

MINUTES OF REGULAR MEETING OF THE CITY COMMISSION OF THE CITY OF LUFKIN, TEXAS, HELD ON THE 15TH DAY OF FEBRUARY, 1977, AT 5:00 PM

On the 15th day of February, 1977, the City Commission of the City of Lufkin, Texas, convened in regular meeting in the Council Room at City Hall with the following members thereof, to-wit:

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|--------------------|--------------------------------|
| R. A. Brookshire | Commissioner, Ward No. 1 |
| Pat Foley | Commissioner, Ward No. 2 |
| Jack McMullen | Commissioner, Ward No. 3 |
| E. C. Wareing | Commissioner, Ward No. 4 |
| W. O. Ricks, Jr. | Commissioner at Large, Place A |
| E. G. Pittman | Commissioner at Large, Place B |
| Harvey Westerholm | City Manager |
| Robert L. Flournoy | City Attorney |
| Roger G. Johnson | City Secretary |

being present, and

Pitser H. Garrison Mayor

being absent, constituting a quorum, when the following business was transacted:

1. Meeting opened with prayer by Rev. Duane Spikes, Pastor of First Baptist Church, Lufkin, Texas.
2. Mayor Pro Tem Wareing welcomed a large group of visitors who were present in connection with items on the agenda or as observers.
3. Approval of Minutes

Comm. Jack McMullen made motion that minutes of regular meeting of February 2, 1977, be approved. Motion was seconded by Comm. E. G. Pittman and a unanimous affirmative vote was recorded.

4. Open Hearing-Texas Power & Light Co.-Rate Increase Request

Mayor Pro Tem Wareing explained to individuals present actions of this Commission during previous meetings regarding rate increase request by Texas Power & Light Company. Mayor Pro Tem Wareing also explained that the purpose of this hearing was to fulfill the requirements of the Public Utility Regulatory Act. Mayor Pro Tem Wareing stated that utility companies were entitled to a certain rate of return on their investment which would be investigated by Touche-Ross.

There were a number of citizens present who expressed opposition to proposed rate increase request by Texas Power & Light Company, to include Mr. Bill Dunlap who desired to know how much increase was being requested and Mr. Roy Harold who inquired as to why coal was not being used from a local source.

Mr. James Manning, of Texas Power & Light Company, explained that their proposal for rate increase would be justified by the Touche-Ross report and a fair rate of return would be determined. Mr. Manning further stated that Texas Power & Light Company was presently buying its lignite mined in Mt. Pleasant, Texas, and no coal was being brought in from out of state. Mr. Manning stated that it may be necessary to buy coal out of state by 1985.

Mayor Pro Tem Wareing recognized Mrs. Hazel Finley who inquired as to why an increase was needed when the fuel adjustment clause provided it automatically. Mr. Manning explained that the fuel adjustment clause covered increases in fuel which could be passed on to customers, but increased operations and maintenance costs must be paid through other methods.

Mayor Pro Tem Wareing also recognized Mrs. Eloise Johnson who was present in behalf of the local retired persons. Mrs. Johnson inquired as to whether or not Texas Power & Light Company was allowing retired individuals discounts. Mr. Manning explained that no provision had been made for discounts.

Mayor Pro Tem Wareing also recognized Mrs. Pauline Burrous and Mr. Harold Weeks who asked Mr. Manning questions regarding rate increase request. Mrs. Burrous inquired as to whether or not the 34 percent proposal was cushioned and if 18 percent were not a more true figure. Mr. Manning stated that the Touche-Ross report should reflect a true rate of return on the investment. Mr. Weeks expressed his opinion that REA and Texas Power & Light rate comparisons seemed to reflect that REA rates were cheaper. Mr. Manning explained that it was difficult to compare the two rates because rates varied greatly in certain areas.

Mayor Pro Tem Wareing also recognized Mr. Leon Newborn who inquired regarding whether or not Texas Power & Light Company had preferred stock and dividends. Mr. Manning explained that preferred stocks were sold by Texas Power & Light Company on the open market.

Mayor Pro Tem Wareing formally closed hearing and thanked individuals present for their comments regarding proposal.

