

**CITY OF INGLESIDE ON THE BAY  
CITY COUNCIL MEETING  
October 2, 2012**

- I. City Council Meeting was called to order by Mayor Gillespie at 7:00 p.m.
- II. Alderman Ehmann gave the invocation.
- III. Mayor Gillespie led the Pledge of Allegiance.
- IV. Roll Call: Present were: Mayor Gillespie, Alderman Slusher, Merrick, Ehmann, Robbins and Skinner.
  
- V. Minutes of Previous City Council Meeting of September 19 and September 26, 2012 were approved as written.
  
- VI. Citizen Participation  
Wayne Jewell acknowledged everyone who brought well wishes during his medical procedure.
  
- VII. Reports from Standing Committees  
  
Item A: Planning & Zoning had no report.  
Item B: Parks & Recreation had no report.  
Item C: VFD reported a recruiting and appreciation lunch will be held.  
Item D: Water Purchasing Committee reported they are ready to make a recommendation to Council.
  
- VIII. **New Business:** Discussion and Possible Action

Item A: Approve/Disapprove pay off of water bond with The Bank of New York Mellon  
Alderman Ehmann explained the bond could be paid off early; the principal is \$80,000 with the interest at \$938.67. The debt service account is set up to pay the bond; an approximate additional amount of \$16,800 can be moved from the capital improvement funds. The collection for the bond payment would be kept in the billing to build up funds for the new water system. This will give the city a better position for borrowing monies for the new system. Over all the city can save about \$10,000 on the interest for the bond.

Alderman Robbins made the motion to take the funds needed from the Capital Improvements account to pay off the loan and debt bond. Alderman Slusher seconded the motion. The motion passed unanimously.

Item B: Approve/Disapprove Ordinance amending Ordinance No 2006-02 providing for a water rate schedule

Discussion occurred concerning the 30% rate increase from Ingleside. The rate will increase 5% each year until the amount matches 50%. The proposed base rate for water will be from \$54.47 to \$61.78 for the first 2,000 gallons and from \$4.33 per thousand over 2,000 gallons to \$5.00 per thousand. Council stated they were not happy to make such an increase but Ingleside made such a large increase it needs to be passed on to our customers. The extra cost for treating the water will be added to the bill to help cut down on the amount of flushing water. The increase will be effective with the November bill. Alderman Ehmann made the motion to approve Ordinance 2012-09 amending Ordinance No 2006-02 providing for a water rate schedule. Alderman Slusher seconded the motion. The motion passed unanimously.

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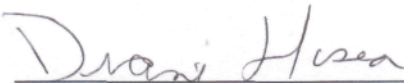
Item C: Approve/Disapprove recommendation from Water Purchasing Committee concerning new water system

Alderman Slusher stated the committee has researched financial options, water line routes and a tank site. The approximate cost of a new system would be about two million. The committee recommends the City move ahead with the new system. The water rates may not be affected, but the City would have control of the water system and not have to pay Ingleside for water. The water quality from Ingleside is in question. Town Hall meetings and notices sent to residents is recommended. Discussion of dates for a Town Hall meeting occurred. Alderman Ehmann made the motion to set the Town Hall meeting at 5:30 pm October 16, 2012 before the Regular City Council Meeting. Alderman Skinner seconded the motion. The motion passed unanimously.

**IX.** Mayor Gillespie adjourned the meeting at 7:25 p.m.

Respectfully submitted & attested:

Approved:



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Diane Hosea  
City Secretary



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Howard Gillespie  
Mayor