

MINUTES OF REGULAR MEETING OF THE CITY COMMISSION OF THE CITY OF LUFKIN, TEXAS, HELD ON THE 23RD DAY OF JULY, 1985, AT 5:00 P.M.

On the 23rd day of July, 1985, the City Commission of the City of Lufkin, Texas, convened in regular meeting in the Council Chambers of City Hall with the following members thereof, to-wit:

Pitser H. Garrison	Mayor
Don Boyd	Commissioner, Ward No. 2
Lynn Malone	Commissioner, Ward No. 3
Pat Foley	Commissioner, Ward No. 4
Jack Gorden	Commissioner, Ward No. 5
Louis Bronaugh	Commissioner, Ward No. 6
Harvey Westerholm	City Manager
Ron Wesch	Public Works Director
Robert Flournoy	City Attorney
Nicholas Finan	City Planner
Atha Stokes	Asst. City Secretary

being present, and

Percy Simond	Commissioner, Ward 1
Brian Boudreaux	Asst. City Manager
Ann Griffin	City Secretary

1. Meeting was opened with prayer by Commissioner Louis Bronaugh in the absence of the Chaplain.

2. Mayor Garrison welcomed visitors present.

3. APPROVAL OF MINUTES

Minutes of regular meeting of July 9, 1985, were approved on a motion by Commissioner Pat Foley and seconded by Commissioner Don Boyd. A unanimous affirmative vote was recorded.

4. PUBLIC HEARING - ANNEXATION & PERMANENT ZONING - SABINE INVESTMENTS - PUD

Mayor Garrison stated that a request for Annexation and Permanent Zoning by Sabine Investments covering property located east of City Limits at Champions Drive west of FM 58 and south of Brentwood Drive to PUD had been received and was now ready for consideration by the City Commission.

Mayor Garrison officially opened Public Hearing and asked if a representative was present. Mayor Garrison recognized David Hill, developer of the Planned Unit Development, who stated that the development would consist of 18 1/2 acres divided into five (5) lots ranging from 1.6 acres to 5 1/2 acres. Mr. Hill stated that the property would be developed as a Planned Unit Development because of the restrictions on lot 22 in the Crown Colony Subdivision through which the private drive to the development would be constructed. Mr. Hill stated that the development would be similar to townhouses with a private drive being the only access to the five (5) lots. Mr. Hill stated that proposed deed restrictions had been submitted for review by the Planning & Zoning Commission and same would be corrected according to the suggestions made by that Commission.

In response to question by Commission Lynn Malone, Mr. Hill stated that the private drive will be curb, guttered, and paved with brick in the interest of aesthetics and that this type of paving had been shown to be more effective than concrete in various shopping center developments.

In response to question by Commissioner Louis Bronaugh, Mr. Hill stated that maintenance of the private drive would be provided for in the deed restrictions which state that each property owner is responsible for 1/5th of the maintenance on the right-of-way and the City of Lufkin would never have to provide maintenance of this drive.

Mayor Garrison officially closed Public Hearing due to lack of discussion.

5. ORDINANCE - APPROVED - FIRST READING - ANNEXATION & PERMANENT ZONING - SABINE INVESTMENTS - PUD

Mayor Garrison stated that City Commission now had for consideration First Reading of the Ordinances to annex and zone subject property.

Motion was made by Commissioner Louis Bronaugh and seconded by Commissioner Pat Foley that annexation ordinance be approved on First Reading as presented. A unanimous affirmative vote was recorded.

Motion was made by Commissioner Pat Foley and seconded by Commissioner Louis Bronaugh that Ordinance zoning the property Planned Unit Development be approved on First Reading as presented. A unanimous affirmative vote was recorded.

6. ORDINANCE - TABLED - SECOND READING - ANNEXATION & PERMANENT ZONING - CAMELOT CIRCLE

Mayor Garrison stated that City Commission now had for consideration on Second Reading an Ordinance for Annexation & Permanent Zoning requested by property owners on Camelot Circle covering property located south of Centralia Avenue and west of Largent Street to be zoned Residential Large.

