meeting tomorrow night (February 12th) at 6:30pm at City Hall on the 2nd Floor;

(3) Attend the City Council Meeting on Tuesday, February 18th at 6:00pm. The sidewalk issue will be on the agenda.

It would be a huge mistake to put aesthetics above child safety. Please do not allow this opportunity to pass because you did not get involved.

Thanks.

Rex Ramos

--
--

You received this message because you are subscribed to the ~~Google Group "Rolling Ridge Phase 2" group~~

To post to this group, send email to ~~rphaser1@googlegroups.com~~
To unsubscribe from this group, send email to ~~rphaser1-unsubscribe@googlegroups.com~~

You received this message because you are subscribed to the ~~Google Group "Rolling Ridge Phase 2" group~~.
To unsubscribe from this group and stop receiving emails from it, send an email to ~~rphaser1-unsubscribe@googlegroups.com~~.
For more options, visit ~~<https://groups.google.com/group/rollingridgephase2>~~

James Fisher

From: DeLayne Spicer <[REDACTED]>
Sent: Tuesday, February 11, 2014 1:40 PM
To: James Fisher
Subject: New sidewalk in RR

We desperately need a sidewalk added from Liberty Park to Hunt Elementary. I strongly support the use of federal funds through the Safe Route to school program!!!

DeLayne Spicer
 Hunt Parent and Rolling Ridge Resident

From: Sherri Merideth-Cheatham <[REDACTED]>
Sent: Tuesday, February 11, 2014 1:40 PM
To: James Fisher
Subject: Sidewalk in Rolling Ridge

I wanted to voice my support of the addition of a sidewalk on the North side of Rolling Ridge Drive as part of the Safe Routes to School program. It gets very busy during school drop off and pick up. Thank you.

Sent from my iPhone

From: [REDACTED]
Sent: Tuesday, February 11, 2014 1:39 PM
To: James Fisher
Subject: Supporting RR Sidewalk

I am writing to you in support of the sidewalk addition to the North Side of RR near liberty park and hunt elementary. I live in RR while it is not on the North side I fully support the city funded addition to the sidewalk in support of safety for our children.

Signed,
 Shantell Dennis

Begin forwarded message:

From: Lisa Buchanan <[REDACTED]>
Date: February 10, 2014 at 7:55:30 PM CST
To: "[REDACTED]" <[REDACTED]>
Cc: Lynne Clash <[REDACTED]>, RRPhase2-6 <[REDACTED]>
Subject: Re: [RRInformation] RE: HOA Board Meeting, Wed Feb 12th 6:30pm

Agree with Rex. We are some of the people almost hit when crossing from Mayfield across Rolling Ridge to get to the sidewalk.

Thank you,
 Lisa Buchanan

James Fisher

From: Rex Ramos <[redacted]@gmail.com>
Sent: Wednesday, February 12, 2014 4:44 PM
To: James Fisher
Subject: Fwd: [RRInformation] Child Safety Issue - Important - Action Needed Now

James,

I could not tell whether Mr. Gillum's email was also directed to you, so I am forwarding it to you so you will have it.

Rex

----- Forwarded message -----

From: Mike Gillum <[redacted]@gmail.com>
Date: Tue, Feb 11, 2014 at 2:58 PM
Subject: RE: [RRInformation] Child Safety Issue - Important - Action Needed Now
To: "naumanahabit@hotmail.com" <[redacted]@hotmail.com>, "[redacted]@gmail.com" <[redacted]@gmail.com>, RRPhase2-6 <[redacted]@groups.google.com>

I also support it. I see many kids crossing the middle of the street in traffic simply to get to the sidewalks on the other side. It's a safety issue and a sidewalk would correct that.

From: naumanahabit@hotmail.com
To: [redacted]@gmail.com, rphase2-6@groups.google.com
Subject: RE: [RRInformation] Child Safety Issue - Important - Action Needed Now
Date: Tue, 11 Feb 2014 14:54:04 -0600

Hi Rex,

I would support this initiative. I know many people cannot attend these meeting. If there is a way to do a virtual polling (via email or a webpage) and then results presented to the City officials.

This is an important issue and I agree aesthetics comes second to safety.

Nauman

James Fisher

From: Larry Call <[REDACTED]>
Sent: Tuesday, February 11, 2014 5:58 PM
To: James Fisher; Steven Ventura
Subject: FW: [Rolling Ridge] Child Safety Issue - Important - Action Needed Now

Additional info from Eddie Mullins and Angelique Loncar below.

From: Angelique Loncar [mailto:[REDACTED]]
Sent: Tuesday, February 11, 2014 5:23 PM
To: [REDACTED]
Cc: <[REDACTED]>; <[REDACTED]>; <[REDACTED]>; Lynne Clash
Subject: Re: [Rolling Ridge] Child Safety Issue - Important - Action Needed Now

I think that moving the school zones, adding additional signs, and adding traffic buttons are all helpful suggestions in the area of the park. Neighbors who live on different streets have different concerns. Perhaps a bit of drivers re-education that by law all drivers (including parents and bus drivers) should stop at cross walks when a pedestrian is attempting to cross not just the ones with a crossing guard and also that it is illegal to pass in a school zone. I see both of these being ignored with great frequency.

Sent from my iPhone
 Angelique Loncar

On Feb 11, 2014, at 3:56 PM, "Eddy Mullins" <[REDACTED]> wrote:

I am in agreement with Mr. Call concerning the issue of child safety along Rolling Ridge Drive. I am a member of the Citizens On Patrol volunteer program so I witness the situation and have had concern for some time. Usually I volunteer patrol two days a week. When I am not on a call or other assigned duty, I try to be in the area of Liberty Ridge Park usually parked in the designated parking on Rolling Ridge Drive for the park about the time school is released. Although I am not a sworn officer, the presence of a marked car surely makes a noticeable difference for most of the vehicles coming and going on Rolling Ridge Drive. Disregard for the speed limit on this residential street is of a major concern in this area at all times.

Moving the school zone warning light would be a deterrent to reduce the speed of vehicles rounding the curve. Kids will be kids and make a snap decision at the last moments not thinking of the consequences even in a school zone and with sidewalks on each side of the street. But don't let that logic be a deciding factor in regards to this project.

If either or both issues fail, I would propose that a PEDESTRIAN CROSSWALK AHEAD sign be installed maybe even with small traffic buttons across traffic lanes.

Eddy Mullins

From: Elizabeth Anderson <[REDACTED]@msh.com>
Sent: Tuesday, February 11, 2014 3:23 PM
To: James Fisher; Council
Subject: Rolling Ridge Sidewalk

I would like to let you know that I am in favor of building the sidewalk in Rolling Ridge as part of the Safe Routes to School program. I think moving the school zone back to the park would also help with speeding cars in that area. There is a lot of traffic before and after school and a majority of them speed past the park making it very dangerous for the kids crossing Rolling Ridge Drive near the park.

Also, is it true that a 3 way stop will go in at Heritage/Betsy and a 4 way stop at Oriole/Betsy? This will make for a traffic nightmare especially during school dropoff/pickup and rush hour. Please reconsider this. The traffic is horrendous at the 4 way stop at Murphy Rd/Betsy and adding in two more stops will be even worse.

Thank you for your time.

Elizabeth Anderson
 1211 Whitestone DR

James Fisher

From: The Badge Queen - Deana Perkins <[REDACTED]@badgeregion.com>
Sent: Tuesday, February 11, 2014 3:48 PM
To: James Fisher
Subject: Sidewalk for Rolling Ridge

Mr Fisher,

We have lived in Rolling Ridge for 7 years. We really enjoy Murphy.
 We very much ENDORSE the need for a sidewalk on the north side of Rolling Ridge Drive.
 We have many children in the neighborhood that would be much safer with this addition.
 Children's safety over aesthetics is always the way to go.
 Please consider this measure with that in mind.

Deana & Rick Perkins
 1203 Whitestone Drive

James Fisher

From: Fricke, Melanie ([REDACTED]) <[REDACTED]@spokane.com>
Sent: Tuesday, February 11, 2014 2:42 PM
To: James Fisher
Subject: Sidewalk from Liberty Park

I support adding the sidewalk on the north side to Hunt Elementary for the safety of kids who walk to school.

James Fisher

From: Shannon Easterling <[REDACTED]@jcw.com>
Sent: Tuesday, February 11, 2014 1:44 PM
To: James Fisher
Subject: Rolling Ridge sidewalk

Good afternoon Mr. Fisher,
 I am a Rolling Ridge resident and support the proposed sidewalk to be built on the North side of Rolling Ridge Drive to Hunt Elementary. I believe this is a wonderful idea. Keeping the kids and pedestrians safe should be a top priority, as Rolling Ridge is very curvy and there are no easy ways to cross to the South side without a crossing guard.

Thank you for your time.

Shannon Easterling

James Fisher

From: Stacey Overbey <stacey@overbey.com>
Sent: Tuesday, February 11, 2014 10:16 PM
To: James Fisher
Subject: Sidewalk in Rolling Ridge

Mr. Fisher,
I am writing to you to let you know how important adding a sidewalk from Hunt Elementary to the park is for our Murphy children. Please help be proactive in keeping our children safe instead of having to be proactive when someone gets harmed.

Thank you,

Stacey Overbey

Sent from my iPad

James Fisher

From: Angelique Loncar <angeliqueloncar@comcast.net>
Sent: Wednesday, February 12, 2014 9:56 AM
To: James Fisher; Steven Ventura
Cc: ~~angeliqueloncar@comcast.net~~

Dear Mr. Fisher and Mr. Ventura,

I just wanted to forward what I sent to our Rolling Ridge HOA president last week. I don't know if it was forwarded to you. I have added a bit. It is basically our feelings that were discussed last night. I believe that someone may have taken it that we don't want a sidewalk at all. We do appreciate the concerns of other streets and the need for the children to not cross through carpool traffic lanes.

John and I really don't want a **side walk behind our house**. They will have to cut out some of the trees to do it right and make it safe for kids to walk there. I appreciate the trees and the privacy they provide from the other homes across Rolling Ridge and traveling cars. Not to mention we have watched them grow for 10 years and landscaped our yard accordingly. The children have plenty of room on the other side of the street. At some point the children have to cross the road. If they put the side walk right up to the curb that isn't safe either especially around the curve behind our house. Cars won't see them if they are playing around and step into the street, crash on their skate board, or bike. Having 4 children, 3 of which who have walked this route over the past 9 years to and from Hunt Elementary school I say leave it the way it is. I would still prefer my children walking (for safety reasons) on the existing side even if a side walk was put in behind our home. If they want to add some flashing lights at cross walk they can use money for that added awareness. They could also extend the end of school zone passed the park so people are not stepping on the gas right when they get to the curve. Those changes would benefit all children and neighbors crossing the street at that location to go to and from the park on both sides of the neighborhood. I also liked some of the ideas that Eddie Mullins mentioned. Perhaps there may even be other safety options that haven't been mentioned to improve that crossing area at all hours of the day, not just during school rush hours.

Sincerest thanks for your time,

Angelique Loncar

James Fisher

From: Kenneth Tatsch <katsch@vencor.com>
Sent: Wednesday, February 12, 2014 3:45 PM
To: James Fisher
Subject: Rolling Ridge Sidewalk

Hello James,

Just wanted to comment on the sidewalk proposition on Rolling Ridge.

I support the sidewalk but feel the following should be seriously considered, though one proposition would cost more than may be allowed by the grant:

1. For the sidewalk to be fully functional for kids and bikes (and trikes), 4' is inadequate unless they are the only one on the sidewalk, which is not normally the case.
2. The meandering shape of the sidewalk on the south side has proven in my mind that it is dysfunctional, as no one walks in a meandering style. I see no benefit or purpose to the non-straight sidewalk. While it may look stylish, it is not worth the money if it isn't fully functional to get people off the street.

To correct these issues and to provide better utility, the sidewalk should be at least 6' wide. I know this is not the norm, but if this sidewalk is to be fully useful, it is necessary. At a minimum, don't use a meandering style, as this is dangerous for kids on bikes and trikes, riding off the side. I've also seen the kids in the street, because they find maneuvering parts of the south-side sidewalk difficult at best.

Given the inadequacies in design and utility of the south-side sidewalk, crosswalks to funnel foot traffic to the south-side is not a real solution, as the south-side is inadequate already, and more crosswalks will only serve to disrupt traffic flow.

Not to detract from this topic, please see what can be done about getting rid of those nuisance curbs in the street on the north side along the park. People obviously hit them often, as there are always skid marks on them. They come to the edge of what is the natural flow lane and people are busy watching for pedestrians and oncoming traffic, not down at a curb that shouldn't be there. I've seen twice where cars hit them and veered across the center of the road. I believe they are an accident waiting to happen. I can see they serve no real purpose.

Thanks for listening.

Ken

City Council Meeting
February 18, 2014

Issue

Discuss, consider and/or act on awarding a contract for a Utility Rate Study of water and sewer rates and authorizing the City Manager to execute contract documents.

Background

During the preparation of the FY 2014 budget for the Utility Fund, it became apparent that although the water and sewer rates had been adjusted recently, they were not sufficient enough to cover the costs of operating the system in place and address the utility capital projects that are planned over the next five years. After much discussion between City Council and staff, rate increases were proposed to address the rising cost of water from North Texas Municipal Water District (NTMWD) and the cost of the of sewer treatment which are fixed costs regardless of usage. Council approved the implementation of rate increases effective December 1, 2013 with the stipulation that a rate analysis and study be conducted after the beginning of 2014. City Council met with Chris Ekrut and Matthew Garrett with NewGen Strategies & Solutions and Jeff Snowden of CAPEX Consulting Group on January 31st. Both firms submitted a proposal which includes a scope of work and fee schedule based on their discussions with City Council. The proposals were emailed to City Council on Monday February 10th.

Financial Considerations

This is a non-budgeted item. If a contract is awarded, the FY 2014 Utility Budget would need to be amended to reflect this change. This amendment will be brought before the City Council as a later date, if awarded.

Board/Staff Recommendation

Staff is requesting direction from City Council.