5. Water Plant Ground Storage Tank Repair Bids Awarded

City Manager Westerholm stated that bids had been received from the following companies for the rapair of a ground storage tank at the Water Plant:

| <u>Name of Company</u> | <u>Bid Amount</u> |
|---|-------------------|
| Blue Ribbon Lining & Painting Company | \$24,786.00 |
| Lupton Painting Company | \$29,700.00 |
| National Tank Maintenance Corporation | \$38,817.20 |
| Water Tank Service, Inc. | \$39,915.30 |
| Mid South Tank & Utilities | \$40,308.00 |
| Universal Construction Company | \$46,800.00 |
| Mid West Tank Company | \$60,918.00 |
| Dean Jones, Contractor | \$62,889.00 |
| Water Tank Service Company | \$63,000.00 |
| Watertower Paint & Repair Company, Inc. | \$73,776.00 |

City Manager Westerholm stated that Blue Ribbon Lining & Painting Company was low bidder and had been recommended by Mr. Don Reichle, consultant hired by the City to prepare specifications and tabulate bids. Comm. W. O. Ricks, Jr., made motion to authorize City Manager to accept low bid submitted and authorize Mayor to enter into contract on behalf of the City with this company to complete improvements to the ground storage tank. Motion was seconded by Comm. R. A. Brookshire.

Prior to vote on motion, Comm. Pat Foley inquired as to the reason for the great amount of difference between high and low bids on this contract. Mr. Don Reichle, who was present, explained to members of Commission that the bids were unusually high and he could not give a good answer as to why, but all bids were bonded. A unanimous affirmative vote was then recorded to previous motion and second to approve low bid submitted.

6. Angelina County-Sale of Old City Hall Disc.

City Manager Westerholm stated that he had met with the County Commissioners' Court regarding the possible sale of the old City Hall facility, but no decision had been made. City Manager Westerholm stated that he was still negotiating with the County Commissioners.

Comm. R. A. Brookshire made motion that the City Commission, by letter, offer for sale the old City Hall facility to the County for a dollar a year on a year-to-year basis with the provision that they provide the upkeep of the facility. Motion was seconded by Comm. Jack McMullen.

Comm. E. G. Pittman inquired as to what particular reason Comm. Brookshire had in mind. Comm. Brookshire stated that the County needed the building and it may prevent the County from building additional space. Comm. Brookshire further stated that one taxing agency should not cause extra taxation on the other since the City did not have any use for the building.

City Manager Westerholm reported that he had recently had a private individual inquire regarding the sale of this building. Comm. W. O. Ricks, Jr.,

inquired as to whether or not City Manager Westerholm could pursue sale of this building privately. Comm. Ricks inquired as to whether or not Comm. Brookshire desired City Manager Westerholm check into the private sale of this building. Comm. Brookshire stated that if someone desired to purchase the building, they would probably let their interest be known prior to the completion of proposed agreement by motion.

The following vote was recorded to previous motion and second:

Voting Aye: Comms. R. A. Brookshire and Jack McMullen

Voting Nay: Mayor Pro Tem Wareing, Comms. Pat Foley, W. O. Ricks, Jr., and E. G. Pittman

Mayor Pro Tem Wareing declared motion denied by majority vote of four to two.

7. Tom Gann-Alley Closed-Townsend Addition

Mayor Pro Tem Wareing stated that decision to formally close this alley had been postponed at last regular meeting to determine a fair market value. City Manager Westerholm stated that the alley had been appraised at the same cost as another alley in the immediate area had been recently appraised. Mayor Pro Tem Wareing inquired of City Attorney regarding procedures for purchasing all of the alley when only one property owner was involved. City Attorney Flournoy stated that Mr. Gann could obtain a statement from property owner indicating his approval for purchase of his portion of the alley.

There were no persons present in opposition to proposed closing. Comm. R. A. Brookshire made motion that the Mayor be authorized to sign a deed for the sale of this property at a fair market value as previously stated with all easements reserved. Motion was seconded by Comm. Jack McMullen and a unanimous affirmative vote was recorded.

8. Zone Change Approved 1st Reading-Zeleskey Law Firm from C, RS & RL to HM District

Mayor Pro Tem Wareing recognized Mr. Walter Borgfeld appearing in representation of application by Zeleskey Law Firm for zone change from C, RS & RL to HM District covering property located North of Kurth Drive & East & West of Sayers Street, South of & parallel to A&NR Railroad Track, as recommended by the City Planning and Zoning Commission.