City Manager Harvey Westerholm stated that two (2) property owners on Camelot Circle have not signed their commitment to pay.

It was the consensus of opinion of the Commission that the consideration of Second Reading should be tabled until all contracts were signed.

In response to property owner, City Manager Westerholm stated that the interest on the unpaid balance due from the property owners had been previously set at 10% but because of recent legislation the City of Lufkin can only charge as much interest as the Bonds that were recently issued or 9.09%, therefore, the interest on improvements to Camelot Circle would be set at 9% effective October 1st.

City Attorney Bob Flournoy stated that the property owners had some question of whether interest should be charged and if interest should begin when the commitments are signed or when construction actually begins on the improvements. City Attorney Flournoy stated that the property owners are objecting to paying interest before the actual work has begun. City Attorney Flournoy stated that in the past, once property was annexed, property owners could begin payment and many elect to pay the entire amount.

Mayor Garrison stated that the question of interest and payment of charges should be handled administratively after a study has been made by the City staff.

City Manager Harvey Westerholm stated that the timetable for improvements to the property had been set at; six (6) months for completion of the sewer, two (2) years for completion of the water, and four (4) years for completion of the streets. City Manager Westerholm stated that because this subdivision was developed without prior knowledge

of the City and without plat approval, the commitment of the property owners to pay should be received before any improvements are made and payment should begin when the property is annexed into the City Limits. City Attorney Flourney stated that the property owners would be paying for the cost of the improvements and were told before annexation proceedings began what the cost would be and that they could start paying immediately. City Attorney Flourney further stated that the property owners should be expected to pay their money in advance for improvements but many will have to make installment payments.

City Manager Westerholm stated that the City should feel an obligation to begin improvements as money is received and not before. City Attorney Flourney stated that he would meet with the property owners and develop the best procedure for payment of the improvements.

7. ORDINANCE - APPROVED - SECOND READING - ZONE CHANGE - DONNA BASHAM - RL TO RL, SU (PROFESSIONAL OFFICES)

Mayor Garrison stated that Zone Change Request by Donna Basham covering property located at 102 W. Kerr Avenue between South First and South Raguet from Residential Large to Residential Large, Special Use (Professional Offices) had been approved on First Reading at last meeting of this Commission with inclusion of a recommendation by the Planning & Zoning Commission that hedges or a fence be maintained to block the view of residential property. There was no opposition present.

Motion was made by Commissioner Don Boyd and seconded by Commissioner Louis Bronaugh that Ordinance be approved on Second and Final Reading with the inclusion of the recommendation that the hedges or the fence be maintained to block the view of residential property. A unanimous affirmative vote was recorded.

8. AMENDMENT TO TAXICAB ORDINANCE - APPROVED - FIRST READING - S. M. LANGFORD d/b/a LUFKIN CAB COMPANY - REDUCTION OF LIABILITY INSURANCE RATES

Mayor Garrison stated that a request from S. M. Langford, d/b/a Lufkin Cab Company, had been discussed at last meeting of this Commission to reduce the liability insurance limits to the amount required by the State.

Smitty Langford stated that the State only requires \$15,000/\$30,000/\$15,000 liability insurance, and if the City allowed him to reduce his coverage, his premium would be \$3,275 as opposed to the present premium of \$7,792. Mr. Langford stated that he had operated his taxi company for approximately three (3) years without any accidents or claims against his company.

Mayor Garrison stated that according to the figures received, there would be a difference of \$4,517 in Mr. Langford's present premium. City Attorney Bob Flourney stated that the City of Lufkin would not incur any liability for the reduction in the liability insurance, but he had some question of whether the requirements should be reduced because the Taxi Company was using City streets and transporting citizens of Lufkin. City Attorney Flourney further stated that because there have been no accidents in the past this does not indicate that accidents could not occur in the future.

Mayor Garrison stated that he would image that a taxi cab company in the City of Lufkin would be operating on a tight budget, and if it were a profitable business, he would prefer the liability insurance remain the same. Mr. Langford stated that he would like to have that much liability insurance on his four (4) taxi cabs but he could not afford the premium.