Attachments

Sent by email on February 10, 2014
Proposal – NewGen Strategies & Solutions
Proposal – CAPEX Consulting Group

1300 E Lookout Drive, Ste 100
 Richardson, TX 75082
 t 972 680 2000
 f 972 680 2007



February 6, 2014

Mr. James Fisher
 City Manager
 City of Murphy
 206 N. Murphy Rd.
 Murphy, TX 75094

Ms. Linda Truitt
 Finance Director
 City of Murphy
 206 N. Murphy Rd.
 Murphy, TX 75094

Mr. Steven Ventura
 Assistant Finance Director
 City of Murphy
 206 N. Murphy Rd.
 Murphy, TX 75094

Subject: **Proposal to Conduct Water and Wastewater Cost of Service and Rate Design Study**

Dear Mr. Fisher, Ms. Truitt and Mr. Ventura:

Based on an email received on November 20, 2013 and a subsequent meeting with you and members of your City Council on January 30, 2014, NewGen Strategies & Solutions LLC., ("NewGen") appreciates this opportunity to propose our assistance to the City of Murphy ("City"). It is our understanding that at this time the City is seeking a qualified consultant to conduct a Water and Wastewater Cost of Service and Rate Design Study.

As part of this study, the consultant will prepare a five-year forecast of water and wastewater revenue requirements and accompanying rate scenarios which will both meet the City's revenue recovery objectives and also create more transparency in wholesale pass-through charges from North Texas Municipal Water District ("NTMWD"). Additionally, the consultant should examine the utility's capital requirements for both planned development and replacement needs in suggesting rates sufficient to provide continuous and adequate service to the City's utility customers. Lastly, the City desires that an electronic rate model be provided as part of the study deliverables.

Proposed Work Plan

To perform the requested study, the Project Team proposes the following work plan. Our proposed work plan closely follows the approaches and methodologies utilized by NewGen's Project Team members in all of their water and wastewater cost of service and rate design studies. Therefore, the City can be assured that the work plan proposed by NewGen has been tested and proven in numerous studies across the state and nation. It is understood that, if selected, the Project Team will refine, customize, and finalize the work plan with the City upon award of the project.

NewGen maintains a strong and active presence before the State of Texas' rate regulatory authorities and is routinely requested to provide expert opinions on rate matters by legal counsels representing clients throughout the State of Texas. For NewGen to maintain its reputation and presence within the regulatory environment, our product must be of such quality to withstand intense scrutiny. The product developed by NewGen for this engagement will withstand such scrutiny. To achieve this, as part of our work plan, NewGen has one of its senior level consultants, who is outside of the study's day-to-day process, provide an independent review of the study to test the assumptions and validity of the results

Mr. James Fisher, Ms. Linda Truitt and Mr. Steven Ventura

February 6, 2014

Page 2

and recommendations. Mr. Jack Stowe, who has more than forty (40) years of professional experience and is a recognized expert in rate regulatory matters, will provide the quality control and assurance review for the project.

Task 1 – Initiation of Initial Data Request

The Project Team will develop an initial data request that will be needed to adequately begin the review and evaluation of the City's retail water and wastewater rates. This data will include, but is not limited to, operating, financial, management, policy, and ordinance data. The purpose of the initial data request is to become more familiar with the City's operations and policies in order to maximize the effectiveness of our time with City representatives in the project kick-off meeting. The Project Team will issue the initial data request within five (5) days after receiving notice to proceed on the project.

Task 2 – Initial Data and Information Assessment

Once the City has submitted the initially requested data, the data will be reviewed for discussion during the project kick-off meeting. Throughout the course of the project, data received by the Project Team will be sampled and tested for accuracy. The sampling and testing of data is imperative in regards to the billing data used to set rates. In all of our rate study engagements, NewGen conducts a thorough review and testing of the billing data queries provided by our clients. It is essential in the development of proper cost allocations and reliable revenue projections that the billing data be as accurate as possible. NewGen will work closely with the City's billing staff and/or software provider to extract the appropriate billing data. In addition, as necessary, the Project Team will conduct informal interviews with City staff during our review of the historical data to ensure that the Project Team understands the information provided.

Task 3 –Project Kick-off Meeting

After receiving the initially requested data, the Project Team will work with the City to schedule a kick-off meeting. The primary reason for the kick-off meeting is to allow the key Project Team consultants and participants from the City to be introduced and lay the general framework for how the study will be conducted. This meeting will also allow for the finalization of the proposed work approach, as well as discuss and clarify the information analyzed in Task 2.

In addition, the project kick-off meeting will allow for the Project Team to gain a better understanding of the goals and objectives, as well as expectations, the City desires to achieve from the study. As part of the kick-off meeting, the Project Team members will also discuss:

- Political and customer views/opinions of current rates;
- Capital/operational demand changes anticipated over the study's forecasted period;
- Initial rate design pricing objectives; and,
- Initial strategies for implementing/communicating possible rate changes.

Task 4 – Determination of Test-Year Revenue Requirements

Revenue requirements will be developed for the water and retail wastewater studies using the American Water Works Association ("AWWA") accepted cash needs approach. The cash needs approach closely follows municipal budgeting practices and incorporates a utility's operation and

Mr. James Fisher, Ms. Linda Truitt and Mr. Steven Ventura

February 6, 2014

Page 3

maintenance costs, debt service and bond coverage requirements, cash funded capital outlays, reserve requirements, and transfers. Specifically for the City, the revenue requirement will include the City's operational costs adjusted to reflect normal service conditions; current and future anticipated principal and interest payments; current and future cash capital outlays, the \$850,000 transfer from the Water and Wastewater fund to the City's General Fund and the net impact of billing the General Fund for water use against this transfer; future capital funding needs including the impact of inflation on construction cost; and pass-through charges for wholesale service.

In developing the revenue requirements, the Project Team will assess and project each utility's cost of service by analyzing each utility's historical costs, the current budget year, any forecasts made for future fiscal years, as well as any debt service ratio or bond covenant requirements. The Project Team will develop a test-year cost of service for each utility. A test-year is a common term in rate studies that refers to an adjusted fiscal year cost that will be used as a basis for setting rates. The test-year cost of service will be adjusted by non-rate revenue sources to develop the test-year revenue required from utility rates.

In addition, as part of developing the revenue requirement, the Project Team will specifically identify the City's wholesale cost of water and wastewater service from NTMWD. These costs will be segregated and identified separately throughout the course of the study to clearly identify the impact these costs have on customers. As part of rate development in Task 10, the Project Team will identify a specific pass-through charge to recover wholesale costs from customers and to promote transparency in the rates.

Task 5 – Forecast of Revenue Requirements

Using the test-year developed in Task 4, the Project Team will begin the development of a five-year revenue requirement forecast. As necessary, interviews with City staff may be conducted to gather additional data to complete this task. During this task, it is crucial to thoroughly analyze the assumptions used in projecting the revenue requirements. These assumptions may include, but may not be limited to, growth rate, inflation rates, regulatory changes, conservation, increase in contractual obligations, and capital improvements. These assumptions will be supported by standard industry forecasting practices and available indices. In addition, support will come from the City's master plan studies and current infrastructure ratings.

The Project Team will work closely with City staff to examine the City's planned method of financing (e.g. cash, debt, grants) future capital improvements and the financing methods' impact on retail rates, operating and capital reserve targets, and debt coverage requirements, as well as examine anticipated operational and/or staffing changes over the five-year forecast. The five-year revenue requirement will serve as the basis for the development of the financing plan to meet projected capital improvement expenditures.

Task 6 – Determination of Realizable Revenue at Current Rates

The results of this task will provide the data to properly evaluate the cost of service, the magnitude of overall increases, if any, and the probability of redistribution of revenue responsibility between customer classes as well as providing the Project Team the ability to compare the actual cost to provide utility service with the anticipated billed revenues of the utility. In the revenue determination, adjustments will be made to the historical billing data to reflect normalized weather conditions and usage. This task will also provide a "check" of the data provided by City staff.

Mr. James Fisher, Ms. Linda Truitt and Mr. Steven Ventura

February 6, 2014

Page 4

Task 7 – Functionalization of Revenue Requirements

Functionalization is the process of grouping costs based on the function, or type, of service provided. Discussions will be held with City staff to understand the types of services that are provided by the City (e.g. raw water service, transmission service), and what system information is available from the City, to determine the appropriate functional cost categories to be utilized in the study.

Task 8 – Classification of Revenue Requirements

After the development of the functionalized costs in Task 7, costs are classified into the components of utility service that are provided. For the water utility, it is proposed that costs be classified using the AWWA recommended Base Extra-Capacity method, where costs are classified as base, extra-capacity and customer related.

For the wastewater utility, it is proposed that costs be classified using the Water Environmental Federation (“WEF”) recognized flow, BOD, TSS, and customer parameters. While the City may not have industrial customer’s subject to a pretreatment program or apply an industrial strength surcharge to customers at this time, such a program is or will eventually be required in accordance with the City’s wholesale wastewater treatment contract with North Texas Municipal Water District. Classification of wastewater costs in the proposed manner will facilitate calculation of an industrial strength surcharge and the establishment / management of the City’s pretreatment program.

It should be noted that these are our proposed classification methods. Discussions will be held with City staff before the finalization of the agreement between the City and NewGen to determine the appropriate classification methods to utilize in recognition of the City’s objectives and available system and billing data.

Task 9 – Allocation of Revenue Requirements

One of the most important considerations in the setting of fair and equitable rates for utility service is the establishment of the appropriate grouping of customers (i.e., customer classes for cost distribution after costs are classified). Generally, a customer class should only include those customers who: (a) are in a similar location in relation to the utility; (b) use the same or similar service from the utility; and (c) place similar demands upon the utility. As part of the City’s request, the Project Team will analyze the usage patterns of the presently defined customer classes in the above context and evaluate whether a new classification of customers or amendment to the current classification should be recommended.

Costs within each utility will be allocated to the selected customer classes based on each customer class’ level of service provided by the City. It is imperative that the factors that form the basis of costs incurred by the City to provide continuous and adequate service to its customers be appropriately identified. This identification requires a thorough understanding of the influencing conditions controlling the design and/or actual operation of a system. These conditions include normal and peak weather conditions. Members of the Project Team are thoroughly versed in appropriately identifying these costs and are recognized experts before the State’s rate regulatory agencies. The factors for the allocation of costs to the customer classes will be dependent on the billing and system information available from the City.

After the forecasted revenue requirements are allocated to the customer classes, the Project Team will conduct a briefing presentation with City staff to provide the comparison of the revenue requirements

Mr. James Fisher, Ms. Linda Truitt and Mr. Steven Ventura

February 6, 2014

Page 5

by customer class to each customer class' revenue generation under current rates. This will provide the City with the magnitude of the potential rate adjustments needed for each customer class.

Task 10 – Development of Rate Design

In the formulation of a rate and fee design plan, a clear and distinct understanding of the City's overall goals and objectives should serve as the foundation for the development of options since rate and fee design enables the utility to meet its service pricing objectives. Pricing objectives could include, but would not be limited to:

- Cost of Service Recovery;
- Revenue Stability;
- Affordability;
- Equity;
- Ease of Administration;
- Regional Competitive Position;
- Conservation; and,
- Economic Development.

During the briefing presentation with City staff after the completion of Task 9, members of the Project Team will discuss with City staff the potential rate design alternatives that meet the City's pricing goals and objectives. From these discussions, the Project Team will develop defensible rate structures that are reflective of industry accepted practices and procedures and rate regulations within the State of Texas and which balance the recovery of revenue between base rates and volumetric rates on an equitable basis.

Task 11 – Determination of Realizable Revenue with Rate Adjustments

The Project Team will analyze and compare the revenues forecasted to be generated under designed rate structures, by customer class, to the forecasted cost of service to determine the adequacy of the designed rate structures to meet the City's financial goals, including bond coverage requirements and operating and capital reserves. To the extent the designed rates are projected to be inadequate, appropriate rate adjustments for each class will be calculated. In the revenue determination, adjustments will be made to the historical billing data to reflect normalized weather conditions and usage. Also, the monthly impact of rate adjustments on customer bills under the designed rate structures will be examined.

Task 12 – Rate Comparison Review

The Project Team will compare the City's current and adjusted utility rates to utility rates of municipal utilities of similar size, demographics, and operational characteristics so as to provide an estimation of the City's comparable and competitive position.

After completing Task 12, members of the Project Team will conduct a briefing presentation with City staff to discuss the results of the rate design analysis. Included in these discussions will be the development of the strategy(ies) to communicate and institute any significant rate changes.

Task 13 – Draft Report Preparation

The Project Team will develop a draft report summarizing findings, conclusions, and recommendations of the water and wastewater rate study. The report will include all methodologies, assumptions, and calculations, and a background section that includes all data used in the determinations made in the study. The Project Team is committed to ensuring that the City thoroughly understands the recommendations in the draft report and will be available to discuss findings, answer questions, and

Mr. James Fisher, Ms. Linda Truitt and Mr. Steven Ventura

February 6, 2014

Page 6

receive input. The Project Team will ensure that City staff has sufficient time to address their concerns and/or questions prior to finalizing the report.

Task 14 – Final Report Preparation and Presentation

Upon receipt of City staff comments, the Project Team will make appropriate changes and provide the City with the final report. After completion of the final report, the Project Team will assist the City in the presentation of the results of the water and wastewater rate study to various stakeholders, including presenting the study’s findings, conclusions, and recommendations to the City Council.

Task 15 - Finalization of Model and Training Session

The development of the financial forecasting and rate model will occur throughout the course of the project. Once the project has been finalized, the Project Team will work to form this model into a “user-friendly” program for use by City Staff.

NewGen prides itself in developing user-friendly models which are specific to, and reflect the unique operational characteristics of, each client. While our Project Team utilizes standard best practices in developing rate models, each model we develop is unique and does not reflect a “canned” or “off-the-shelf” product. Given the unique nature of each of our clients, we believe it is important that the product produced as part of a rate study also be unique and reflective of our client’s overall goals and objectives.

The model provided to the City will be built so as to be compatible with Microsoft Excel 2010 or newer versions. Within the model itself, the user guide will be built-in so as to ensure that a user has immediate and constant access to instructions on the model’s function. All assumptions will be presented in blue font and all calculations / results presented in black font so the user is aware of fields that can be amended. Additionally, both a fully protected version and an unlocked version of the model will be provided as well to ensure staff has a tool that can be deployed to all classes of user, from novice to advance.

The City’s model will allow staff to run “what-if” scenarios including, but not limited to, changes in operating, capital and wholesale costs, customer and volume growth or decline, debt service structure, source costs, inflation, capital project financing, and funding sources. The model will allow the user to assess the impact various scenarios will have on an existing typical monthly bill for each class of customer. The model will also generate financial statistics such as debt coverage ratios and average dollar and percentage change for each customer class.

To ensure the model is fully useable by staff, the Project Team will conduct a hands-on training session with key model stakeholders when the model is delivered and will discuss every worksheet within the model and fully demonstrate its functionality. As evidence of our commitment to the City, the Project Team also agrees to provide remote and on-site technical support on the model’s functions and capabilities for a full year following the study at no extra charge.

