

MEETING MINUTES
City Council, City Of Quitman
Monday, July 8, 2013 – 4:30 PM
City Council Chambers, City Hall – 401 E. Goode Street, Quitman, TX

COUNCIL PRESENT: J.R. Evans, Mayor; Toni Cole, Mayor Pro-Tem; Larry Crow, Alderman; and Randy Dunn, Alderman;

COUNCIL ABSENT: David Dobbs, Alderman; Arnie Spiers, Alderman

STAFF PRESENT: Mike Hall, City Secretary / Administrator; Dee Gilbreath, Utilities Director; and Walter Lutonsky, Streets & Maint. Director

Evans called the meeting to order at 4:30 PM.

At 4:31PM, Evans recessed the meeting to the Surface Water Treatment Plant, where it was reconvened at 4:45 PM.

Council members toured the Surface Water Treatment Plant, discussing its current condition and development.

At 5:25 PM, Evans recessed the meeting to the Raw Water Intake Pier, where it was reconvened at 5:30 PM.

Council members toured the Raw Water Intake Pier, discussing its condition and potential replacement.

At 5:55 PM, Evans recessed the meeting to the Wastewater Treatment Plant, where it was reconvened at 6:05 PM.

Council members toured the Wastewater Treatment Plant, discussing its potential rehabilitation / development.

At 6:25 PM, Evans recessed the meeting to City Hall, where it was reconvened at 6:35 PM.

Without objection, Items 1 and 2 were taken together.

Item 1 – Utility Capital Projects Package // Item 2 – Utilities Rate Structure

There was general discussion about the condition of the utilities facilities and general consensus that the previously presented improvement package was necessary to prevent service interruption due to a catastrophic failure.

There was specific discussion about the rate structure. Hall presented a rate structure designed based on previous Council direction which provided: a) a flat rate of \$45/month for residential users with a standard meter (3/4-5/8") with usage under 1,000 gallons for a particular month, b) a flat rate of \$90/month for all residential users with a standard meter to include 5,000 gallons of water / sewer use, c) a residential sewer cap of 15,000 gallons, and d) monthly meter charges by size combined with tiered use charges. There was general consensus to attempt to reduce the monthly meter charge for the largest size meters to reduce the impact on those few users with such meters.

There was general consensus to revisit the Water Plant project to determine if a completely new plant was absolutely necessary compared with rehabilitation of the existing plant or some other possible option with the intent being to reduce the cost while keeping the improvement and facility within the financing horizon.

There was general consensus to place the item for July's agenda with the likelihood of tabling action into August to provide notice to the public and especially larger users who might need to adjust during their budget cycles. There was also general consensus that new rates should become effective for November billings on usage from mid September to mid October to provide adequate time to communicate the change and for users to adjust.

No action was taken on this item.

Item 3 – Fiscal Year Ending 2014 Preliminary Budget

There was general discussion regarding the overall budget and process. There was no objection to the current 3% merit based increase by department. There was no objection to balancing the Utility Fund as a part of the rate structure adjustment.

There was specific discussion on balancing the General Fund Budget, including: removal of the \$5,000 of support for the Wood County Industrial Commission, removal of the additional p/t Streets Laborer, early payment of the Chipper Truck via the Streets Maintenance Reserve Fund, reduction of the additional \$10,000 requested for Fire Department Vehicle Purchase, and reduction of the Streets Construction by an amount up to \$10,000. The Mayor assured the Council he intended to balance the General Fund without any increase to property taxes.

No action was taken on this item.

Adjournment

Dunn made a Motion to Adjourn, Crow seconded the motion which passed unanimously.

The meeting was adjourned at 8:36 PM.

**I HEREBY CERTIFY THAT THESE MINUTES ARE A TRUE AND CORRECT RECORD OF
THE ITEMS CONSIDERED AND ACTION TAKEN AT THIS MEETING AND THAT THESE MINUTES HAVE BEEN APPROVED AS TRUE
AND CORRECT AND THAT AN EXECUTED COPY IS ON FILE WITH THIS OFFICE.**

MICHAEL E. HALL, CITY SECRETARY