In response to question by Mayor Garrison, Mr. Langford stated that the Taxi Company pays 2% of its gross receipts as a tax to the City of Lufkin.

Commissioner Jack Gorden stated that the taxi service is needed in the City of Lufkin and most cars on the City streets are operating with this State minimum liability insurance. City Attorney Flournoy stated that many times the limits of liability cannot cover losses in an accident but it is up to the City Commission to make a policy decision on whether the requirements for liability insurance would be reduced. City Attorney Flournoy stated that the Taxi Cab Ordinance would have to be amended if the Commission decided to make a reduction.

Motion was made by Commissioner Don Boyd and seconded by Commissioner Pat Foley that Taxi Cab Ordinance be amended to allow the limits of liability to be reduced to the State requirements of \$15,000 for each accident, \$30,000 for people in each accident and \$15,000 for property damage. A unanimous affirmative vote was recorded.

9. COMPREHENSIVE PLAN CONTRACT - APPROVED - BUCHER, WILLIS & RATLIFF

Mayor Garrison stated that revised Contract from Bucher, Willis & Ratliff had been received in regard to their conducting the Comprehensive Plan for the City of Lufkin.

Motion was made by Commissioner Pat Foley and seconded by Commissioner Louis Bronaugh that Contract be approved as proposed and agreement be signed between the City of Lufkin and Bucher, Willis & Ratliff. A unanimous affirmative vote was recorded.

10. INSURANCE COSTS - PAYMENT AUTHORIZED - BUDGET AMENDED - CONSULTANT TO BE CONTACTED

Mayor Garrison stated that at last meeting of the City Commission additional information was requested in regard to the insurance costs for the City of Lufkin if some areas of coverage were removed. Mayor Garrison stated that the budgeted amount for insurance coverage was \$105,006.65 and the rates have increased to \$215,426.13 or an increase of \$109,419.48, which amounts to slightly over 100% increase.

Mayor Garrison stated that insurance costs for all municipalities have greatly increased during the past year and requested that City Manager Westerholm provide staff recommendations.

City Manager Westerholm stated that by removing fire insurance coverage on all buildings of less than \$20,000 valuation the savings would be approximately \$1,800 annually.

In response to question by Mayor Garrison, Rita Jenkins, Finance Director, stated that less than \$2,500 was made in insurance claims for damage to automobiles. Mayor Garrison stated that he would like to have information regarding the collision and comprehensive insurance costs to the City on automobiles. City Manager Westerholm stated that comprehensive is only carried on the newer automobiles and emergency vehicles.

Commissioner Jack Gorden stated that the property insurance for the City has increased 500%.

In response to question by Commissioner Jack Gorden, City Manager Westerholm stated that the Self Insurance Fund of which the City is a member acts as a broker to get the best insurance rates on the City's

coverage and that presently there are some cities who cannot afford insurance coverage because of the increases.

Mayor Garrison stated that it might be well to have an insurance consultant provide the City with the benefit of his expert advice in regard to the coverage needed and the risk to the City in reduction of coverage.

City Manager Westerholm stated that the City of Lufkin owes a bill through October and that payment should be made because at present the Self Insurance Fund is carrying the City's bill for coverage in effect from April.

In response to question by Commissioner Pat Foley, City Manager Westerholm stated that funds are available to pay the increased costs because of decrease in spending and excess funds in the General Fund and in the Water & Sewer Fund. City Manager Westerholm stated that the bill in November showed an increase in the coverage costs and was not brought to the City Commission because the insurance fund was attempting to secure a reduction in the premiums and money was available in the budget for payment of that bill.

Commissioner Jack Gorden stated that he had visited with a local insurance agent who felt that a 50% increase in premiums would be huge but the insurance for a municipality is a complicated problem and there are factors that the City Commission is not aware of such as how the market has changed.

City Manager Westerholm stated that the liability insurance for public officials cannot be obtained from any other company. Commissioner Pat Foley suggested that the premiums be paid through August while an avenue is explored to reduce the cost during that time.

