

MINUTES OF REGULAR MEETING OF THE CITY COUNCIL OF THE CITY OF
LUFKIN, TEXAS, HELD ON THE
18th DAY OF July 2000 AT 5:00 P. M.

On the 18TH day of July 2000 the City Council of the City of Lufkin, Texas, convened in a regular meeting the Council Chamber of City Hall with the following members thereof, to wit:

Louis Bronaugh	Mayor
R. L. Kuykendall	Mayor pro tem
Don Boyd	Councilmember, Ward No. 2
Lynn Torres	Councilmember, Ward No. 3
Bob Bowman	Councilmember, Ward No. 4
Jack Gorden, Jr.	Councilmember, Ward No. 5
Dennis Robertson	Councilmember, Ward No. 6
C. G. Maclin	City Manager
James Hager	Asst. City Manager/Finance
Atha Stokes Martin	City Secretary
Bob Flournoy	City Attorney
Keith Wright	City Engineer
Kenneth Williams	Director of Public Works

being present when the following business was transacted.

1. Meeting was opened with prayer by Rev. Robert Bush, Pastor, First Church of the Nazarene.
2. Mayor Bronaugh welcomed visitors present.

3. APPROVAL OF MINUTES

Motion was made by Councilmember Don Boyd and seconded by Councilmember R. L. Kuykendall that the minutes of the regular meeting of July 11, 2000 be approved as presented.

4. AUDIT REPORT – APPROVED – FISCAL YEAR 1999-2000 – AXLEY & RODE

Mayor Bronaugh stated that the first item for consideration was the audit report by Axley & Rode.

City Manager Maclin stated that the Finance Committee held its quarterly meeting today to review the City's investments, and they had an opportunity to go over the City's audit for fiscal year 1999. Mr. Maclin stated that Linda Milford, Partner with Axley & Rode, would give an Executive Summary of this year's audit and answer any questions by Council.

Ms. Milford stated that because the City receives several Federal dollars in grant funds they were required to have a Federal Finance section in accordance with Circular A-133, which is included in the audit report. Ms. Milford stated that Axley & Rode's audit was performed in accordance with generally accepted auditing standards, *Government Auditing Standards*, and also the provisions of OMB Circular A-133. Ms. Milford stated that in their opinion they have given what is known as the "clean opinion" in the Auditor's Report. Ms. Milford stated that this says basically that the General Purpose Financial Statements present fairly in all material respects the financial position of the City, the results of its operations and cash flows of the proprietary fund types in conformity with generally accepted accounting principles. Ms. Milford stated that in accordance with Government Auditing Standards and Circular OMB A-133 they have also issued their reports on internal control and compliance, which are in the Federal Financial section of this report. Ms. Milford stated that the City is in good financial condition as of September 30, 1999, and continues to grow, and happily the available funds and fund equity are growing a little bit with the City this year. Ms. Milford stated that they also noted that in the budget to actual statements in the General

Fund that revenues exceeded expectations and expenditures were kept within budget limitations. Ms. Milford stated that she had met with the Finance Committee this afternoon to review the report and discuss their observations and suggestions for internal control improvements noted in their management letter. Ms. Milford stated that the City has prepared a response to these comments and suggestions. Ms. Milford stated that she wanted to thank the City for having Axley & Rode as their auditors and she appreciated the opportunity to provide this service to the City. Ms. Milford stated that she also wanted to thank City personnel for their assistance in the performance of this audit. Ms. Milford stated that if Council has any questions about this audit they should feel free to contact her at her office at any time.

City Manager Maclin stated that the management response to the Audit Management Letter had been placed on the Council table for Councilmembers and was given to the Finance Committee earlier this afternoon. Mr. Maclin stated that there are responses for each and every item that was noted in the Management Letter. Mr. Maclin stated that he also wanted to express the City of Lufkin's staff appreciation to Ms. Milford and her staff for the quality and cooperation that their firm exhibits. Mr. Maclin stated that under the rotational basis that the City has adopted for years, this was year three of a three-year agreement with Axley & Rode. Mr. Maclin stated that the City staff enjoyed working with Axley & Rode the last three years and appreciates all their efforts.

Councilmember Gorden stated that he believes that everyone on the Finance Committee feels real good about the status of the City financially. Mr. Gorden stated that the City ran into some unforeseeable situations, which delayed the audit. Mr. Gorden stated that he would like to commend the City staff and Ms. Milford.

Mr. Kuykendall stated that he would agree with Councilmember Gorden in that this was a very good audit process.

Councilmember Robertson stated that the City is in good financial condition and has progressively been moving up in the investment portfolio since 1996, and this quarter is the highest yet.

Mayor Bronaugh stated that the Council does appreciate the efforts of the Finance Committee members.

Motion was made by Councilmember Don Boyd and seconded by Councilmember R. L. Kuykendall to accept the audit report prepared by Axley & Rode. A unanimous affirmative vote was recorded.

5. CUL-DE-SAC – APPROVED – SETLIFF STREET

Mayor Bronaugh stated that the next item for consideration was further construction of cul-de-sac on Setliff Street.