Project Coordination and Reporting

For a cost of service and rate study to be successful, input into the project and ownership of the results by the City staff, City Council, and ratepayers must occur. Efforts to achieve this success include the enhancement of communication between the City and the Project Team through several coordination activities provided within the scope of services, such as the Project Kick-off Meeting to allow the project

Mr. James Fisher, Ms. Linda Truitt and Mr. Steven Ventura

February 6, 2014

Page 7

participants to finalize the work approach, as well as establish the lines of communication. In addition, after Tasks 9 and 12, the Project Team will conduct briefing presentations with City representatives on the study's activities to-date. Also, the Project Team will assist City staff in the presentation of the study's findings, conclusions and recommendations.

Optional Services: Citizen Education Plan

For a study such as this to be as successful as possible, ongoing and open communication between the Project Team and Stakeholders must occur. This includes, but is not limited to, communication with City staff, the City Council and ratepayers. NewGen understands the complexities and challenges that stakeholder involvement can bring to a project. While undefined at this time, we understand that the City is interested in possibly including a Citizen Education Plan as part of the scope of services for this engagement. Such a plan could include, but would not be limited to:

- Public Presentations and/or Question and Answer Sessions conducted throughout the Community;
- Presentations and/or Speaking Engagements with local Homeowner's Associations;
- Development of white papers and/or citizen education pamphlets, newsletters, or press releases; and/or,
- Development of bill calculation tools for deployment on the City's website;

In developing this work plan, our proposed deliverables included in the not-to-exceed project price include up to two public meetings with the City Council. In addition, the report provided as part of this study will include an executive level summary which can easily be modified for distribution as part of a stand-alone educational item or included as part of a newsletter for broader community distribution. As evidence of our commitment to the City, NewGen will assist the City in modifying this executive summary and will develop an example bill calculation tool for deployment to the City's website at no additional charge.

Should more meetings be requested to further engage the community, as an optional service, NewGen agrees to provide those services (including preparation for and attendance at each meeting) at time and expense, but not to exceed \$1,095 per meeting.

Deliverables

The Project Team will provide the City with the following:

- Draft Report
 - Within 60 to 90 days of notification of award, given the timely receipt of the required financial and operational data, an electronic draft report will be provided for the City's review and comment that summarizes the Project Team's findings, conclusions, and recommendations.

Mr. James Fisher, Ms. Linda Truitt and Mr. Steven Ventura

February 6, 2014

Page 8

- Final Report
 - The final report will be provided to the City within two weeks after delivery of the draft report, given the timely receipt of the City's comments.
- Meetings/Presentations
 - The Project Team will conduct five (5) meetings with City staff during the course of the engagement including: Project Kick-off Meeting, Project Update meetings after Tasks 9 and 12, and two presentations to the City Council. Additional meetings and/or presentations beyond those listed here will be provided on a time and expense basis but not to exceed \$1,095 per meeting.
- Citizen Education Plan
 - Modification of the Final Report's Executive Summary for broader community distribution
 - Development of an example bill calculation tool for deployment to the City's website
 - Additional meetings requested as part of the Citizen Education Plan will be provided on a time and expense basis but not to exceed \$1,095 per meeting.

Services requested by the City not specifically outlined within the proposed work plan and which the Project Team is unable to provide within the proposed project pricing above will be provided on a time and expense basis.

Project Timeline

The Project Team is committed to delivering a draft report to the City within 60 to 90 days of receiving notice to proceed and assuming timely receipt of required project data.

Resource Commitment by the City

For this project to be successful, NewGen will need the assistance of the City Manager, the City's Financial Department and the department Director(s) responsible for water and wastewater operations. The bulk of staff time will be needed at the outset of the study to gather required financial and utility billing data. The staff time needed to provide the necessary City data for our analyses are highly dependent on the ease of accessing the requested information. Where possible, NewGen will work directly with the City's utility billing provider to extract the data necessary to complete the study. Staff time will also be needed to provide guidance throughout the course of the project. Finally, the Project Team will require policy guidance from the City Council to ensure the Project meets the overall goals and objectives of the City.

To help the City better understand the time needed related to data gathering, we have included a sample request for information which will be refined and submitted to the City at the outset of the study.

Mr. James Fisher, Ms. Linda Truitt and Mr. Steven Ventura

February 6, 2014

Page 9

Proposed Project Cost

Based on the work plan outlined herein, the Project Team agrees to perform the requested study for a **not to exceed price of \$30,656**. Our Project Team is committed to the success of the City and this project and is seeking to develop a long-term relationship – we desire a partnership with the City, not just an engagement. To demonstrate this, we are offering a 10% discount on our labor charges for this project and we agree to not charge the City for any out-of-pocket expenses incurred during the course of the project.

Additionally, given the importance of the Citizen Education Plan to the City Council, we are proposing a 25% discount on our regular professional fees for every additional meeting the City Council wishes for us to conduct to further engage the community in this project.

Again, NewGen appreciates the opportunity to propose our assistance to the City of Murphy and we stand ready to answer any questions or provide any additional information the City may need as you select a qualified firm for this important project. If you should have any questions regarding this letter and/or require additional information, please contact Chris Ekrut at 972.680.2000 or via e-mail at cekrut@newgenstrategies.net.

Very truly yours,



Chris D. Ekrut
Director
NewGen Strategies & Solutions, LLC.

City of Murphy, Texas									
Proposed Pricing for Scope of Services									

	Chris Ekrut		Matthew Garrett		Kim Bostik		Jack Stowe		Total	
	Hours	\$	Hours	\$	Hours	\$	Hours	\$	Hours	\$
Billing Rate		\$ 215.00		\$ 150.00		\$ 150.00		\$ 275.00		
Water and Wastewater Rate Study										
Task 1 - Data Request	0.5	\$ 108	0.5	\$ 75	-	\$ -	-	\$ -	1	\$ 183
Task 2 - Data Information and Assessment	-	-	2.0	300	2.0	300	-	-	4	600
Task 3 - Project Kick-off Meeting	2.0	430	2.0	300	-	-	-	-	4	730
Task 4 - Test Year Revenue Requirements	2.0	430	4.0	600	8.0	1,200	-	-	14	2,230
Task 5 - Forecast of Revenue Requirements	2.0	430	8.0	1,200	12.0	1,800	2.0	550	24	3,980
Task 6 - Revenue at Current Rates	-	-	2.0	300	4.0	600	-	-	6	900
Task 7 - Functionalization	2.0	430	2.0	300	-	-	-	-	4	730
Task 8 - Classification	2.0	430	4.0	600	-	-	-	-	6	1,030
Task 9 - Allocation	2.0	430	4.0	600	-	-	2.0	550	8	1,580
Task 10 - Rate Design	4.0	860	12.0	1,800	32.0	4,800	2.0	550	50	8,010
Task 11 - Revenue under Alternative Structures	1.0	215	2.0	300	2.0	300	-	-	5	815
Task 12 - Rate Comparison	1.0	215	2.0	300	2.0	300	-	-	5	815
Task 13 - Draft Report	4.0	860	8.0	1,200	12.0	1,800	4.0	1,100	28	4,960
Task 14 - Final Report	8.0	1,720	4.0	600	8.0	1,200	2.0	550	22	4,070
Task 15 - Finalization of Model	2.0	430	4.0	600	16.0	2,400	-	-	22	3,430
Total Labor	32.5	\$ 6,988	60.5	\$ 9,075	98.0	\$ 14,700	12.0	\$ 3,300	203	\$ 34,063
										Discount (10%)
										(3,406)
										Total Not to Exceed Cost
										\$ 30,656
Optional (Citizen Education Plan Meetings)										
	4.00	\$ 860	4.00	\$ 600					8	\$ 1,460
										Discount (25%)
										(365)
										Price per Meeting
										\$ 1,095



1300 E. Lookout Drive
Suite 100
Richardson, TX 75082
Phone: (972) 680-2000
Fax: (972) 680-2007

Memo

To:

From: Mr. Chris Ekrut, Director, NewGen Strategies & Solutions

Date:

Re: **Water and Wastewater Rate Study Initial Request for Information**

The following is our initial request for information to conduct the water and wastewater rate study. It should be noted that some of our initial requests are general in nature to a water and wastewater rate study and not necessarily specific to the City, therefore, some of these requests may not be applicable. In addition, you may be unable to provide some of the information requested. In your response to our request for information, please note those items that are not applicable or not available.

Where possible, please provide the requested information in electronic format. In particular, we would appreciate receiving the requested financial, operational, and water and wastewater utility billing data in either Microsoft Excel format, or comma, pipe, or tab-delimited format, if possible. All other electronic documents can be submitted in either PDF or MS Word format. Should you have further questions regarding the format of the data, please feel free to contact us.

In order to facilitate the execution of the study within the proposed schedule, please provide the data as soon as it becomes available. Data can either be e-mailed, faxed, or mailed to NewGen using the contact information contained herein.

We look forward to working with you and other City staff in this engagement. Should you have any questions, please do not hesitate to contact me at (972) 232-2234 or via e-mail at cekrut@newgenstrategies.net.

Information Requests:

Reports and Financial Data

1. City budget for FY 2014
2. Line-item budget for Water and Wastewater Utilities for FY 2011 through FY 2013.
3. Line-item budget vs. actuals for water and wastewater utilities for FY 2011 through FY 2013.

4. Comprehensive Annual Financial Reports for FY 2012 and FY 2013 (once available).
5. Water (retail and wholesale) and wastewater service rate revenues, by month, for October 2010 through most recent available.
6. Current water and wastewater capital improvements plan.
7. Specific information regarding planned funding sources related to the City's water and wastewater capital improvements plan. (I.e., Cash, Debt, Reserves, etc.)
8. Any existing water and wastewater cost analysis performed either internally or by external consultant for the City.
9. Water and/or wastewater master plans and/or engineering studies conducted within the last five (5) years.
10. For all outstanding debt issues of the City for which all, or a portion, of the issue has been used to fund water and/or wastewater improvements, please provide the information listed below. Also, please provide the information listed below for any planned or projected future water and/or wastewater debt issuance. For any debt used to refund previous issues used for water and/or wastewater improvements, please provide the series year of the original issue(s) which were refunded as well as the information listed below.
 - total issue amount
 - month and year of issuance
 - debt service schedule
 - coverage requirements
 - detailed use of funds
 - copies of applicable bond covenants
11. Current water and wastewater reserve account balances (restricted and unrestricted).
12. Reserve fund, operating funds, and/or debt service coverage policies applicable to the water and wastewater utility.
13. Please describe the City's water meter change-out policy and status of the current water meter change-out program.
14. Please provide any other financial policies utilized by the City and/or adopted by the City Council which impact the water and wastewater enterprise fund.

Rate and Contract Data

15. Current water and wastewater rate ordinances.
16. A copy of the water and/or wastewater rate tables from the City's Utility Billing System.
17. Any historically applicable water and/or wastewater rate ordinances since October 2010, including effective date of ordinance.

February 6, 2014

Page 3

18. Please provide current contract and any contract amendments between the City and North Texas Municipal Water District for wholesale water service.
19. Please provide the most recently available 12 months of invoices submitted to the City by North Texas Municipal Water District for payment for wholesale water service.
20. Please provide current contract and any contract amendments between the City and North Texas Municipal Water District for wholesale sewer treatment service.
21. Please provide the most recently available 12 months of invoices submitted to the City by North Texas Municipal Water District for payment for wholesale sewer service.
22. Please provide any future rate and/or cost projections provided to the City by North Texas Municipal Water District for Water or Wastewater Treatment Service.

Water Volume and Customer Data

23. In electronic format, please provide the volume of daily and/or monthly water purchases from North Texas Municipal Water District from October 1, 2010 to most recent available month.
24. In electronic format, please provide the number of **active** water connections by **meter size**, by **customer class**, and by month from October 1, 2010 to most recently available month. (Example: For October 2010: 250 1-inch Single Family meters. Please identify fire protection meters separately.)
25. In electronic format, please provide the number of **active** water connections by **meter size**, by month, and by **customer class** of all **non-billed** water users from October 1, 2010 to most recent available month, if applicable.
26. In electronic format, please provide the number of **active** connections by **meter size**, by **customer class**, and by month of all **water only** customers (do not receive wastewater services from the City, ex. Irrigation meters) from October 1, 2010 to the most recently available month.
27. Please provide historical water consumption, **by month**, and **by customer class** from October 1, 2010 to the most recently available month divided into the City's current rate consumption blocks.
28. List of any unmetered water customers, if applicable.
29. Please provide data on the annual use of the City's ten largest water users over the last two (2) fiscal years.
30. For all data provided from the City's utility billing system, please provide a key to all abbreviations and/or codes used. For example, if a rate code, meter code, or customer class code is listed, please provide an explanation as to what that code represents.
31. Monthly amounts of bulk water sold from October 2009 to the most recent available, if applicable. (i.e., Fire Hydrant Sales, etc.)

Wastewater Volume and Customer Data

32. In electronic format, please provide the daily volumes of wastewater influent sent to North Texas Municipal Water District for treatment from October 1, 2010 to most recent month available.

February 6, 2014

Page 4

33. In electronic format, please provide the number of **active** wastewater connections by **customer class** by month from October 1, 2010 to most recent available month.
34. In electronic format, please provide wastewater volumes billed by **customer class** by month for **active** wastewater connections from October 1, 2010 to most recent available month.
35. In electronic format, please provide the number of **active sewer-only** customers (do not receive water services from the City) and corresponding wastewater volumes billed from October 1, 2010 to most recent available month, if applicable.
36. For any customer whose sewer is metered, please provide, in electronic format, monthly metered volumes for each from October 1, 2010 to most recent month available.

Wastewater Strength Data

37. Copy of the industrial wastewater ordinance, if applicable.
38. If applicable, please identify all strength monitored wastewater customers. For these customers please provide, in electronic format, calculated monthly strength loadings from October 1, 2009 to most recent available month.

Miscellaneous Data

39. Provide a map of the City showing the City's municipal boundaries and water and wastewater CCN boundaries, if available.