There were no persons present appearing in opposition to zone change request. Comm. Jack McMullen stated his desire not to act on this zone change application due to his affiliation with the A&NR Railroad, which was involved in application. Comm. W. O. Ricks, Jr., made motion that zone change application by Zeleskey Law Firm from C, RS & RL to HM District be approved on first reading of ordinance. Motion was seconded by Comm. E. G. Pittman and a unanimous affirmative vote was recorded, with one absence by Comm. Jack McMullen.

9. Zone Change Approved 1st Reading-Tom Gann from RL to RM District

Mayor Pro Tem Wareing stated that zone change application by Tom Gann from RL to RM District covering property located South of & fronting on Janeway Avenue, West of Highway 59 South, had been recommended for approval by the City Planning and Zoning Commission.

There were no persons present appearing in opposition to same. Comm. E. G. Pittman made motion that zone change application by Tom Gann from RL to RM District be approved on first reading of ordinance. Motion was seconded by Comm. Pat Foley and a unanimous affirmative vote was recorded.

10. Zone Change Approved 1st Reading-Dale Stubblefield from RL to C District

Mayor Pro Tem Wareing stated that zone change application by Dale Stubblefield from RL to C District covering property located East of Loop 287, South of Paul Avenue, being narrow strip behind Southeast corner running from Loop 287 to Paul Avenue, had been recommended for approval by the City Planning and Zoning Commission.

There were no persons present appearing in opposition to same. Comm. Pat Foley made motion that zone change application by Dale Stubblefield from RL to C District be approved on first reading of ordinance. Motion was seconded by Comm. W. O. Ricks, Jr., and a unanimous affirmative vote was recorded.

11. Zone Change Approved 1st Reading-Buster Cook from RS to LB District, Special Use (Retail Nursery)

Mayor Pro Tem Wareing stated that zone change application by Buster Cook from RS to LB District, Special Use (Retail Nursery), covering property located West of & fronting on Payton at intersection with Fred Street, had been recommended for approval by the City Planning and Zoning Commission.

There were no persons present appearing in opposition to same. Comm. W. O. Ricks, Jr., made motion that zone change application by Buster Cook from RS to LB District, Special Use (Retail Nursery), be approved on first reading of ordinance. Motion was seconded by Comm. Pat Foley and a unanimous affirmative vote was recorded.

12. Zone Change Postponed 1st Reading-Arlie Luce from RS to NR District, Special Use (Barbecue Facility, No Curb Service)

Mayor Pro Tem Wareing stated that zone change application by Arlie Luce from RS to NR District, Special Use (Barbecue Facility, No Curb Service), covering property located West of & fronting on Calvert Street, North of Kerr Avenue at intersection, had twice been before the City Planning and Zoning Commission where it received a 3-2 vote initially not to recommend approval and then a 4-2 vote at a later meeting to recommend approval.

Mayor Pro Tem Wareing recognized Mr. W. A. Terry, Mrs. E. R. White and Johnnie Stockman all surrounding property owners appearing in opposition to application. Property owners appearing in opposition contended that area was primarily residential and should not support a business of this type.

Mayor Pro Tem Wareing recognized Mr. Joe Register, attorney appearing in representation of his client, Arlie Luce. Mr. Register explained that application had been reduced to an NR District which was the reason why it was considered a second time by the City Planning and Zoning Commission for an NR District, Special Use to limit the activity and protect surrounding property owners without curb service.

Comm. E. G. Pittman made motion that application be denied because it did not front on a major street and established residences were in the area. Motion was seconded by Comm. Pat Foley.

Prior to vote on motion, Comm. R. A. Brookshire expressed his desire to personally review the area before voting. Comm. E. G. Pittman withdrew his previous motion and made new motion to place item on the agenda for next regular meeting as a first item of consideration under Old Business. Motion was seconded by Comm. Pat Foley and a unanimous affirmative vote was recorded.

13. Tulane Drive-Widening of Bridges-Authority Granted to Make Application for Funds

City Manager Westerholm explained that the State Dept. of Highways & Public Transportation Urban Funding Program provided the possibility for the City to fund the construction, on a cost participation basis, of two bridges on Tulane Drive adjacent to the Kiwanis-City Park. Mr. Westerholm stated that the City's participation involved 10 percent of the cost, and the estimated cost for construction of new and wider bridges and improving the alignment of Tulane was \$117,000, of which the City's portion would be \$11,700.00. City Manager Westerholm stated that the State Dept. of Highways & Public Transportation would like to include this project with its other project on FM 1271 involving bridge widening and street improvements West, past Trailwood Village. Comm. W. O. Ricks, Jr., made motion that the City enter into an agreement with the Texas Dept. of Highways & Public Transportation to make these improvements. Motion was seconded by Comm. Pat Foley and a unanimous affirmative vote was recorded.