Motion was made by Commissioner Pat Foley and seconded by Commissioner Louis Bronaugh that premiums be paid through August and the City staff investigate avenues to reduce the cost of the coverage. A unanimous affirmative vote was recorded.

Mayor Garrison stated that he was in favor of having an insurance consultant provide the City with the benefit of his study in regard to what is available and what the City should do. Mayor Garrison stated that he would not be in favor of insuring vehicles for property damage because the premium of \$86,000 per year could be put into a special fund to pay for property damage to fire trucks or ambulances. City Manager Westerholm stated that Texas Municipal League could be contacted to provide the name of a person in their insurance group to help with the study. Commissioner Louis Bronaugh stated that there was an article in the Texas Municipal League magazine relating to problems being faced by Cities in regard to insurance that was written by Allen F. Hyman, Safety & Risk Management Director for the City of Corpus Christi and President of Public Risk and Insurance Management Association. Mayor Garrison stated that he would like to have an independent insurance consultant without anything to sell that is not connected with the City of Lufkin to perform the study. Mayor Garrison further stated that he would like to have a complete listing of all coverages and the charges for each which should be listed in the City's policy. Mayor Garrison stated that an expert could look at this list of coverages and provide the City with his opinion.

It was a consensus of opinion of the City Commission that City Manager Westerholm be authorized to contact Allen Hyman of the City of Corpus Christi in regard to the course of action that the City of Lufkin should be following.

11. REPORT FROM GRIFFITH & ASSOCIATES - SEWER PLANT MODIFICATIONS - LETTER BY MAYOR AUTHORIZED

Mayor Garrison stated that bids had been invited for Sewer Plant modifications and discussed at last meeting of this Commission with the low bid being approved subject to negotiations to bring the cost of the project within the amount allocated for the project. Mayor Garrison stated that he had been informed by the Department of Water Resources that the City of Lufkin could not negotiate with a bidder, but could only accept the low bid in the full amount which is approximately \$1,000,000 more than expected and then begin initiating Change Orders to lower the cost. Mayor Garrison stated that he then talked with a Mr. Slaughter because he felt it was unreasonable that the City of Lufkin should not be allowed to negotiate with a low bidder, and Mr. Slaughter had received an opinion from the Attorney General regarding this problem. Mayor Garrison stated that while he was waiting on a copy of the Attorney General's opinion, the engineers had talked with the contractor regarding elimination of some items from the contract. Mayor Garrison stated that the Attorney General's opinion reported on a case at Grand Saline similar to the City of Lufkin's problem and stated that Change Orders could not be initiated until after work has commenced under the Contract. Mayor Garrison stated that the City of Lufkin could not wait until after the Contract was approved without obligating the City to pay the extra \$1,000,000, but the statute indicates that if prior negotiations are made with the Contractor the Contract is void and totally unenforceable in Court which would mean that if there is a default on the project the contractor could claim that the Contract was not a legal Contract from the beginning. Mayor Garrison stated that he then turned the matter over to City Attorney Flournoy and requested that he look into the statute. Mayor Garrison stated that the Court opinion stated that if negotiations were talked about with the contractor, all bids should be rejected, changes should be made in the plans and the Department of Water Resources could possibly approve the changes before new bids are received. Mayor Garrison stated that bidders had been reluctant to bid on the project because of the time restraints which required that the job be finished by December 31, 1986, or the contractor would be subject to daily liquidated damages for failure to complete the project on time. Mayor Garrison stated that the contractors had indicated that some equipment could not be confirmed for arrival within 11 months and they would be fighting a timelimit in which to get the job completed. Mayor Garrison stated that he had called Mr. Renee Hicks, Assistant State Attorney General, and explained the problem of the enforcement order requiring the project to be completed by December, 1986, which would require construction during the winter months. Mayor Garrison stated that Mr. Hicks had indicated that he would look into the problem, but if the sewer treatment plant was performing well that would provide some leeway for the Texas Department of Water Resources and the Attorney General's office to give an extension.