Proposal submitted by:



CAPEX Consulting
Group

Project Finance & Economics

Address: 3245 Main Street, Suite 235-171
Frisco, Texas 75033

Tel 214-619-0692 Fax 214-619-0694 Cell 214-514-6382

Contact: Jeff G. Snowden, Principal
jsnowden@capexconsulting.com

Proposal to Provide Water and Wastewater
Utility Rate Analysis Services to the
City of Murphy, Texas

Date of Submittal: February 6, 2014

www.capexconsulting.com

Table of Contents

**Technical Proposal
City of Murphy, Texas
Water and Wastewater Utility Rate Analysis Services**

Section	Page
1	Letter of Transmittal 2 – 3
2	Identification of Qualifications of Assigned Personnel 4 – 12
3	Work Program Explanation of Work and Scope of Services 13 – 19
4	Work Schedule 20
5	Request for Information 21 – 22
6	Proposed Engagement Letter with Fee Information 23 – 25

SECTION 1**Letter of Transmittal**

February 6, 2014

Linda Truitt
 Finance Director
 City of Murphy
 206 N. Murphy Rd.
 Murphy, TX 75094

Dear Mrs. Truitt:

Thank you for allowing Capex Consulting Group ("Capex") the opportunity to submit this proposal to provide water and wastewater utility rate analysis services to the City of Murphy. Capex was founded in 2007 and provides project finance and economic consulting services to a diverse range of private and public sector clients including utilities, municipalities, counties, cooperatives, and state and federal agencies. Our objective on every engagement is to exceed the client's expectations through the combination of thorough analysis, innovative thinking, proactive collaboration with project team members, and clear and direct communication with stakeholders. Our offices are located in Frisco, Texas.

Capex services include:

- Electricity, Natural Gas, Water, Wastewater, and Solid Waste Cost of Service / Rate Studies
- Impact Fees/System Development Charges
- Operational Optimization Studies / Operating and Capital Cost Benchmarking
- Affordability Analysis
- Bond Feasibility
- Non-Rate Revenue [tapping and connection, late charge, disconnect fees, etc] Evaluations
- Comprehensive Renewable Energy Development Services
- Owners Representative Services
- Project Definition and Feasibility Studies
- Development of Comprehensive Financial and Technical Feasibility Models
- Renewable Energy Credit and Carbon Financial Instrument Marketing
- Project Management and Disbursement Services
- Wholesale Water Supply / Other Contract Negotiation & Support Services
- Litigation Support
- Life Cycle Cost Analysis
- Public Outreach Support Services
- Water Conservation and Drought Contingency Plans
- Other Services as Required by the Client

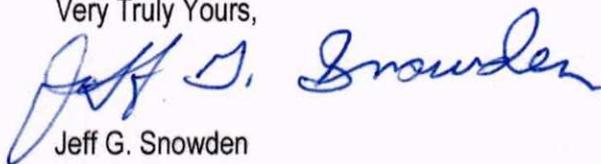
City of Murphy, Texas – Water and Wastewater Utility Rate Analysis Proposal

I am confident that Capex has the qualifications and ability to professionally and expertly conduct your water and wastewater rate study. As Chief Executive of Capex Consulting Group, I will serve as Project Manager and will be responsible for all aspects of the study. I can be reached anytime on my cell phone at (214)514-6382 or by email at jsnowden@capexconsulting.com.

Please accept this proposal as Capex' formal commitment to allocate the necessary level of human resources and expertise to complete this project on time and within the agreed upon budget.

I hereby certify that as Chief Executive Officer of Capex Consulting Group, I possess all requisite legal and administrative authority to submit this proposal.

Very Truly Yours,



Jeff G. Snowden

Principal

Capex Consulting Group

3245 Main Street, Suite 235-171

Frisco, Texas 75034-4411

Tel (214) 619-0692

Fax (214) 619-0694

Cell (214) 514-6382

jsnowden@capexconsulting.com

SECTION 2

Identification of Qualifications of Assigned Personnel

Capex Consulting Group is pleased to submit this proposal to provide water and wastewater utility rate analysis services to the City of Murphy. This proposal contains detailed information on our firms' background, project team, professional experience, and a detailed work plan for completing the study.

- **We possess over fifteen years of experience in infrastructure finance and have worked on projects in the United States and Mexico.** The professionals associated with Capex Consulting Group have collaborated successfully on numerous assignments for municipalities, special districts, and agencies such as the North American Development Bank, US Department of Agriculture, the Texas Water Development Board and the Water Infrastructure Finance Authority of Arizona ("WIFA").
- **Project Manager Jeff G. Snowden possesses more than 15 years of experience in economic and financial analysis, project management, and lending, and has worked directly on a variety of infrastructure projects valued at over \$2 billion.** He has prepared utility rate and impact fee studies for some of the fastest growing cities in Texas and he has utilized his fluency in Spanish on projects in the United States and Mexico. Mr. Snowden founded Capex in 2007.
- Unlike many consulting firms, Capex does not use junior level personnel to collect and analyze data and prepare the rate study. **Mr. Snowden will do 100% of the work associated with the study, and utilize his experience to expedite the work and minimize the amount of the City of Murphy's staff time that inexperienced rate study consultants tend to consume.**
- **Our designated project team members are active participants in professional societies, serving on committees at the forefront of the establishment of industry standards.** Utility cost of service and rate design requires knowledge of local and state issues as well as expertise in water and wastewater finance. Mr. Snowden currently serves as Board Chairman of the Frisco Economic Development Corporation, and has previously served as Board Treasurer of the Denton County Transportation Authority, and as a member of the AWWA's North Texas Rates and Charges Committee and the National Impact Fee Roundtable.
- **Rate and non rate revenues represent only half of the equation in utility finance. Capex also provides utility managers with a broad range of data so that operating costs and metrics can be evaluated and improved upon.**

Capex believes that our clients make the best infrastructure financing decisions based on a thorough understanding of all aspects of a proposed project, and that it is the consultant's role to develop this understanding in a manner that can be interpreted by both the technician and the layman.

City of Murphy, Texas – Water and Wastewater Utility Rate Analysis Proposal

Our Clients

North American Development Bank	Marine Military Academy, Harlingen Texas
Border Environment Cooperation Commission	Maverick County, Texas
Texas Water Development Board	Mercedes, Texas
United States Department of Agriculture	Military Highway WSC, Texas
Water Infrastructure Finance Authority of Arizona	Pearsall, Texas.
Alice, Texas	Prosper, Texas
Alton, Texas	Rio Grande City, Texas.
Alma Plantation, Ltd	Rio Grande Valley Sugar Growers, Inc.
Brownsville, Texas	Rio Water Supply Corporation
Cajun Sugar Cooperative	San Benito, Texas
Carrizo Springs, Texas	San Juan, Texas
Cotulla, Texas	Southmost Regional Water Authority
Dimmit County, Texas	Sugar Cane Growers Cooperative of Florida
Eagle Pass, Texas	Sunnyvale, Texas
Fort Stockton, Texas	St. Mary's Sugar Cooperative
Gardendale Railroad	Webb County, Texas
Hempstead, Texas	Zapata County, Texas
Hunt Valley Development	Zavala County, Texas
Hutto, Texas	Zavala County WCID
Laguna Madre Water District	Bisbee, Arizona
LaSalle County, Texas	Patagonia, Arizona
Laredo, Texas	San Luis, Arizona
Los Fresnos, Texas	Somerton, Arizona
Louisiana Sugar Cane Cooperative	Quartzite, Arizona
Lucas, Texas	Wellton, Arizona
Roatan, Honduras Electric Company	Weslaco, Texas

Project Team Qualifications and Experience

Mr. Jeff G. Snowden obtained a BA in Economics from Texas A&M University in 1991 and earned an MBA from the University of Texas at San Antonio in 2000. He possesses more than 15 years of experience in economic and financial analysis, project management, and lending, and has worked directly on a variety of infrastructure projects valued at over \$2 billion. Mr. Snowden has worked with over 70 public and private sector clients while developing and implementing water, wastewater, solid waste, air quality and cogeneration projects in the United States and Mexico. He has established effective working relationships with project teams consisting of municipalities, engineers, financial advisors, ratings agencies and various state, federal and bi-national co-financing institutions. Mr. Snowden has a successful track record in the development of strategic and viable project financing structures. His experience is summarized as follows:

Water/Wastewater

- **Agua Prieta, Sonora – Collection and Final Disposal of Solid Waste & Reduction of Suspended Air Particles through Paving – 2002-03.** Project management, financial analysis, multi-agency coordination, and structuring of a \$4 million loan to complement a total project valued at \$17 million
- **Alton, Texas – Wastewater Collection & Treatment Project – June 2008 to Present.** Wastewater rate study, long term financial plan, and litigation support in a CCN case.

City of Murphy, Texas – Water and Wastewater Utility Rate Analysis Proposal

- **Bisbee, Arizona – Wastewater System Improvements – October 2003.** Project management, financial and debt capacity analysis, structuring of debt, equity and grant, and negotiation of an \$11.3 million grant to complement a total project valued at \$30 million
- **Brownsville, Texas – Water and Wastewater Impact Fee Evaluation – 2005-07**
- **Calexico, California – Water System Improvements Project – May 2000.** Documentation, administration, compliance, and client services related to \$6.48 million grant to complement a total project valued at \$11.3 million
- **Ciudad Juarez, Chihuahua – North and South Wastewater Treatment Plants and Supplemental Wastewater Collection Projects – June 1999.** Documentation, administration, compliance, and client services related to a \$12 million grant and \$4.6 million loan to complement a total project valued at \$31.5 million
- **Carrizo Springs, Texas – Natural Gas, Water, and Wastewater Rate Study and Long-Term Financial Plan – 2010 - Present.**
- **Cotulla, Texas – Solid Waste, Water, and Wastewater Rate Study and Long-Term Financial Plan – August 2009 - Present.**
- **Del Rio, Texas – Water Treatment Plant & Improvements – October 1999.** Documentation, administration, compliance, and client services related to a \$15 million grant to complement a total project valued at \$44.6 million
- **Dimmit County, Texas – Road and Bridge Impact Fee Study. 2011 - 12.** Engaged to develop a fee mechanism that the County can utilize to equitably recover costs associated with accelerated road and bridge damages from oil and gas development
- **Eagle Pass, Texas – Water and Wastewater Rate Study and Long-Term Financial Plan – August 2005 - Present.** The study provided a multi-year series of rate adjustments designed to generate revenues sufficient to fund operations costs and debt service associated with a regionalization project valued at over \$103 million. Currently updating the study
- **El Paso, Texas – Water and Wastewater Project for Lower Valley Water District in El Paso County, Texas – June 1999.** Documentation, administration, compliance, and client services related to a \$17.5 million grant to complement a total project valued at \$100 million
- **Hempstead, Texas – Electricity, Natural Gas, Water, and Wastewater Rate Study and Long-Term Financial Plan 2008 -2009**
- **Hutto, Texas – Water and Wastewater Impact Fee Study – 2006 - 07.**
- **Laguna Madre Water District, Port Isabel, Texas – Water and Wastewater Rate Study and Long-Term Financial Plan. 2008,** with additional assignments in 2010 and 2011.
- **Laredo, Texas – Financial Feasibility and Affordability Analysis of Secondary Water Supply Project– October 2005 - Present.** Prepared a financial capacity study of the City's Water Enterprise Fund, followed by a wastewater rate study and a retail water rate restructuring study in order to support a \$260 million five-year CIP. Currently engaged to monitor rate and non-rate revenue and bond compliance
- **LaSalle County, Texas – Road and Bridge Impact Fee Study. 2011 - 2013.** Engaged to develop a fee mechanism that the County can utilize to equitably recover costs associated with accelerated road and bridge damages from oil and gas development
- **Maverick County, Texas – Water Rate and Impact Fee Study. 2010 - 2012.**
- **Mercedes, Texas – Water and Wastewater Enterprise Fund Debt Capacity Analysis– August 2004.** Prepared a preliminary financial analysis and additional debt capacity study of the City's Water and Wastewater Enterprise Fund. The

City of Murphy, Texas – Water and Wastewater Utility Rate Analysis Proposal

primary objective of this study was to evaluate the Utility's additional debt capacity for the implementation of a wastewater system expansion project valued at \$9.4 million

- **Naco, Sonora – Water Supply and Wastewater Collection and Treatment System – January 1998.** Project management, documentation, administration, compliance, and client services related to a \$945,000 grant and a \$150,000 loan to complement a total project valued at \$2.1 million
- **Nogales, Arizona – Replacement of the International Outfall Interceptor, Upgrade of the Nogales International Wastewater Treatment Plant and Partial Replacement of the Wastewater Collection System – October 2003.** Project management, financial analysis and client services related to a \$59.5 million grant to complement a total project valued at \$74.4 million
- **Patagonia, Arizona – Wastewater Treatment Facility Replacement and Sewer Collection System Improvements – November 2002.** Project management, financial and debt capacity analysis, and structuring of a \$1.3 million grant for the \$2.3 million project
- **Puerto Penasco, Sonora – Collection and Final Disposal of Solid Waste – June 1999.** Managed disbursement and compliance of \$500,000 loan to complement a total project valued at a \$2.29 million
- **Prosper, Texas – Water and Wastewater Rate Study and Long-Term Financial Plan – 2005 - 06.** The study provided a multi-year series of rate adjustments designed to generate revenues sufficient to fund operations costs and debt service associated with aggressive rates of growth and regional supply, treatment and discharge take-or-pay agreements.
- **Reynosa, Tamaulipas – Comprehensive Sanitation Project – March 1999.** Documentation, administration, compliance, and client services related to a \$33.5 million grant to complement a total project valued at \$83.4 million
- **Rio Grande City, Texas - Water and Wastewater Rate Study. 2008 and 2012.** Ongoing services currently underway
- **San Benito, Texas – Water & Wastewater System Improvements – July 2004 - Present.** Water and wastewater cost of service study, project financial feasibility analysis, and long-term financial plan to complement a total project valued at \$32.4 million. Update to rate study completed in 2011 and 2012.
- **San Diego, California – South Bay Water Reclamation Plant – June 1998.** Documentation, administration, compliance, and client services related to a \$17.2 million grant to complement a total project valued at \$99.5 million
- **San Juan, Texas – Water and Wastewater Enterprise Fund Debt Capacity Analysis – 2004-05.** Prepared a preliminary financial analysis and additional debt capacity study of the City's Water and Wastewater Enterprise Fund. The primary objective of this study was to evaluate the Utility's additional debt capacity for the implementation of a water and wastewater system expansion project valued at \$32.8 million
- **San Juan, Texas – Solid Waste Cost of Service and Rate Study – 2006 - 07.** Developed rate recommendations and a long term financial plan which reflected the City's desire to explore the transition from twice to once-a-week collections while evaluating the impact of this decision on labor, fuel, and equipment.
- **Somerton, Arizona – Replacement of the Wastewater Treatment Facility – June 2003.** Project management, financial and debt capacity analysis, structuring of debt, equity and grant, and negotiation of a \$4 million grant to complement a total project valued at \$7.8 million
- **Southmost Regional Water Authority – Regional Desalination Plant – February 2004.** Prepared current and forecast wholesale rate structure based on contractual volumetric usage among member entities, existing and forecast debt service related to planned Phase II expansion, and O&M costs. Prepared a non-member wholesale rate using the utility-basis of ratemaking for non-member entities interested in purchasing surplus water

