

**MEETING MINUTES**  
**Special Meeting of City Council, City Of Quitman**  
Thursday, May 2, 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; Randy Dunn, Alderman, and Sam Lange, Alderman;

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

**Evans called the meeting to order at 5:31 PM.**  
**Evans lead an invocation and the pledge.**

**Item 1 – Utilities Capital Projects Closeout and Allocation for Wastewater Treatment Plant Equipment Replacement (Drives / Pump)**

Evans introduced the resolution explaining passage would authorize the closeout of a number of previously set-up Utility Capital Projects from 2011 which had a balance of \$10,396.72 remaining overall available to be reallocated. He noted the resolution included reallocating this balance plus an additional \$4,603.28 from the Utility Maintenance Reserve for a total of \$15,000 to a new capital project for the replacement of 2 variable frequency drives and a submersible circulation pump at the wastewater treatment plant.

There was general discussion about the current state, operability, and reparability of this equipment. Gilbreath noted that the other pump had recently been replaced and the remaining pump was original equipment dating from the late 1990s. Hall noted that the allocation of funding for the pump was in the instance of failure only. There was discussion about options regarding the drives. Gilbreath explained repair / maintenance on the drives was likely to cost \$2,000-\$5,000 depending on the situation whereas replacement cost just under \$5,000. Hall and Gilbreath also noted the potential for the drives and pumps to be completely replaced in the rehabilitation of the plant if the Council moves forward with larger capital projects package, but that such construction would not likely take place until late 2015 at the earliest. There was general consent among the Council to move forward with the full replacement of the drives.

***Dunn made a motion to approve the resolution, Lange seconded the motion which passed unanimously.***

**Item 2 – Utilities Rate Structure**

There was extensive discussion regarding the potential restructure of the utilities rates. Hall presented a worksheet detailing various options for adjusting the rates to incorporate the potential large scale utilities system capital improvements package previously discussed by the Council, including: 1) keeping the remaining system, 2) a flat rate monthly meter charge with a reduced water use charge stepped up based on use amount, 3) a flat rate monthly meter charge with flat rate use rates per \$1,000 gallons with no minimums, 4) a flat rate meter charge with flat rate use rates per \$1,000 gallons with a minimum of \$1,000 gallons per month, and 5) a flat rate monthly meter charge with a reduced water use charge stepped up based on use amount with no improvements package involved. The overall discussion focused on the need to balance any increase in cost across various types of customers without burdening any specific group more so or less so than another.

The Council also extensively discussed an additional alternative proposed by Alderman-elect Arnie Spiers to have a flat rate that included up to a certain amount of water for residential water (1,000-6,000 gallons). There was some consensus among Council members about the need for the utilities capital improvement package as well as the potential of the flat rate inclusive concept. There was also general consensus among members that due to the potential for the rate to affect most if not all of the customer base with some increase regardless of timing to pursue implementation immediately. Rather to try to approve something appropriately to allow for education of the public and budgeting by affected organizations prior to actual implementation.

**Adjournment**

***Crow made a motion to adjourn, Lange seconded the motion. The motion passed unanimously.***

**The meeting was adjourned at 8:00 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.**



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**MICHAEL E. HALL**