



GATE CITY COUNCIL SPECIAL CALLED MEETING MINUTES

**June 17, 2016
156 E. JACKSON ST.
5:00 P.M.**

I. Mayor, Frances Perry, called the Special Called Meeting to order at 5:15 P.M. Purpose of said meeting was to discuss and approve the contract for Sale of Water to the Scott County Public Service Authority (PSA).

II. ROLL CALL Acting Town Clerk Lisa Loggans

	Present	Absent
Mayor, Frances Perry	Yes	
Vice Mayor, Allan "Cotton" Roberts	Yes	
Council Member, Roger Cassell		Yes
Council Member, Robin Richards	Yes	
Council Member, Wallace W. Ross, Jr.		Yes
Council Member, Walter Salyers	Yes	
Town Attorney, Michele Brooks	Yes	
Town Manager, Greg Jones	Yes	

III. NEW BUSINESS

Town Manager Greg Jones stated the PSA wants to purchase 103,000 gallons of water per day from the Town at a rate of \$3.41 per 1,000 gallons. The Town's current water rate cost is \$2.40 per 1,000 gallons. The PSA meter will be read on a monthly basis and be treated as a customer of the Town being billed monthly at above-stated rate.

There was discussion concerning daily production requirement; if the town possesses the required amount of water (103,000 gallons); and the consequences if the Town experiences a drought. Mr. Jones stated the Town's Water Plant is able to supply 500,000 gallons of water per day. Also, the Town's storage tanks should be able to handle the required amount of water should there be any down time due to equipment failure.

In addition, there was discussion on increase in personnel and if a booster pump would be required. Mr. Jones stated the current personnel is sufficient to produce the required amount of water and the water pressure at points of delivery will be inspected by the Health Department to insure water flow is acceptable. If a booster pump is required, Mr. Jones stated it would depend on whose side requires the pump.

Michele Brooks stated the current contract is approximately the 15th draft and is the result of a four-month long project. The initial \$3.41 rate will be effective for six months after execution of said contract at which time the billing rate will be reviewed annually and is subject to an adjustment based on the Town's actual cost related to the production of water.

- **PSA Water Contract – Upon completion of discussion, motion was entered by Council Member Allan Roberts, which was seconded by Council Member Robin Richards, to approve the PSA Contract.**

VOTE: 3 Ayes
0 Nays,
2 Absent,
0 Abstain,

IV. ADJOURN

There being no further business (relating to the PSA Contract) to come before the meeting, Mayor Perry adjourned the meeting at 5:24 p.m.

The next regularly scheduled Council Meeting will be on July 12, 2016, at 6:30 p.m.

Mayor Frances Perry

Office Manager, Lisa Loggans