City of Murphy, Texas – Water and Wastewater Utility Rate Analysis Proposal

- **Tecate, Baja California – Improvement and Expansion of the Water and Wastewater Systems – March 2001.** Documentation, administration, compliance, and client services related to a \$3.7 million grant to complement a total project valued at \$8.2 million
- **Tijuana, Baja California – Parallel System and San Antonio de los Buenos Sewage Treatment Plant Rehabilitation and Expansion – March 2000.** Documentation, administration, compliance, and client services related to a \$16 million grant and \$6.7 million in loans to complement a total project valued at \$27.4 million
- **Webb County, Texas – Water and Wastewater Enterprise Fund Debt Capacity Analysis– December 2004.** Prepared a preliminary financial analysis and additional debt capacity study of the County's Water and Wastewater Enterprise Fund. The primary objective of this study was to evaluate the Utility's additional debt capacity for the implementation of a water and wastewater system expansion project valued at \$16 million
- **Zavala County WCID – Water and Wastewater Rate Study. 2010 - 2011**

Cogeneration/Renewable Energy

- **Rio Grande Valley Sugar Growers, Inc – 2005-Present.** Engaged to provide project development services, including comprehensive analysis of imported and exported electricity rate structures. RGVSG sought to expand grinding capacity while developing an alternative revenue source via the generation and marketing of electricity and renewable energy credits. Capex developed a technical and financial evaluation model capable of quantifying operational uplifts stemming from reduced grinding days, reductions in purchased electricity and gas, variations in tonnage of cane per acre, improvements in the pounds of steam per pound of bagasse from the new boiler, pounds of high-pressure steam required to produce a kilowatt in the proposed turbine generator set, and a multitude of other metrics demonstrating the project's benefits. This tool was then presented to a number of lending institutions in order to secure tax exempt financing for 100% of the project's costs. Also provided grant writing, project management and owner's representative services throughout the course of the engagement. In 2009 Capex was awarded an additional engagement in order to pursue funding opportunities made available under the 2009 American Recovery and Reinvestment Act, resulting in a grant award of \$10.2 million.
- **Marine Military Academy, Harlingen, Texas – 2008-2009.** Engaged to evaluate the technical and financial feasibility of on-site generation of renewable energy coupled with net reductions in electrical load. Explored renewable generation alternatives, including geothermal cooling, wind, and solar, and then developed a technical and financial model capable of demonstrating the net benefits to MMA while serving as the lead in the preparation and submittal of funding applications to various providers of financing including the State Energy Conservation Office, Office of Rural Community Affairs, USDA-Rural Development, and the U.S. Departments of Energy and Treasury.
- **Rio Grande Ethanol / RGVSG – 2006-2008.** Collaborated with the RGVSG Board, a third party development group, and various technical participants in order to develop a financial feasibility model for a proposed ethanol facility to be located adjacent to the existing sugar cane processing plant. This project involved a data gathering and refinement period followed by a series of work sessions with key stakeholders which included the development team, Mill management and board, engineers, and others. At the culmination of Phase 1 of the engagement, the client was provided with an analytical tool capable of assessing the effect on net income of a multitude of scenarios, including variations in plant capacity, financial structure, by-product marketing, and variable cost reductions stemming from biomass derived thermal energy.

Other Experience

In addition to his work at the North American Development Bank (NADB 1997-2003), Mr. Snowden has held positions as Lending Officer for National Bancshares Corp. of Texas. (1993-1997) and the Laredo National Bank (1997). A highlight of his experience includes:

- Implemented a first of its kind hedge mechanism, working closely with Mexican Governmental and Banking officials to effectively adapt existing methods in order to preserve the long-term value of NADBank capital

City of Murphy, Texas – Water and Wastewater Utility Rate Analysis Proposal

- Developed system of accounting/reporting which facilitated the successful execution of a USD\$210 million grant facility provided by the U. S. Environmental Protection Agency
- Established mortgage loan department in San Antonio, Texas. Installed and integrated loan system, developed reliable vendor and referral network, and consistently exceeded loan volume goals by creative application of ARM loan products. Successfully marketed to Mexican National client-base
- Implemented, and managed micro-lending program regulated by Chapter 3.16 of the Texas Credit Code, at the time the only in-bank program of its kind in Texas

Education

UNIVERSITY OF TEXAS AT SAN ANTONIO -- MBA, 2000

- Specialization in International Finance and Business Management

TEXAS A&M UNIVERSITY -- BA, 1991

- Major in Economics, specialization in Economic Development.
- Minor in English
- Significant course-work in Spanish

Other

- Chairman, City of Frisco, Texas Economic Development Corporation Board of Directors
- Former Board Member, North Texas Enterprise Center for Medical Technology Board of Directors
- Treasurer and Chairman of Finance & Administration Committee, Denton County Transportation Authority Board of Directors, 2005-2012
- Fluent in Spanish
- Former Member, Texas Renewable Energy Industries Association

Publications/Presentations/Seminars

Advancing Commuter Rail in Denton County – Leadership Frisco, 2008 and 2011. (Speaker)

Water Utility Capital Financing – Government Finance Officers Association, November 2005. (Speaker)

Texas Water Law – CLE International Water Law Institute, September 2005. (Attendee)

Financing Options for Solid Waste Projects in Arizona – Solid Waste Association of North America, June 2003. (Speaker)

Governmental Accounting and Financial Statement Disclosures – Bond Market Association, September 2002. (Attendee)

Utility Management Institute, Planning, Design, & Implementing a Successful Utility – October 1999. (Attendee)

Selected Engagements & References

The following presents detailed descriptions of our firm's relevant experience, with references provided. We encourage all prospective clients to contact our references to assess the degree of satisfaction our past clients have with our work product and consulting services.

Water and Wastewater Rate Study and Long-term Financial Plan Laredo, Texas

Capex was engaged by the City of Laredo, Texas to prepare a wastewater rate study and retail water rate restructuring study and long-term financial plan designed to recover the operating and debt service costs associated with \$260 million in various water and wastewater capital projects. Additional services included the evaluation of meter size based minimum charges, price elasticity of demand analysis, and close collaboration with bond counsel and financial advisors in order to assure compliance with covenants and revenue adequacy. The studies were completed in July 2008 and 2013. Additional services are ongoing.

Reference(s): Mr. Tomas Rodriguez
Utility Director
City of Laredo
5816 Daugherty Avenue, PO Box 2950
Laredo, Texas 78044
(956) 721-2000
trodriguez@ci.laredo.tx.us

Water, Wastewater, and Solid Waste Rate Study and Long-term Financial Plan Weslaco, Texas

Capex Consulting Group was engaged by Weslaco to prepare a water, wastewater, and solid waste rate study. The City initially tasked Capex to prepare a comprehensive operating and capital cost benchmarking analysis. This analysis assisted Weslaco in its ultimate decision to end its relationship with a private sector provider of water and wastewater plant operating services. Additional services included the restructuring of residential, commercial, and wholesale water and wastewater rates. All recommendations were approved by the City Council.

Reference(s): Mr. David Salinas
Public Utilities Director
City of Weslaco
255 South Kansas
Weslaco, Texas 78596
(956) 973-3146
dsalinas@weslacotx.gov

Water and Wastewater Impact Fee Study Hutto, Texas

Prepared a water and wastewater impact fee study designed to generate revenue sufficient to fund eligible capital improvements over a ten year planning period.

Reference(s): Mr. Dan Hejl, PE
Principal
Hejl, Lee and Associates, Inc.

City of Murphy, Texas – Water and Wastewater Utility Rate Analysis Proposal

321 Ed Schmidt Blvd., Suite 100
 Hutto, TX. 78634
 (512) 642-3292
hlainc@austin.rr.com

**Water and Wastewater Rate Study and Long-term Financial Plan
 Laguna Madre Water District, Port Isabel, Texas**

Capex Consulting Group was engaged by LMWD to prepare a water and wastewater rate study and long-term financial plan designed to recover the operating and debt service costs associated with a \$12 million seawater desalination project. Additional services included the structuring of residential and commercial retail rates and the development of multi-year rate adjustments based on varying account growth and consumption scenarios.

Reference(s): Mr. Gavin Sotelo
 General Manager - Retired
 Laguna Madre Water District
 105 Port Road
 Port Isabel, Texas 78578
 (956) 943-0500
gsotelo@lmwd.org

**Water Impact Fee Study
 Maverick County, Texas**

Prepared a water impact fee study designed to generate revenue sufficient to fund eligible capital improvements over a ten year planning period and accommodate the expansion of a correctional facility.

Reference(s): Hon. David Saucedo
 County Judge
 County of Maverick
 500 Quarry Street
 Eagle Pass
 (830) 513-0329

**Water, Wastewater, Solid Waste and Natural Gas Rate Study and Long-term Financial Plan
 Fort Stockton, Texas**

Engaged by the City of Fort Stockton, Texas to prepare a comprehensive rate study and long-term financial plan designed to recover the operating and debt service costs associated with \$13.9 million in various capital projects. Additional services included multi-year funding recommendations on operations and maintenance and debt service reserves, the evaluation of meter size based minimum charges, price elasticity of demand analysis, and close collaboration with bond counsel and financial advisors in order to assure compliance with covenants and revenue adequacy.

Reference(s): Mr. Robert Tijerina
 Vice-President
 Estrada Hinojosa & Company
 1485 Frost Bank Tower
 San Antonio, TX 78205
 (210) 223-4888
rtijerina@estradahinojosa.com

Water and Wastewater Rate Study and Long-term Financial Plan**Rio Grande City, Texas**

Capex Consulting Group was engaged by Rio Grande City to prepare a water and wastewater rate study and long-term financial plan designed to recover the operating and debt service costs associated with a \$24 million water and wastewater capital project. Additional services included the structuring of residential and commercial bulk sales rates and the renegotiation of wholesale rates assessed to three water supply corporations in the area. The study was completed in October 2008, and an update was prepared in 2013. All recommendations were approved by unanimous consent of the City Council.

Reference(s): Mr. Ruben O. Villarreal
 Mayor
 Rio Grande City
 101 S. Washington Street
 Rio Grande City, Texas 78582
 (956) 487-0672

Water and Wastewater Rate Study and Long-term Financial Plan**Eagle Pass Waterworks, Eagle Pass, Texas**

Capex Consulting Group was engaged by Eagle Pass Waterworks to prepare a water and wastewater rate study and long-term financial plan designed to recover the operating and debt services costs associated with a \$105 million regionalization project. Additional services included the creation of a discounted customer class for senior citizens and disabled veterans and the development of a rate structure capable of minimizing revenue downturns during periods of above average precipitation. The study was completed in August 2005, with the initial series of rate increases approved by unanimous consent of the City Council. Updates were conducted in 2006, 2007, 2007 and 2011.

Reference(s): Mr. Jorge Barrera
 General Manager
 Eagle Pass Waterworks
 415 Madison
 Eagle Pass, Texas 78852
 (830) 773-2351- jorge_ag1@hotmail.com

Financial Feasibility & Affordability Analysis of Secondary Water Supply Project**Laredo, Texas**

Engaged by the City of Laredo, Texas to prepare a financial feasibility and affordability analysis of a secondary water supply project that addressed the City's long-term needs. The project team initially evaluated the City's water enterprise fund in order to define the system's current and forecast cost of service. Thereafter, a scenario analysis model was prepared that facilitated the direct comparison of a variety of supply options based on planning horizons, construction costs, interest rates, and the cost of municipal water rights. The study was completed in December 2005, with additional services provided in 2006, 2007, 2008, 2011, and 2013.

Reference(s): Mr. Adrian Montemayor
 Utilities Operations Manager
 City of Laredo
 5816 Daugherty Avenue, PO Box 2950
 Laredo, Texas 78044

SECTION 3

Work Program

Project Objectives

It is our understanding that Murphy seeks to institute water and wastewater rate structures that will generate revenues sufficient to recover the full cost of providing water and wastewater service. In addition, it is Murphy's desire to incorporate a rate component that enables the City to pass-through the wholesale costs of water supply and wastewater treatment in a manner that can be easily communicated to its retail ratepayers. Additional goals and objectives for a successful rate plan include:

- Analyze the cost of service and distribute these costs among existing and proposed customer classes
- Identify current and forecast operating costs and then “functionalize” these costs among treatment, distribution, collection, and other major utility functions
- Determine the percentage of household income devoted to water and wastewater services
- Develop a series of rate structures which provide sufficient revenues to fund alternate scenarios consisting of current operations, proposed capital projects and additional capital improvements
- Recommend a phased series of adjustments over a five-year period in order to minimize “rate shock”
- Incorporate debt service, reserve and coverage funding requirements into the revenue streams to be generated by alternate rates
- If available, utilize Murphy's capital improvement plan in the development of forecast revenue requirements
- Develop and recommend rates that recover costs equitably among customers using a combination of base and volumetric rates in order to promote revenue stability while encouraging conservation.

To summarize, the information developed during the course of this rate study will allow Murphy to choose a financial plan that will minimize the impact on all classes of ratepayers while still allowing it to meet growth demands and environmental quality standards.

Our rate study will quantify the expected increases in numbers of customers, volumes, operating and maintenance expenses, non-rate revenues, and capital outlays over the forecast period. We will utilize such authoritative sources as the Texas Water Development Board and the Texas State Data Center and Office of the State Demographer for current and forecast population growth data. Assumptions for the amount of and timing of the proposed capital improvements will be a critical component of the alternative rate scenarios to be presented in this report.

The results of the study will include, but not be limited to:

City of Murphy, Texas – Water and Wastewater Utility Rate Analysis Proposal

- Development of itemized costs to purchase and distribute potable water and collect and treat wastewater
- The benchmarking of Murphy's water and wastewater rates, non-rate revenue sources, transfers to the general fund, and other operating and capital cost metrics
- The true and correct functionalization and classification of water costs into treatment, distribution, administration, customer, and debt service, and the allocation of costs to identified customer classes
- The true and correct functionalization and classification of sewer costs into treatment, collection, administration, customer and debt service, and the allocation of costs to identified customer classes
- For all systems, the clear identification of any cross customer class revenue subsidies
- The development of a comprehensive financial model which defines maximum debt capacity based on an adjustable series of capital funding requirements, rate structures, reserve funding and coverage requirements
- The preparation of an implementation plan that reflects staff and elected official recommendations

Capex Consulting Group will produce the study through the use of financially and technically sound approaches resulting in rates and charges that are equitable and consistent with standard industry practices, state and federal regulations, and community needs and values. We propose to meet with staff early in the project to determine their needs and formatting and to customize our model to those needs. As the project progresses, we will review the model development with staff and ensure its compatibility with local accounting and data processing systems.

