

MEETING MINUTES
City Council, City Of Quitman
Thursday, March 7, 2013 – 5:30 PM
City Council Chambers, City Hall – 401 E. Goode Street, Quitman, TX

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

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

Evans called the meeting to order at 5:30 PM. Evans led an invocation and the pledge.

Item 1 – Water and Wastewater Study and Report

Lanny Buck and John Ringler with KSA Engineers were present. Ringler gave a detailed presentation of the “City of Quitman – Water and Wastewater Study and Report (February 2013)” prepared for the City by KSA. There was extensive discussion on the various utility system rehabilitation projects contained within the report.

There was specific discussion about the option of rehabilitating the existing Surface Water Treatment Plant at an estimated cost of \$3.6M for an expected additional life of 10-20 years with production capability of 1.5 MGD or a the development of a new plant at an estimated cost of \$6.3M with an expected life of 50+ years with a production capability of 2.0 MGD. There was general consensus among the Council to pursue the new plant option.

The total for all projects discussed with the new plant option was approximately \$15M. There was general discussion about financing alternatives. There was general consensus to pursue the projects as a package with bond financing.

There was no action on this item.

Item 2 – Utility Rate Structure

Hall presented information regarding the existing rate structure and the history of the change from a base rate structure to the flat rate structure. He also presented comparison information of Quitman, Winnsboro, and Mineola for current rates at different volumes of water use, noting typically users in low volume were paying much less in Quitman, but users in high volume were paying much more. He explained that approximately 80% of the users on the system were low volume users and that the top 10% of the users typically used 50% or more of the water. There was general discussion about the merits of a flat rate system versus a base rate system.

There was general consensus among the Council to pursue a base rate system with direction to Hall to present a complete rate structure for consideration at the Council’s April meeting for implementation on the June billing.

There was no action on this item.

Item 4 was taken up at this time without objection

Item 4 – Administrative Services Agreement with Quitman Development Corporation

Evans introduced a resolution and explained that passage would authorize the execution of an amendment to the previous agreement with the QDC for administrative services to reduce the payment from the QDC to the City from \$15,000 per fiscal year to \$10,000 per year with the current fiscal year being pro rated at \$12,000.

Dunn made the motion to approve the resolution. Crow seconded the motion, which passed unanimously.

Item 3 – Employment Agreement with City Secretary-Administrator

Evans introduced a resolution and explained that passage would the execution of an amendment to the previous agreement with Hall to serve as the City Secretary-Administrator, extending the term of service until September 30, 2015 and adjusting the term coincide with the City’s fiscal year.

Crow made the motion to approve the resolution. Dunn seconded the motion, which passed unanimously.

Adjournment

Cole made a motion to adjourn, Dunn seconded the motion. The motion passed unanimously.

The meeting was adjourned at 8:10 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-ADMINISTRATOR**