City Attorney Bob Flournoy stated that there is no question as to what the statute says, it is very specific because until a contract is finalized the City cannot have any negotiations with the low bidder. City Attorney Flournoy stated that if the City decided to go forward with the low bidder at this time they would be in violation of the statute because all the bidders have not been given the opportunity to bid under the new specifications that the City is attempting to have the low bidder accept. City Attorney Flournoy stated that he did not feel that the City of Lufkin had any alternative but to complete proposed revisions and then advertise quickly for new bids. City Attorney Flournoy stated that this might be advantageous to the City. An agreement from the Texas Water Quality Board to extend the deadline for finalization of the project so the contractors will not be under such a time constraint is needed, and the EPA had indicated that the City of Lufkin could delete the chlorine contact chamber. City Attorney Flournoy stated that Griffith & Associates could rewrite the specifications and prepare for receiving new bids which should be

ready about the time a decision is made on the extension of the time limit for the plant.

Mayor Garrison stated that he had encouraged Sam Naumann to talk with the contractor because he was afraid of accepting the bid without knowing where the City of Lufkin would be in regard to proposed changes. Mayor Garrison stated that the bids are good for 90 days of which 33 days have been used and it would not be necessary at this time to reject the low bid.

City Manager Westerholm stated that he had talked with the Texas Department of Water Resources who indicated that they would expedite request as quickly as possible while the new plans are being revised. City Manager Westerholm stated that he would not advise rejection of the low bid until the City is sure that the time limit can be extended and then the City would have the EPA, the Texas Department of Water Resources, and Attorney General to provide concurrence with the extension.

In response to question by Mayor Garrison, Sam Naumann of Griffith & Associates stated that he understood that it would be necessary for the City to reject all bids and start over if negotiations had been attempted with the Contractor. Mayor Garrison stated that as he understood the Statute, if all bidders knew that there would be substantial changes or reductions in the Contract they should be able to bid on the revised plan. Mayor Garrison stated that since the City plans to ask for an extension of the time limit, action on the bid should not be taken at tonight's meeting. City Manager Westerholm stated that a letter should be drafted requesting an extension of time and signed by the Mayor.

Motion was made by Commissioner Don Boyd and seconded by Commissioner Jack Gorden that Mayor Garrison be authorized to write a letter requesting an extension of time on the completion of the Sewer Plant Modifications and that same be hand delivered by City Manager Westerholm. A unanimous affirmative vote was recorded.

12. ORDINANCE - APPROVED - ZONE CHANGE - FIRST READING - SABINE INVESTMENTS - A, SU TO PUD

Mayor Garrison stated that Zone Change Request by Sabine Investments covering property located on Lot 22, Block 2, Section 4 in Crown Colony from Apartments, Special Use to Planned Unit Development had been recommended to City Commission for approval by the Planning & Zoning Commission. There was no opposition present.

Motion was made by Commissioner Pat Foley and seconded by Commissioner Louis Bronaugh that Ordinance be approved on First Reading as presented. A unanimous affirmative vote was recorded.

13. ORDINANCE - APPROVED - FIRST READING - TRAFFIC AT SCHOOL CROSSWALKS

Mayor Garrison stated that an Ordinance regulating the traffic flow at School crosswalks had been proposed to require motorists to yield the right-of-way when any person enters the crosswalk. Mayor Garrison further stated that at the present time motorists are only required to yield when a person is on the motorist's half of the roadway.

Motion was made by Commissioner Don Boyd and seconded by Commissioner Louis Bronaugh that Ordinance be approved on First Reading as presented. A unanimous affirmative vote was recorded.

14. AMENDMENT TO TRAFFIC ORDINANCE - APPROVED - FIRST READING - TIME OF SCHOOL CROSSWALK OPERATION

Mayor Garrison stated that an Amendment to the Traffic Ordinance which would change the times of operation for school crosswalks from 2:30 thru 3:30 p.m. to 2:45 p.m. thru 3:45 p.m. had been recommended to City Commission for approval and would allow 15 additional minutes of protection for children leaving the school.