Project Tasks & Method of Approach

In order to complete the objectives listed in Section I and produce the deliverables described earlier in this section, we propose the following menu of primary tasks:

- I. Project Kick-Off and Data Acquisition
- II. Demographic Analysis
- III. Non Rate Revenue Evaluation and Recommendations
- IV. Evaluation and Benchmarking of Key Operating Metrics
- V. Determination of Revenue Requirements
- VI. User Characteristics and Customer Class Identification
- VII. Water and Wastewater Cost Functionalization, Classification, and Allocation
- VIII. Rate Design and Transition Plan
- IX. Preparation and Presentation of Draft and Final Reports
- X. Public Involvement
- XI. Project Management

The remainder of this section presents our approach to performing the major tasks required to successfully complete the study.

City of Murphy, Texas – Water and Wastewater Utility Rate Analysis Proposal

Task I: Project Kick-off and Data Acquisition

An itemized request for information (“RFI”) has been prepared for this engagement and is attached to this proposal. A total of fifteen items are requested, and Capex will travel to Murphy to gather all of the requested items. Murphy staff time will only be required to answer debt and budget specific questions in item numbers 3 and 5 of the RFI.

During the course of the study we intend to maintain contact with Murphy in order to keep all parties informed of the project team’s progress. This is also emphasized in the forthcoming task entitled Project Management.

Task II: Demographic Analysis

Capex will prepare a comprehensive demographic analysis of ratepayers to include historical (5-10 years) and current data on:

- Median household income of service area residents
- Number of water and wastewater accounts, including water-only and sewer-only accounts
- Average water and wastewater bill, both total and as a percentage of household income
- Percentage of household income in other cities and counties within the area available for and dedicated to payment of water and wastewater services
- Comparison of actual billings and collections for service
- Peer group comparison of base and volumetric rates for each meter size

Task III: Non Rate Revenue Evaluation and Recommendations

Because a significant portion of a utility’s revenue stream is derived from non rate revenue sources, it is critical to evaluate current fee levels and assess the potential for adjustments. Ultimately, contributions from these sources can offset the need for rate increases while optimizing operational efficiencies. Capex will review the following fee structures and provide recommendations in the event that one or more require adjustments:

- Water Connection Fees
- System Development Charges
- Water Rights Recovery Charges
- Meter Installation Fee [Existing Tap, Including Cost of Meter]
- Water Line Extension Charge per Linear Foot
- Fire Hydrants
- Per Acre & Per Lot Development Fees
- Industrial / Mining / Wholesale Meter Charges
- Reconnection Fees - Business & Non Business Hours
- Meter Testing & Re-Read Fees
- Plumbing Permits
- Retuned Check Fees
- Removal of Unauthorized Tap
- Customer Service Fee for New Connections
- Late Charges
- Water Well Permit Fees
- Hauled or Trucked Wastewater Charges
- Customer History Report Fees
- Pipeline Permit Fee [Initial & Annual Renewal]
- Deposit Structure

City of Murphy, Texas – Water and Wastewater Utility Rate Analysis Proposal

- Right of Way / Easement Fees
- Others fees as requested.

Task IV: Evaluation and Benchmarking of Key Operating Metrics

Rate and non rate revenues represent only half of the equation in utility finance. Capex also provides utility managers with a broad range of data so that operating costs and metrics can be evaluated and improved upon. Capex will develop list of opportunities for improvement in operating efficiencies by comparing Murphy to a broad peer group in the following measurement areas:

- Annual non rate revenue per connection
- Monthly gallons treated and sold per connection
- Annual personnel costs per connection & Kgal treated
- Annual health and liability insurance costs per connection & Kgal treated
- Annual O&M costs per connection & Kgal treated
- Annual electricity and chemical costs per connection & Kgal treated
- Annual transfers out to GF per Connection & Kgal treated
- Total debt outstanding and annual debt service per connection & Kgal treated
- Number of employees per mile of pipe
- Number of employees per thousand gallons of water treated
- Number of employees per budgeted mile of line repair

Other areas of evaluation will include Annual Capital Outlays, Treatment Costs, Distribution Costs, Administration Costs, and Customer Billing Costs. At the clients request Capex can add other items to this list.

Task V: Determine Revenue Requirements (Cost of Doing Business)

Overall revenue requirements will be determined for the current year. The project team will also prepare a forecast of revenue requirements for twenty-five years into the future. Requirements will reflect current local policies and practices regarding appropriate levels of fund balance, interfund transfers, and capital financing (including debt service coverage levels and debt-to-equity ratios). Revenue requirements that will meet financial performance measures based on current operations, any proposed projects, and additional projects will be determined.

The first step in this analysis is to gain some historical perspective on the local water and wastewater systems. This includes analyzing data such as current and historical volumetric data, budgets, financial statements, capital expenditures, customers, debt service, historical and current water and wastewater rates, rate setting procedures, and historic collection efficiency.

Total revenue requirements for the utilities will be calculated after analyzing the data outlined above. Revenue requirements will consist of the total cost to provide service, including operation and maintenance costs, wholesale take or pay obligations, transfers to the general fund, debt service requirements (including coverage requirements) on existing and any proposed debt, direct capital outlays financed by rates, reserve account funding, and other financial needs.

O&M costs will be projected by detailed expenditure categories and, if necessary, by component system. **The fixed and variable nature of each line item within the budget will be established and utilized for forecasting purposes.** These projections will be based on past trends, take or pay agreements, expected inflation levels, new facilities that may affect operating costs, changes in the customer base and other factors.

City of Murphy, Texas – Water and Wastewater Utility Rate Analysis Proposal

If requested and/or required by covenant, we will include the funding of operations and maintenance, debt service, repair and replacement, and other reserves as well as compliance with targeted debt service coverage ratios in our determination of revenue requirements.

Murphy's capital improvement plan ("CIP") will be a critical element of the revenue requirement. The project team will discuss all components of this category, including the expected amount of CIP, funding alternatives (i.e. pay-as-you-go vs. long term (tax vs. revenue) bonds), expected reserve requirements, and coverage requirements. It is essential that all parties agree on the reasonableness of these assumptions, since they will have the greatest impact on the recommended rate alternatives.

Once the total costs of providing water and wastewater service have been calculated, these costs will be compared to the actual billing and collection for the past several fiscal years. This will have the effect of determining both the adequacy of the billing and collection procedures in effect, and the degree to which customers are currently paying the costs of providing this service.

Task VI: Determine User Characteristics and Customer Classes, including Sales Forecast Review and Revenue Test

A fundamental principle of cost-of-service ratemaking for public utilities is for costs to be allocated to user groups based on the demands each group places on the system. In the case of water service, demands typically are measured in terms of base and peak demands that are critical to the sizing and operation of system facilities. For wastewater service, demands usually are measured in terms of customer flows and sewage strength characteristics that determine wastewater treatment plant influent loadings. These demands are collectively referred to as "user characteristics."

This task involves determining the appropriate groupings of customers so that customers with similar user characteristics populate the same customer class. For cost-allocation purposes, customers are grouped into different classes based on differences in their user characteristics. The development of information for grouping customers and allocating costs to specific customer groups is an essential step in the ratemaking process, to ensure that costs will be recovered from these groups in direct proportion to their use of the system.

The determination of customer user characteristics as noted above will include a careful review of sales volume history. The volume data must be considered as a whole and separately for each defined customer class. The project team will discuss its customer class evaluation in detail with staff to ensure that the ultimate classifications are reasonable and acceptable to all parties.

Methodologies for projecting water sales and wastewater volumes will be assessed to confirm appropriate accounting for expected growth, water losses, inflow and infiltration, and normal weather conditions. Historical sales data used for forecasting purposes will be reconciled against collection and/or production records; historical flow and loadings data will be used to determine flows and loadings for the system and individual customer classes. The project team will finalize the projection of sales volumes that will then be used to calculate projected revenues under current rates for the forecast period. This final step is often referred to as a revenue test.

Task VII: Cost Functionalization, Classification, and Allocation

In this task the costs of water transmission, treatment and distribution; and wastewater collection and treatment are calculated based on the information gathered in previous tasks. These costs include such categories as O&M (personnel, chemicals, engineering, administrative, equipment maintenance, vehicles, materials, etc.),

City of Murphy, Texas – Water and Wastewater Utility Rate Analysis Proposal

reserves, debt service, and capital outlays funded by rates (assuming that the Cash Basis is utilized). These costs will then be assigned to individual customer classes through a three-step apportionment process.

These steps are referred to as “functionalization,” “classification,” and “allocation.” **Functionalization** involves the categorization of utility costs according to the utility functions these costs are incurred to perform. Typical water utility functions include treatment, pumping, storage, distribution, and customer service; wastewater functions include treatment, collection, disposal, and customer service. **Classification** is the apportionment of functionalized utility costs according to the types (or classes) of demands served by the utility. For water utilities, AWWA ratemaking methodologies prescribe classification of costs according to base, maximum-day, maximum-hour, and customer demands. Water Environment Federation (WEF) and U.S. Environmental Protection Agency (EPA) methods classify wastewater costs according to flow, biochemical oxygen demand (BOD) loadings, and total suspended solids (TSS) loadings. **Allocation** is the assignment of classified utility costs to individual customer classes. Costs are allocated proportionately to customer classes based on their contributions to total utility system demands.

Under typical circumstances, standard industry ratemaking principles and practices as outlined in AWWA and WEF ratemaking manuals serve as the foundation for cost allocations to customer classes. These industry manuals are not prescriptive and recognize the need to afford utility decision makers the flexibility to reflect local circumstances.

Task VIII: Rate Design and Transition Plan

After allocating costs to customer classes, a plan will be developed for evaluating rate design options that will recover allocated costs, including O&M, wholesale purchase obligations, debt service, and reserve requirements. Because Murphy has already directed Capex to focus on a rate structure that incorporates a pass-through component for wholesale water purchases and wastewater discharges, the recommended rate structure will utilize this approach. This task will also include the following:

- Determine whether any rate classes are subsidizing the others, and the degree to which any subsidy is equitable
- Analyze meter size based minimum charges based on AWWA equivalent meter ratios and flow rates and develop extensive peer group comparisons over a broad range of consumption levels to assure that retail rates are competitive with surrounding communities
- Assess the ability of the proposed rate structure(s) to directly recover wholesale costs in a variety of pricing and consumption scenarios.
- Calculate the impact of any proposed “transition period” into the new rates
- Compare the recommended rates to the historical rate structure and the peer group using annual escalation assumptions
- Prepare the cost of water and wastewater service per household based on the new rate design, also known as a “bill impact analysis”

Specific attention will be given to the sensitivity of system revenues to possible decreases in usage prompted by a more aggressive conservation rate structure. Rate designs will be subjected to revenue generation tests and also reviewed for administrative efficiency.

In instances where cost-of-service-based changes in revenue responsibility will result in significant rate increases for any one customer class, the merits of implementing rate changes over a multiyear period will be discussed. If appropriate, multiyear rate transition plans will be developed that meet, to the extent possible, expressed criteria for rate change acceptance.

Task IX: Prepare and Present Draft and Final Reports

Capex Consulting Group will prepare concise draft and final reports. The report will include documentation of the analyses conducted for each study task as well as recommendations for implementation, administration, and future updating. The report will provide detailed information on the determination of revenue requirements, document allocations of revenue requirements to functional parameters and customer classes, and alternative rate recommendations for the utilities. Information on the impact of recommended rate changes to customers' typical monthly bills will be provided. The steps in the rate calculations will be described clearly so that there is a full understanding of the technical steps and assumptions contained in the determination of the rates.

The project team will present and review the draft report with local staff. The report will then be revised to incorporate the comments provided. A final report based on this review will then be submitted.

Throughout the project, analyses will be completed through the construction of a computerized water and wastewater rate model on Microsoft Excel software. This model will be used to perform the analytical functions of the cost-of-service study. The model worksheets are integrated and linked to perform automatic calculations when numbers are changed. The worksheets are flexible and are divided into major subject areas that include user characteristics, O&M costs, capital costs, revenue requirements, cost allocations, and rate design.

Task X: Public Involvement and Citizen Education

Capex Consulting Group is a strong advocate of the need for a comprehensive public involvement program to accompany any changes in water and wastewater rates. It is important that ratepayers have a proper understanding of the reasons for any proposed rate changes, and the impact of these changes on their monthly bills. It is also important for staff to reach out to the public, to solicit comment and input, to determine the preferences among ratepayers as to alternative rate structures, and to ensure that accurate information is disseminated among the community.

We will conduct a formal presentation of the report and the most significant findings to staff and elected officials, if requested. Our presentation will include easy-to-understand graphic displays in Microsoft PowerPoint. If so desired, we will assist in developing an insert into ratepayer bills explaining the reasons for any rate adjustments. We would also recommend developing a guest column under the signature of the appropriate government official for local newspapers explaining the reasons behind any recommended rate adjustment.

Task XI: Project Management

The cost-of-service rate study will be effectively managed through a variety of project planning and monitoring tools, including the project budget and schedule and regular project progress reporting.

Our project team consists of experienced senior-level professionals who have conducted dozens of cost of service and financial studies for clients over the past two decades. This is not a team composed of one senior person and little-experienced staff; all team members are seasoned professionals who know how to complete a study on time and on budget.