City Manager Maclin stated that Mr. Boyd had asked staff to do some research into the construction of the cul-de-sac on Setliff Street at Council's last meeting. Mr. Maclin stated that the history on this goes back to 1995 relating to the MLK Drive construction. Mr. Maclin stated that included in the Council packet is a letter from Bill Moreau of Klontz & Associates formerly known as East Texas Engineering. Mr. Maclin stated that also in attendance is Keith Bille who is representing Klontz & Associates.

City Manager Maclin stated that basically there were two or three things under consideration when the suggestion was made to turn Setliff into a cul-de-sac as opposed to a thru street. Mr. Maclin stated that part of it was based on traffic flow and an intersection that has an unusual situation with the north bound coming off of Atkinson and Angelina at the railroad tracks, which would be difficult if not impossible to place a stop sign at this location. Mr. Maclin stated that to complicate that further by having a three way stop would create additional problems. Mr. Maclin stated that also the residents in that neighborhood, at the Public Hearings, stated that they preferred the cul-de-sac to minimize thru traffic, and if it were open all the way thru it would increase traffic flow down Setliff.

City Manager Maclin stated that Mr. Bille would be able to answer any questions about the design features and had visited with Mr. Moreau about this even though he was not an employee of the firm at that time.

City Manager Maclin stated that staff has looked at the cost of the cul-de-sac versus the cost of making Setliff a thru street. Mr. Maclin stated that the cost of the cul-de-sac is approximately \$5,000 versus the cost of the thru street, which is \$21,000. Mr. Maclin stated that the cost of the thru street includes the relocation of a storm culvert box that has an entry point on the street that was part of the MLK construction, and the relocation of the traffic warning poles, which runs the cost up substantially.

Councilmember Boyd stated that since he brought this up he has talked to some of the residents on Setliff Street and it is their wish to keep the street closed.

Councilmember Boyd stated that he had noticed that there were no fire hydrants on Setliff Street or on Joplin. City Manager Maclin stated that the Engineering Department would look into this. Keith Wright stated that the reason there are no fire hydrants is probably because of line size. City Manager Maclin stated that staff would come back to Council and give them some options on this.

In response to question by Councilmember Robertson, Mr. Wright stated that this would not be a standard cul-de-sac but would be an oblong cul-de-sac.

Motion was made by Councilmember Don Boyd and seconded by Councilmember R. L. Kuykendall to proceed with the construction of a cul-de-sac on Setliff Street. A unanimous affirmative vote was recorded.

6. TARGET SYSTEM – APPROVED – POLICE DEPARTMENT – PORTA TARGET, INC.

Mayor Bronaugh stated that the next item for consideration was bids for a target system for the Police Department.

City Manager Maclin stated that included in the Council packet is a memorandum from Lt. Nowak to Chief Collins along with the Purchasing Department's review and the bid tabulations. Mr. Maclin stated that the staff recommendation is to award the low bid of Porta Target, Inc. in the amount of \$17,584. Mr. Maclin stated that this target would be purchased from the 1999 Local Law Enforcement Block Grant previously reviewed by Council.

Motion was made by Councilmember Bob Bowman and seconded by Councilmember Jack Gorden, Jr. that the low bid of Porta Target, Inc. in the amount of \$17,584 be approved as submitted. A unanimous affirmative vote was recorded.

7. PERMIT – APPROVED – HUNT-A-RAMA SHOW – CIVIC CENTER

Mayor Bronaugh stated that the next item for consideration was to issue a permit for blocking Second Street from Paul to Rhodes Street for the Hunt-A-Rama Show at the Civic Center July 20-23, 2000.

City Manager Maclin stated that this is very similar to a request the Council has granted to the Evening Lions Club for their Home Show. Mr. Maclin stated that this allows the Hunt-A-Rama Show to have additional buildings and exhibits on Second Street and have it closed to traffic. Mr. Maclin stated that the Civic Center Director is very excited about this hunting show and its potential draw, and that this will be a positive event for the Lufkin area.

Motion was made by Councilmember Don Boyd and seconded by Councilmember Bob Bowman to issue a permit to the Hunt-A-Rama Show to block Second Street from Paul to Rhodes Street on July 20-23, 2000. A unanimous affirmative vote was recorded.

8. COMMENTS

City Manager Maclin stated that for the Minutes it was briefly mentioned in Item #4 that the Finance Committee did meet today and for the record they did review the City's investments, as is their quarterly practice.

City Manager Maclin stated that there would be a Budget Draft Presentation on Tuesday, July 25th at 9:00 a.m. Mr. Maclin stated that the Public Hearing for the Budget would be on the August 1st agenda with first reading of the Ordinances on August 15th and second reading on September 4th.

City Manager Maclin stated that dates that TxDOT can be available for the U. S. 59 Near Term Improvements Workshop are August 7, 8 and 9. It was the consensus of the Council that all could attend a meeting on the 8th.

Mayor Bronaugh stated that the next DETCOG meeting would be in Sabine County on July 27th.

9. There being no further business for consideration, meeting adjourned at 5:30 p.m.



Louis Bronaugh
Mayor

ATTEST:



Atha Stokes Martin

Atha Stokes Martin - City Secretary