Motion was made by Commissioner Don Boyd and seconded by Commissioner Louis Bronaugh that Amendment to the Traffic Ordinance be approved on First Reading as presented. A unanimous affirmative vote was recorded.

15. GRANT APPLICATIONS - FAMILY PRACTICE RESIDENCY CLINIC - APPROVED
MAIN STREET - TABLED

Mayor Garrison stated that a request had been received from the Angelina County Medical Research and Education Foundation that the City explore the possibility of seeking a Grant through the Texas Department of Community Affairs to construct a clinic to house the Family Practice Residency Program. City Manager Westerholm stated that funds are available through a program for Economic Development Grants through the Texas Department of Community Affairs. City Manager Westerholm stated that the Main Street Program had also requested that an application for improvements to the downtown area be submitted for Grant funds.

City Manager Westerholm stated that the applications would be competing for the funds and that word had been received that the developers of the former Woodland Heights Hospital would also be asking for funds through this same program. City Manager Westerholm stated that the requests for the Grants could be made once every quarter.

Randy Blanks was present from DETCOG and stated that the Grants would be administered through the Texas Department of Community Affairs which allows up to \$500,000 per year per community for economic development programs. Mr. Blanks stated that each City could only make one (1) application each quarter and an application could be made in September and December for each of the two (2) requests. Mr. Blanks stated that the Grants are provided on a basis of \$5,000 per low to moderate income job created and the Family Practice Clinic would provide approximately 20 jobs to qualify for a \$100,000 Grant in state wide competition. Mr. Blanks stated the Texas Department of Community Affairs has noticed that there have not been many applications from the Deep East Texas region and they are encouraging Cities in this region to consider participating in the Program.

City Manager Westerholm stated that the Grant would cost approximately \$600 for preparation of the application and a decision should be made as to which entity would prepare the application. Randy Blanks stated that Public Hearings would be required to provide input from the citizens of Lufkin and 51% of the jobs created would have to be for people in the low to moderate income sector.

In response to question by the Commission, Carol Moore, Main Street Program Director, stated that the number of jobs that would be provided through her Main Street Grant would be approximately 15 because she had been working with 13 people and a letter of commitment would have to be received from each person interested in the Grant.

Mayor Garrison stated that the Main Street Grant could be applied for in the December quarter with the Family Practice Clinic requesting funds in the September quarter. City Manager Westerholm stated that Mrs. Moore has been working on information for her Grant but was not quite ready to submit it at this time. Mr. Blanks stated that if the Grant were received, the City could loan the money to the private sector and repayment of the loan could be made to the City, or the

money could be used for construction of streets, sidewalks and other improvements to the downtown area.

Motion was made by Commissioner Louis Bronaugh and seconded by Commissioner Don Boyd that application be authorized for a Grant from the Texas Department of Community Affairs for the construction of the Family Practice Clinic and preparation of the application should not exceed a cost of \$500. A unanimous affirmative vote was recorded.

Mayor Garrison stated that in view of statements by Randy Blanks that Angelina County had submitted a previous Grant application for the Family Residency Clinic that was approved but not granted because the Clinic did not receive the necessary medical approval, it might be possible for a copy of that application to be secured and used as a guide to preparation of the City's request.

It was a consensus of opinion of the City Commission that the application for a Texas Department of Community Affairs Grant for the Main Street Project should be submitted during the next quarter.

16. WATER STUDY REPORT - KINDLE STONE & ASSOCIATES - WORKSHOP DESIGNATED AUGUST 6TH, 1985 AT 6:00 P.M.

Mayor Garrison stated that Kindle Stone & Associates had completed their water study report and same was now ready for discussion by the City Commission.

Commissioner Pat Foley stated that he would like to have consideration of this item delayed until a shorter agenda or schedule a special meeting at which it could be considered. Commissioner Louis Bronaugh stated that he would like to have a workshop for consideration of the report. Mayor Garrison stated that the next meeting of the City Commission is scheduled for 7:30 P.M. and that he would be willing to have the workshop at 6:00 P.M.