City of Murphy, Texas – Water and Wastewater Utility Rate Analysis Proposal

SECTION 4

Work Schedule

CITY OF MURPHY, TEXAS WATER/WASTEWATER RATE STUDY SERVICES PROPOSED WORK SCHEDULE				
Task Number	Task Description	Start Date	Completion Date	Duration [Days]
1	Develop initial request for information and work with staff, engineers, financial advisors, billing system support, and other resources to collect data.	3/1/2014	3/16/2014	15
2	Assemble peer group consisting of 15 or more members and evaluate non rate revenues, minimum charges by meter size, retail volumetric rates, levels of median household income, and numerous other metrics.	3/12/2014	3/27/2014	15
3	Develop rate model along with revenue and expense forecast template with multiple consumption and account growth scenarios.	3/12/2014	4/3/2014	22
4	Conduct bond feasibility study for planned capital improvements and provide rate and non-rate recommendations to ensure revenue adequacy.	4/3/2014	4/9/2014	6
5	Work closely with Engineers providing design services in order to make sure that final deliverable(s) includes detailed operating and maintenance costs for each new facility.	3/12/2014	4/1/2014	20
6	Evaluate and prepare recommendations for all non rate revenue sources	4/3/2014	4/14/2014	11
7	Develop list of opportunities for improvement in operating efficiencies	4/3/2014	4/14/2014	11
8	Recommend equitable allocation of expenses among water and wastewater.	4/3/2014	4/14/2014	11
9	Submit Draft Report	4/15/2014	4/26/2014	11
10	Revise model to incorporate staff and/or board comments & accommodate alternative financing structures.	4/27/2014	5/7/2014	10
11	Submit Final Report	5/8/2014	5/13/2014	5
DAYS - START TO FINISH			73	
MONTHS - START TO FINISH			2.4	

SECTION 5

Request for Information

**CITY OF MURPHY, TEXAS
2014 WATER & WASTEWATER COST OF SERVICE,
RATE STUDY, AND LONG-TERM FINANCIAL PLAN
2014-02-06 REQUEST FOR INFORMATION**

1. Please provide a copy of Murphy's current water and wastewater ordinance(s). Please include all schedules for non-rate revenues, including tap fees, late charges, connection and reconnection fees, etc.
2. Please provide the water and wastewater system's audited statements of cash flow, statement of net assets, and balance sheets for FY 2005-06 through FY 2012-13.
3. Please provide a copy of Murphy's final water and wastewater budgets for the fiscal years 2003-04 through 2012-13, along with a copy of the adopted FY 2013-14 budgets. .
4. Please provide a copy of Murphy's final water and wastewater capital improvement plan [CIP].
5. Please provide any financing plans and related assumptions that will apply to the CIP. Such plans and assumptions should include costs of issuance, timing of debt issuances, the CIP elements to be funded by each issuance, amortization periods and interest rates, debt service coverage targets, interest-only grace periods (if any), and disbursement period in the event that multi-year construction periods will apply.
6. Please provide copies of monthly billing statements from the North Texas Municipal Water District's from October 2003 through January 2014. If water reports provide daily average and maximum flow rates this would be very helpful.
7. Please provide monthly statements of water volumes utilized for back flushing, line flushing, and fire department use for each month from October 2003 through January 2014.
8. Please provide the total gallons of wastewater treated and discharged by month from October 2003 through January 2014.
9. Please provide a copy of Murphy's current impact fee ordinances for water and wastewater.
10. Please provide official statements and itemized debt service schedules for all water and wastewater related debt [either partially or entirely secured by water and wastewater revenues] currently outstanding and as well as draft documentation for any system debt planned for issuance in the next 12 months. Please indicate the amount, type, and timing of any anticipated CIP grant funding.
11. Please provide copies of all existing wholesale water supply contracts and sewage collection and treatment contracts.
12. Please identify any significant (i.e. greater than the annual rate of inflation) anticipated expansions in water/wastewater operations and maintenance expenses over the next 10 years and discuss primary drivers.

City of Murphy, Texas – Water and Wastewater Utility Rate Analysis Proposal

13. Please provide a copy of Murphy's current retail electricity supply agreement.
14. For each water customer class, please provide consumption, customer count, and revenues by meter size for each month from October 2003 through January 2014.
15. For each wastewater customer class, please provide consumption, customer count, and revenues by equivalent water meter size for each month from October 2003 through January 2014.

SECTION 6

Proposed Engagement Letter with Fee Information

Thank you for the opportunity to submit this proposal to provide professional services to the City of Murphy, Texas. It is our understanding that Murphy seeks to institute water and wastewater rate structures that will generate revenues sufficient to recover the full cost of providing water and wastewater service. In addition, it is Murphy's desire to incorporate a rate component that enables the City to pass-through the wholesale costs of water supply and wastewater treatment in a manner that can be easily communicated to its retail ratepayers.

To assist you in achieving these objectives, Capex Consulting Group will provide the following:

1. Analyze the cost of service and distribute these costs among existing and proposed customer classes
2. Identify current and forecast operating costs and then "functionalize" these costs among treatment, distribution, collection, and other major utility functions
3. Determine the percentage of household income devoted to water and wastewater services
4. Develop a series of rate structures which provide sufficient revenues to fund alternate scenarios consisting of current operations, proposed capital projects and additional capital improvements
5. Recommend a phased series of adjustments over a five-year period in order to minimize "rate shock"
6. Incorporate debt service, reserve and coverage funding requirements into the revenue streams to be generated by alternate rates
7. If available, utilize Murphy's capital improvement plan in the development of forecast revenue requirements
8. Develop and recommend rates that recover costs equitably among customers using a combination of base and volumetric rates in order to promote revenue stability while encouraging conservation.

Assuming Murphy decides to commence this study in March 2014, the initial rate recommendations will be presented to the staff and Board approximately seventy three (70) days from the receipt of all requested information.

The project fees and out of pocket expenses for this engagement will not exceed \$19,000. The price includes all expenses associated with carrying out the project, including fees, travel, preparation of reports and other related costs. If desired, this will also include assistance with a public hearing to explain the need for any rate adjustments to water and wastewater customers.

A detailed breakdown of the proposed fee is provided in the following table:

City of Murphy, Texas – Water and Wastewater Utility Rate Analysis Proposal

CITY OF MURPHY, TEXAS			
2014 WATER & WASTEWATER RATE STUDY AND LONG-TERM FINANCIAL PLAN			
PROFESSIONAL FEES AND EXPENSES			
		J. Snowden Project Manager	Total
Tasks			
1	Develop initial request for information and work with staff, engineers, financial advisors, billing system support, and other resources to collect data.	11	11
2	Assemble peer group consisting of 15 or more members and evaluate non rate revenues, minimum charges by meter size, retail volumetric rates, levels of median household income, and numerous other metrics.	8	8
3	Develop rate model along with revenue and expense forecast template with multiple consumption and account growth scenarios.	11	11
4	Conduct bond feasibility study for planned capital improvements and provide rate and non-rate recommendations to ensure revenue adequacy.	9	9
5	Work closely with Engineers providing design services in order to make sure that final deliverable(s) includes detailed operating and maintenance costs for each new facility.	5	5
6	Evaluate and prepare recommendations for all non rate revenue sources	6	6
7	Develop list of opportunities for improvement in operating efficiencies	6	6
8	Recommend equitable allocation of expenses among water and wastewater.	2	2
9	Prepare model illustrating the effects of declining water consumption due to higher rates and the corresponding effect on treatment capacity.	2	2
9	Submit Draft Report	7	7
10	Revise model to incorporate staff and/or board comments & accommodate alternative financing structures.	10	10
11	Submit Final Report	7	7
TOTAL HOURS		84	84
Total Professional Fees		\$ 21,000	\$ 21,000
Meetings/Trips			
	Expense/Trip	\$ 85	
	Data Gathering	2	2
	Review Data/Findings with Staff	1	1
	Public Meetings	3	3
	Total	6	6
	Total Expenses	\$ 510	\$ 510
	Printing/Reproduction	\$ 315	\$ 315
	Total Expenses	\$	825
GROSS FEES/EXPENSES		\$	21,825
LESS MARK-DOWN FOR NEW CLIENT		\$	(2,825)
NET FEES/EXPENSES		\$	19,000

City of Murphy, Texas – Water and Wastewater Utility Rate Analysis Proposal

If this proposal is acceptable to you, please execute one copy of this letter and return it to our office at 3245 Main St., Ste 235-171, Frisco TX 75034 or by email at jsnowden@capexconsulting.com. Thank you for this opportunity; we look forward to working with you on this important engagement.

Very Truly Yours,



Jeff G. Snowden
Principal
Capex Consulting Group

ACCEPTED BY:

Date

ACCEPTED BY:

Date

City Council Meeting
February 18, 2014

Issue

Consider and take action, if any, on the amenity for permanent closure of Grant Street in south Murphy.

Staff Resource/Department

James Fisher, City Manager

Background/History

The City Council asked the city staff to look at two possible permanent closures for Grant Road; a landscape island with bollards and a sliding gate. Attached are a couple of renderings to help show this idea. I am meeting with residents on Mason Drive on Monday, February 17th at 6:30 pm in the Murphy Community Center to get their feedback regarding the renderings including the type of trees, bushes, boulders and bollards they would like to have installed.

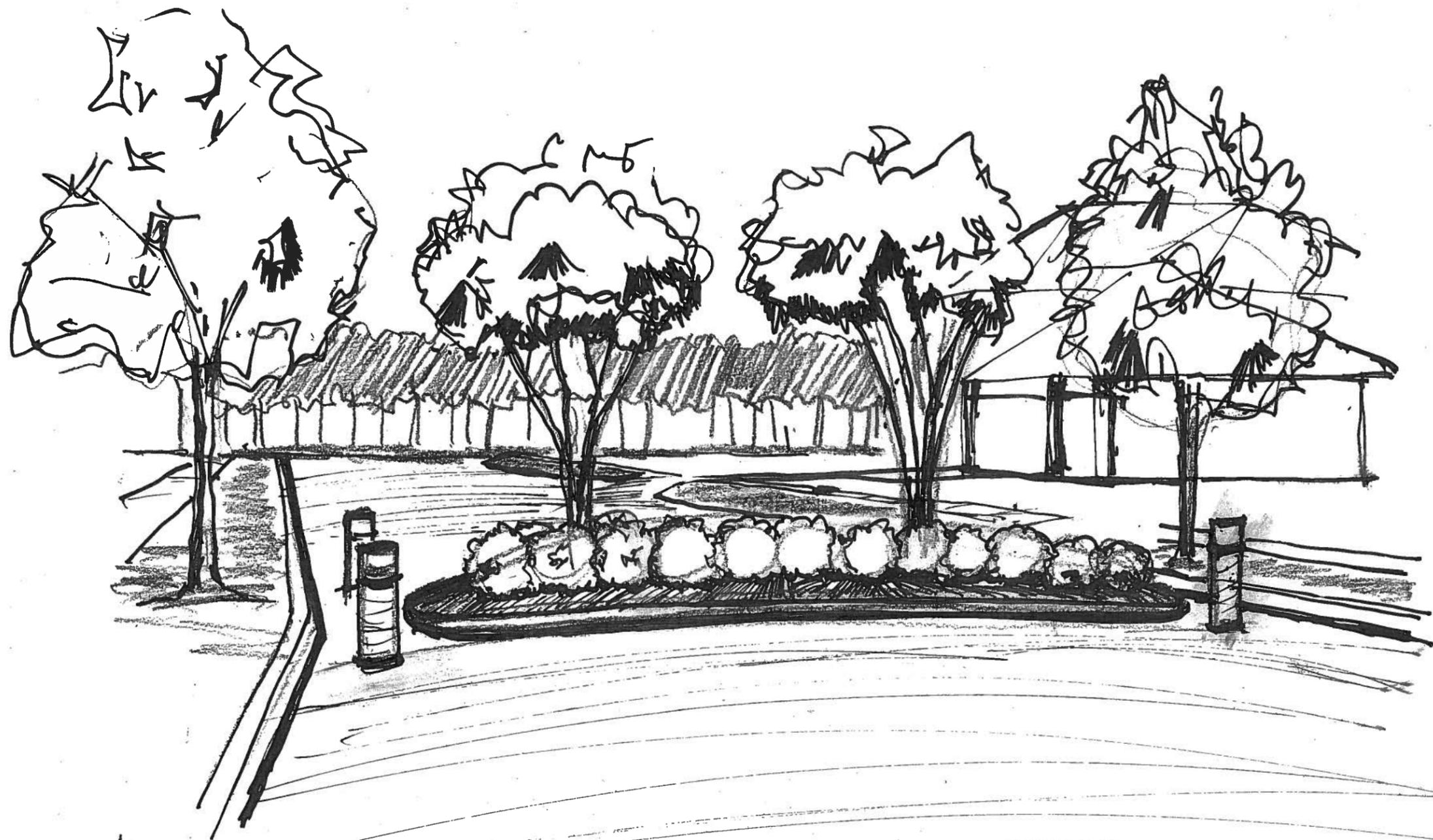
Financial Considerations

The revised cost estimates are included for your review. They increased to approximately \$25,000 due to the combining of elements and including the jackhammering of the pavement. The gate estimate is still approximately \$ 15,000.

