

**CITY COUNCIL
WORK SESSION
JULY 01, 2013**

The City Council held a work session on Monday, July 01, 2013 at 6:01 p.m. with a quorum present, to wit:

Harold Magill	Mayor
Dennis Childress	Mayor Pro Tem
Bill Chambliss	Councilman
Terri Ashmore	Councilwoman
Lee Landess	Councilman
Peggy Day	Councilwoman

The following staff members were also present: City Manager Larry Graves, SEDC President/CEO Bekki Roberts, Public Works Director Jim Berman, Finance Director Patrick Harvey, and City Secretary Dara Crabtree.

Mayor Magill stated Councilman Chambliss took the Oath of Office prior to the work session so he could participate in the discussion.

City Manager Graves explained Councilman Landess' father is the current Combine Water Board President; therefore, he would need to recuse himself from the Water/Wastewater Rate Study discussion due to a conflict of interest.

[Councilman Landess recused himself and left the dais.]

ITEM 1. DISCUSSION OF WATER/WASTEWATER RATE STUDY.

Chris Ekrut with J. Stowe & Co presented a PowerPoint presentation on the Water/Wastewater Rate Study including: rates have not been adjusted since 2008; every year wholesale water and wastewater treatment providers rates have increased; Combine rate has not been adjusted since 2010; estimated costs for future capital improvements; wholesale charges account for approximately 48% of City's needed rate revenue; rates currently insufficient to fully fund cost of providing water/wastewater service; portion of City's existing debt will be paid off in 2016; importance of setting rates under "normal" precipitation; recommended two options; consider some level of rate adjustment for 2014 fiscal year; recommending no change to current (inclining block structure) rate structure; consider billing new wastewater customers' sewer flow at 4,500 gallons until winter water use established; consider reviewing rates every one to two years; utilities are a business and should be ran as such; monthly bill comparison to neighboring cities; and remain competitive with neighboring cities even with rate increase. Questions and answers followed.

[Councilman Landess returned to the dais.]

ITEM 2. STAFF UPDATES.

City Manager Graves briefed the City Council on the following items:

- A. Dates to remember.
- B. Mosquito traps are all negative.

City Manager Graves presented a slide show of recent events and activities.

SEDC President/CEO Roberts provided an update and presented a slide show on current projects.

City Manager Graves announced Public Works Director Berman received a \$1,000 grant from Wal-Mart for the Street Dance in September.

ITEM 3. DISCUSSION OF AGENDA ITEMS. None

The work session was adjourned at 6:55 p.m.

APPROVED:


MAYOR

ATTEST:


CITY SECRETARY

**CITY COUNCIL
REGULAR MEETING
JULY 01, 2013**

The City Council held a regular meeting on Monday, July 01, 2013 at 7:00 p.m. with a quorum present, to wit:

Harold Magill	Mayor
Dennis Childress	Mayor Pro Tem
Bill Chambliss	Councilman
Terri Ashmore	Councilwoman
Lee Landess	Councilman
Peggy Day	Councilwoman

The Invocation was provided by Chaplain Dennis Childress. Mayor Magill led the Pledge of Allegiance.

Mayor Magill reported on attending an Army Installment Ceremony for teen Jonathan Lopez at the home of Mr. and Mrs. Santiago.

[Several comments followed regarding reviewing ordinances; reminded not on the agenda.]

ITEM 8. CITIZEN COMMENTS. No one spoke.

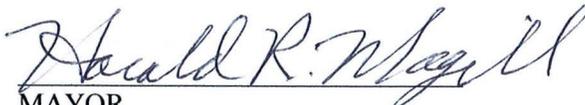
ITEM 9. The City Council recessed into Executive Session at 7:29 p.m. in compliance with the Texas Government Code Section 551.074; to deliberate the appointment, employment, evaluation, reassignment duties, discipline, or dismissal of a public officer or employee, to wit: City Manager.

The City Council reconvened into open session at 8:41 p.m.

ITEM 10. No action was taken as a result of the Executive Session.

The meeting adjourned at 8:42 p.m.

APPROVED:


MAYOR

ATTEST:


CITY SECRETARY