Motion was made by Commissioner Pat Foley and seconded by Commissioner Lynn Malone that the Workshop on the Water Study Report be conducted on August 6, 1985, at 6:00 P.M. before the regular meeting at 7:30 P.M. A unanimous affirmative vote was recorded.

17. RESOLUTION - APPROVED - TEMPLE FOUNDATION GRANT - NIGHT VISION EQUIPMENT - POLICE DEPARTMENT

Mayor Garrison stated that the T. L. Temple Foundation has graciously contributed \$9,900 to the City for the purchase of night vision equipment to be used in the Police Department and that a Resolution had been submitted as a gesture of appreciation for the Grant.

Motion was made by Commissioner Louis Bronaugh and seconded by Commissioner Don Boyd that Resolution be approved as presented. A unanimous affirmative vote was recorded.

18. INVOICE - APPROVED FOR PAYMENT - LONG & ASSOCIATES - FIRE DEPARTMENT MANAGEMENT STUDY

Mayor Garrison stated that the proposal by Long & Associates for conducting the Fire Department Management Study included a 25% initiation fee and that an invoice had been submitted in the amount of \$3,742.50 for payment. Mayor Garrison further stated that considerable work had been done on this study at the present time.

Motion was made by Commissioner Don Boyd and seconded by Commissioner Pat Foley that invoice be approved for payment in the amount of \$3,742.50. A unanimous affirmative vote was recorded.

19. BID - APPROVED - OVERHEAD DOOR OPENERS - FIRE DEPARTMENT - OVERHEAD DOOR COMPANY

Mayor Garrison stated that bids had been received for the purchase of overhead door openers for use in the Fire Department and requested that City Manager Westerholm provide staff recommendations.

City Manager Westerholm stated that the only bid received was from Overhead Door Company of Lufkin, Texas, and that the bid was \$733 per door installed with the total price for six (6) overhead door openers being \$4,398. City Manager Westerholm stated that three (3) of the overhead door openers would be used at Station #4 and the bids were for the electric motors and drive that close the doors automatically after three (3) minutes and are equipped with a breaker which stops the doors progress if contact is made with any object to avoid injuries.

Motion was made by Commissioner Pat Foley and seconded by Commissioner Louis Bronaugh that bid in the amount of \$4,398 be approved as presented. A unanimous affirmative vote was recorded.

20. BUDGET AMENDMENTS - APPROVED

Mayor Garrison stated that the Commission now had for consideration a report indicating the specific line items of the budget that need to be amended and requested that City Manager Westerholm provide staff recommendations.

City Manager Westerholm stated that the general fund requires an amendment for \$14,950.39 which is the total of items that cannot be transferred from one account to another. City Manager Westerholm stated that half of this amount is for gasoline to be used in the Sanitation Department. City Manager Westerholm stated that the Water and Sewer Fund has \$4,764.42 to be transferred between accounts and \$3,210.77 to be amended in the budget. City Manager Westerholm stated that this report indicates that the City was over the budget approximately \$18,000. City Manager Westerholm stated that the total amendments for the year are \$479,057.95 with the amount of amendments for July \$18,161.16 and that \$5,286.04 remained in the contingency fund after approval of these amendments. City Manager Westerholm stated that there was enough income to take care of the budget amendments. City Manager Westerholm further stated that there is \$207,000 excess revenue over expenses in the General Fund and \$472,000 excess in the Utility Fund. City Manager Westerholm stated that the City should stay close to the budget on expenses and revenues for the remainder of the year but that the total amount budgeted for gasoline has been used and every gas expense in Sanitation will have to be amended in the future.

Commissioner Pat Foley stated that in reviewing the information presented to the Bond people he noticed that in previous years the City had spent more money than it was receiving. City Manager Westerholm stated that capital expenditures are usually made in the first three (3) months of a new budget after which most money is used for salaries, utilities, and gasoline and if revenue drops such as water and sewer revenue and sales tax did in the years in question those type of expenditures still have to be paid. City Manager Westerholm stated that the auditors have also included in the expense amount what the City would have to pay if every employee quit at one time. Commissioner Pat Foley stated that when the amendments are brought before the City Commission he would like to have a sheet indicating balances in various departments. City Manager Westerholm stated that depreciation is not a cash expense but because the City operates on an accrual basis the balances are given on that type of basis.