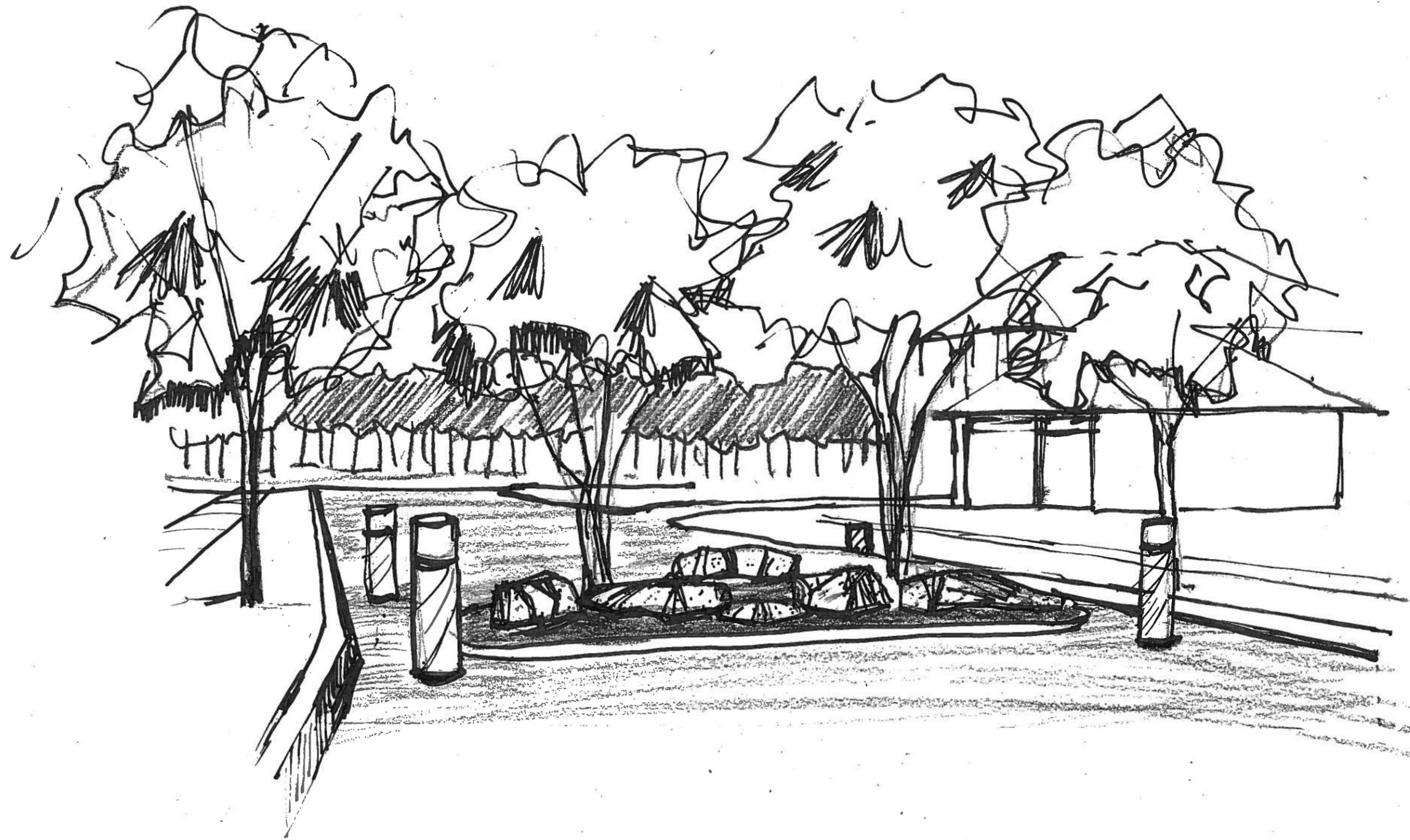
Attachments

Renderings

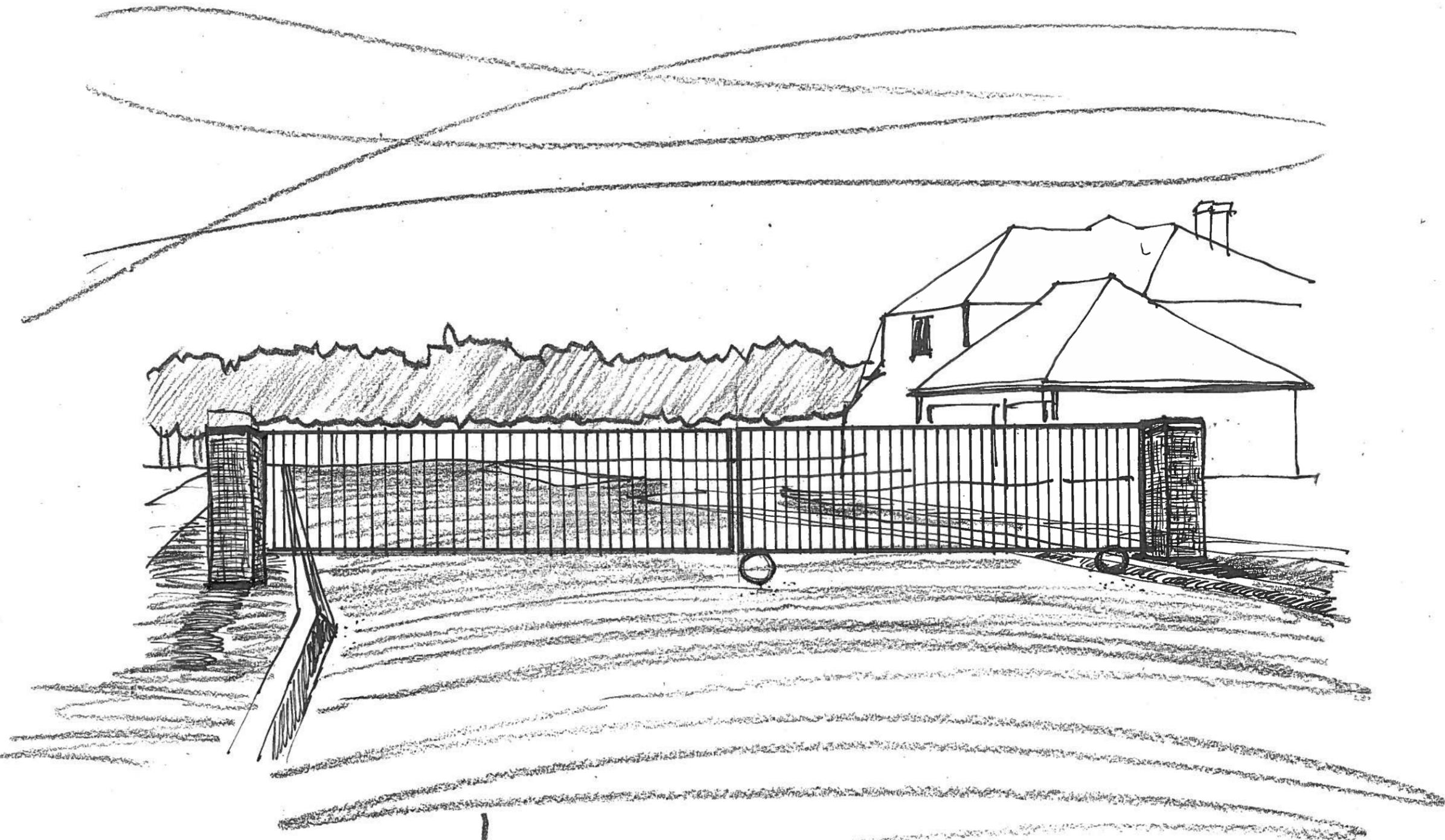
Cost Estimates



LANDSCAPE SHRUBS BOLLARD OPTION.



TREE BOLLARD BOULDER OPTION.



GATE OPTION



Preliminary Cost Estimate
LANDSCAPE OPTION WITH BOLLARDS
Murphy, Texas
January 30, 2014

Remove 600 S.F. Concrete	\$ 1,500.00
56 L.F. Curb	\$ 1,500.00
Water Meter (By City)	\$ 1,500.00
RPZ	\$ 2,500.00
Controller / Solar	\$ 2,000.00
200 L.F. 2" Service	\$ 6,000.00
2 Crape Myrtles	\$ 2,000.00
2 Red Oaks	\$ 1,000.00
30 Dwarf Yaupon	\$ 850.00
4 Bollards	\$ 4,000.00
Fill Materials	<u>\$ 500.00</u>
TOTAL:	\$ 23,350.00

Plans/Specs
 Bidding or Negotiation



Preliminary Cost Estimate
LANDSCAPE OPTION WITH BOULDERS
Murphy, Texas
January 30, 2014

Remove 600 S.F. Concrete	\$ 1,500.00
56 L.F. Curb	\$ 1,500.00
Water Meter (By City)	\$ 1,500.00
RPZ	\$ 2,500.00
Controller / Solar	\$ 2,000.00
200 L.F. 2" Service	\$ 6,000.00
2 Crape Myrtles	\$ 2,000.00
2 Red Oaks	\$ 1,000.00
Boulders	\$ 3,000.00
4 Bollards	\$ 4,000.00
Fill Materials	<u>\$ 500.00</u>
TOTAL:	\$ 25,500.00

Plans/Specs
 Bidding or Negotiation

Issue

Discussion on benchmark cities for compensation analysis and service delivery.

Staff Resource/Department

James Fisher, City Manager
Stacy Buckley, Human Resources Manager

Issue

The City Charter provides for the adoption of personnel rules that includes a compensation plan. At the work session held in November, we had a discussion regarding the appropriateness of the benchmark city list. In summary, the decision was made to create two separate benchmark city lists, one for the purposes of comparing salaries/benefits and the other for purposes of measuring service delivery.

Attached are the two referenced lists. Cities identified as a benchmark for compensation analysis include municipalities within the DFW Metroplex that are located geographically near Murphy and/or are cities that the City of Murphy has a history of losing employees to.

Cities recommended for service delivery comparisons were identified as having similar demographics as the City of Murphy with regards to population, number of employees, average household income and median home value. Sachse and Wylie were both included in the list as Murphy shares many services with both cities through interlocal agreements or mutual aide support. Sachse is very similar to Murphy demographically, while Wylie is not.

Considerations

Staff is seeking direction specifically with regards to the benchmark cities for compensation analysis in order to complete a compensation plan for review in upcoming budget sessions.

Staff Next Steps for compensation plan completion:

- Internal development of benchmarks/competencies
- Internal positional analysis based on goals of Council

Council Next Steps:

- Implementation of compensation plan based on staff recommendations in accordance with the City Charter with an effective date of October 1, 2014.

Attachments

Benchmark City List
Comparison city spreadsheet and associated data tables

Proposed Benchmark Cities

Recommended benchmark cities for compensation analysis:

Allen
Garland
Highland Village
McKinney
Plano
Richardson
Rockwall
Rowlett
Sachse
Wylie

Recommended benchmark cities for service delivery comparisons:

Cibolo
Colleyville
Corinth
Highland Village
Hutto
Little Elm
Prosper
Sachse
Southlake
Watauga
Wylie

Service Delivery Benchmark Cities - Proposed

City	FT Employees	2012 Population	Residents Per Employee	% Pop. Change (2000-2010)	2010 Population	2000 Population	Median Household Income	Median House Value	Population per Sq. Mile	Land Area (Sq. Mile)	County
Murphy	105	18,960	181	471.41%	17,708	3,099	112,900	256,742	3,577	5.3	Collin
Cibolo	103	17,785	173	405.73%	15,349	3,035	91,238	181,864	2,371	7.5	Guadalupe
Colleyville	195	23,936	123	16.15%	22,807	19,636	157,917	412,852	1,827	13.1	Tarrant
Corinth	156	20,483	131	76.03%	19,935	11,325	89,890	181,098	2,593	7.9	Denton
Highland Village	137	15,593	114	23.68%	15,056	12,173	129,224	280,190	2,436	6.4	Denton
Hutto	78	18,765	241	1075.84%	14,698	1,250	63,833	125,562	2,297	8.17	Williamson
Little Elm	185	28,966	157	610.31%	25,898	3,646	79,322	157,970	1,553	18.65	Denton
Prosper	98	11,729	120	349.36%	9,423	2,097	111,128	322,214	514	22.82	Collin & Denton
Sachse	130	21,596	166	108.48%	20,329	9,751	88,691	188,894	2,181	9.9	Collin & Dallas
Southlake	315	27,706	88	23.50%	26,575	21,519	181,122	510,046	1,231	22.5	Tarrant & Denton
Watauga	168	24,044	143	7.25%	23,497	21,908	58,842	93,839	5,725	4.2	Tarrant
Wylie	240	44,267	184	173.77%	41,427	15,132	83,628	148,652	1,253	35.33	Collin

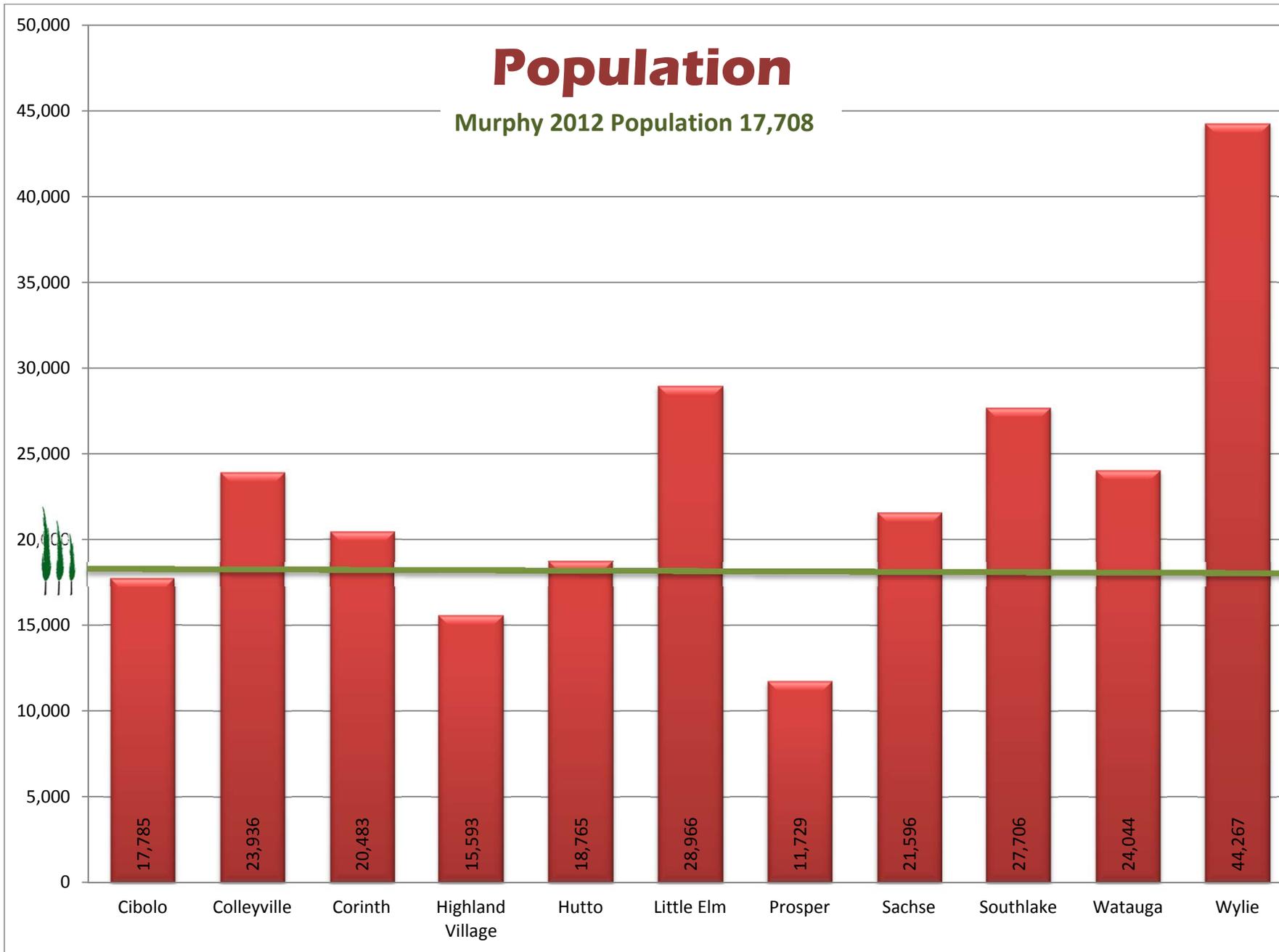
Sources:

Population: Census Bureau

Median Household Income: Census Bureau

Median Household Value: 2012 Certified Tax Rolls

The year 2012 was used as that was the most recent year that solid data could be obtained from all sources.





Residents per Employee

Murphy Residents per Employee 181