14. Authority to Advertise for Bids-WPCP Sludge Truck

City Manager Westerholm stated that the present budget provided for the purchase of a Water Pollution Control Plant Sludge Truck and authority was necessary from the City Commission to advertise for bids. Comm. Pat Foley made motion that City Manager Westerholm be authorized to advertise for bids on this vehicle. Motion was seconded by Comm. W. O. Ricks, Jr.

Prior to vote on motion, Comm. W. O. Ricks, Jr., inquired as to whether or not the spare tire would be a large or small tire. Members of Commission were in agreement, and Comm. Foley amended his previous motion to add the large tire as the spare as suggested by Comm. Ricks. A unanimous affirmative vote was then recorded to approve previous motion.

15. Hearing Date Established-Annexation & Permanent Zoning-Tom Gann-Whitehouse Cemetery Area

Mayor Pro Tem Wareing stated that a previous hearing had been held at the City Planning and Zoning Commission on area being considered for annexation and permanent zoning by Tom Gann covering property located between FM 58 and Highway 69 South near Whitehouse Cemetery, and same had been recommended for approval. Mayor Pro Tem Wareing stated that providing no opposition existed, members of this Commission should set hearing date for consideration of this application. Comm. W. O. Ricks, Jr., made motion to establish hearing date for March 1, 1977, at 7:30 p.m., for this annexation and permanent zoning hearing request. Motion was seconded by Comm. Pat Foley and a unanimous affirmative vote was recorded.

16. Election Order Approved-City Election April 2, 1977

Mayor Pro Tem Wareing stated that the up-coming City Officers Election on the first Saturday in April involved Commissioner of Ward 2, Pat Foley, and Commissioner at Large, Place A, Comm. W. O. Ricks, Jr. Mayor Pro Tem Wareing stated that it was necessary to approve an Election Order indicating the City's intent to have a City Officers Election with certain polling places designated and election judges listed.

Comm. E. G. Pittman made motion to approve Election Order establishing election date for April 2, 1977. Motion was seconded by Comm. Jack McMullen and a unanimous affirmative vote was recorded.

Both Commissioners Pat Foley and W. O. Ricks, Jr., made announcements that they would seek new terms of office.

17. Lufkin Industries-Proposed Expansion Disc.

City Manager Westerholm stated that Lufkin Industries had made a proposal to expand its facility across Kiln Avenue which may necessarily involve the closing of a City street. City Manager Westerholm stated that he had discussed this proposal with the City Attorney who had suggested that a hearing date be set to consider this action. City Manager Westerholm stated that Lufkin Industries was willing to give additional property in exchange for street closing which would, as proposed, be a benefit to the City.

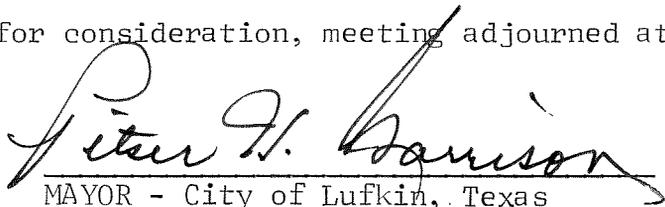
City Attorney Flournoy stated that this proposal should be advertised at least twice in the local paper. Comm. W. O. Ricks, Jr., made motion that hearing date be advertised for March 1, 1977, for City Commission consideration. Motion was seconded by Comm. Pat Foley.

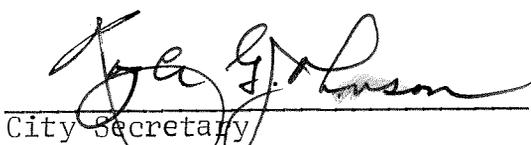
Prior to vote on motion, Comm. Jack McMullen inquired as to whether or not Herndon Street could be corrected at the time this area was being considered. It was generally agreed that Herndon Street would be a part of the consideration. Previous motion received a unanimous affirmative vote, with one abstention by Comm. E. G. Pittman due to his affiliation with Lufkin Industries.

18. Adjournment

There being no further business for consideration, meeting adjourned at 6:55 p.m.

ATTEST:


MAYOR - City of Lufkin, Texas


City Secretary