In response to question by Commissioner Lynn Malone, City Manager Westerholm stated that gasoline prices have increased from 10 to 20 cents/gal. during this year.

Motion was made by Commissioner Pat Foley and seconded by Commissioner Lynn Malone that budget amendments be approved as presented. A unanimous affirmative vote was recorded. A copy of the budget amendments approved at this meeting are attached hereto and made a permanent part of this record.

21. PRELIMINARY SITE PLAN - APPROVED - TOWN WEST CENTER

Mayor Garrison stated that a preliminary site plan for construction of Town West Center located at the intersection of Highway 94 West and Loop 287 had been presented for approval by the Planning & Zoning Commission. Mayor Garrison stated that the site plan had been approved by the Planning & Zoning Commission in a special meeting with the following items suggested for change on the final site plan:

1. Exit onto Industrial Boulevard
2. Crossover not allowed near the entrance from Loop 287
3. Parking along the entrance-way not acceptable
4. 51 spaces of the approved parking at the rear of existing Doctor's office should be angled
5. Further consideration should be given to the drainage of the property, retention of water on the parking lot and proposed spillway to prevent water becoming a problem to the Safeway store or Doctor's offices
6. Adequate space be provided for the ingress and egress of emergency equipment
7. Additional ramps to the front of the stores be constructed every 9 parking spaces

In response to question by the Commission, City Planner Nick Finan stated that the Planning & Zoning Commission will evaluate drainage and water retention on the site.

Motion was made by Commissioner Pat Foley and seconded by Commissioner Jack Gorden that preliminary site plan be approved subject to changes recommended by the Planning & Zoning Commission. A unanimous affirmative vote was recorded.

In response to question by Mayor Garrison, City Planner Finan stated that the final site plan will be submitted with possible changes and addition of another drive. Mayor Garrison stated that he understood that construction would have to begin in the near future to have Beard's Catalog Sales store open in time for the Christmas season. City Planner Nick Finan stated that the Beard building must be completed by October 1st and that N & J Constructors, Inc. was in the process of constructing the piers. City Planner Finan stated that the roadway at this location has a soft shoulder and he would like to have same resurfaced to provide a deceleration lane into the shopping center.

In response to statement by Commissioner Pat Foley regarding the traffic problem at the Arby's location on the Houston Highway, City Planner Finan stated that at the present time the City of Lufkin does not have any control over construction and requirements for deceleration lanes.

22. ELLEN TROUT LAKE - IMPROVEMENTS

Mayor Garrison stated that a letter from Parks & Recreation Director Don Hannabas had outlined a proposal for Ellen Trout Lake to be improved in such a way that it would become a fishing lake for the citizens of Lufkin while providing a better view from Loop 287. Mayor

Garrison stated that Mr. Hannabas' letter indicated that it would be necessary to drain the lake first but no estimate of the cost was included. Mayor Garrison further stated that he thought this would be an excellent idea for the completion of the improvements at Ellen Trout Lake.

City Manager Westerholm stated that construction would be done with City forces with the only purchases to be made being rye grass and riprap for the fishing piers. City Manager Westerholm stated that the A & NR Railroad would provide dirt for the project and the City would provide equipment for the hauling.

Motion was made by Commissioner Don Boyd and seconded by Commissioner Louis Bronaugh that improvements to Ellen Trout Lake proceed as presented. A unanimous affirmative vote was recorded.

23. ALLEN CASE TRIAL SCHEDULED

City Attorney Bob Flournoy stated that the Allen case would come to trial on August 26th.

24. There being no further business for consideration, meeting adjourned at 7:15 P.M.



ATTEST:

Atha Stokes
Atha Stokes - Asst. City Secretary

Pitser H. Garrison
Pitser H. Garrison - Mayor