

**MINUTES OF REGULAR MEETING OF THE CITY COUNCIL OF THE CITY OF
LUFKIN, TEXAS, HELD ON THE
18th OF FEBRUARY 2003**

On the 18th day of February 2003 the City Council of the City of Lufkin, Texas, convened in a Regular Meeting in the Council Chambers of City Hall with the following members thereof, to wit:

Louis A. Bronaugh	Mayor
Lynn Torres	Mayor pro tem
R. L. Kuykendall	Councilmember, Ward No. 1
Rose Faine Boyd	Councilmember, Ward No. 2
Bob Bowman	Councilmember, Ward No. 4
Jack Gorden, Jr.	Councilmember, Ward No. 5
Dennis Robertson	Councilmember, Ward No. 6
C. G. Maclin	City Manager
Atha Martin	City Secretary
Bob Flournoy	City Attorney
Keith Wright	City Engineer
Kenneth Williams	Director of Public Works
Stephen Abraham	Director of Planning

being present when the following business was transacted.

1. Meeting was opened with prayer by Rev. Bob Bush, Pastor, First Church of the Nazarene.

2. Mayor Bronaugh welcomed visitors present. Mayor Bronaugh stated that Council would like to recognize the fact that today is Mrs. Torres' birthday.

3. APPROVAL OF MINUTES

Minutes of the Regular Meeting of February 4, 2003 were approved on a motion by Councilmember Lynn Torres and seconded by Councilmember Rose Faine Boyd. A unanimous affirmative vote was recorded.

4. ORDINANCE – APPROVED – SECOND READING – FRANCHISE REVISION – CENTERPOINT ENERGY

Mayor Bronaugh stated that the next item for consideration was Second Reading of a Franchise Revision Ordinance for CenterPoint Energy.

Motion was made by Councilmember R. L. Kuykendall and seconded by Councilmember Dennis Robertson that Ordinance for a Franchise Revision for CenterPoint Energy be approved on Second and Final Reading as presented. A unanimous affirmative vote was recorded.

5. ORDINANCE – APPROVED – SECOND READING – SETTING TIME AND DATE – GENERAL ELECTION – MAY 3, 2003

Mayor Bronaugh stated that the next item for consideration was Second Reading of an Ordinance setting the time and date for the May 3rd General Election.

Motion was made by Councilmember Bob Bowman and seconded by Councilmember Rose Faine Boyd that Ordinance setting the time and date for the May 3rd General Election be approved on Second and Final Reading as presented. A unanimous affirmative vote was recorded.

6. ORDINANCE – APPROVED – FIRST READING – SPECIAL USE PERMIT – OFF-PREMISE SIGN – CENTRAL BUSINESS ZONING DISTRICT – KEVIN JONES – SABINE INVESTMENT

Mayor Bronaugh stated that the next item for consideration was a request of Kevin Jones, on behalf of Sabine Investment, for approval of a Special Use Permit for an off-premise sign within a Central Business zoning district on a portion of an approximately 57.27 acre tract of land out of the J. A. Longario Survey (Abstract No. 34).

City Manager Maclin stated that included in the Council packet is a memorandum of explanation from the Director of Planning along with a map showing the subject property and photographs of the area. Mr. Maclin stated that this request comes to Council with a unanimous recommendation of approval from the Planning & Zoning Commission with three conditions: 1) That the sign be erected to the specifications shown on the site plan information 2) That no alterations shall be made to the sign without an amendment to the Special Use Permit; and 3) In the event that the Best Western motel shall discontinue operations within the subject property, the sign shall be removed not more than thirty days after such discontinuance.

In response to question by Councilmember Robertson, Mr. Abraham stated that this is the only off-premise sign that Best Western would have outside of their two acres, which they are going to develop on that access easement. Mr. Abraham stated that there is an easement that goes back to Champions Drive and also to U. S. Highway 59 so you would be able to access the lot. Mr. Abraham stated that Best Western would not be able to put their sign on Champions but rather would have to put it on their two-acre lot that they are going to develop.

In response to question by Councilmember Gorden, Mr. Abraham stated that Best Western would not be using the entire 57 acres and that the two acres had not actually been divided out yet. Mr. Abraham stated that he does have an exact description of where the sign would be placed as a secondary part of the legal description. Mr. Abraham stated that the sign would be located in the median about six feet from the right-of-way line, or dead center of the median, which is 18' wide. Mr. Abraham stated that there are legal descriptions that would tie that down even further and all of this would be made a part of the Ordinance.

In response to question by Councilmember Bowman, Mr. Abraham stated that attachment 4 shows the overall 57 acres and that is the current legal lot. Mr. Abraham stated that in the Ordinance as it is written it ties it down to a more particular place as shown on the site plan, which is attachment 4a.

Motion was made by Councilmember Bob Bowman and seconded by Councilmember Lynn Torres that Ordinance for a Special Use Permit for an off-premise sign within a Central Business zoning district on a portion of an approximately 57.27 acre tract of land out of the J. A. Longario Survey (Abstract No. 34) as requested by Kevin Jones on behalf of Sabine Investment be approved on First Reading as presented. A unanimous affirmative vote was recorded.

7. RESOLUTION – APPROVED – DISPOSAL OF LAND – ELLIS AND FRANK - TxDOT

Mayor Bronaugh stated that the next item for consideration was a Resolution from TxDOT regarding land at Ellis and Frank.

City Manager Maclin stated that included in the Council packet is a Resolution that is required in order for the City to release this property back to TxDOT. Mr. Maclin stated that the property was granted to the City for use a few years ago and an adjacent property owner, Pal's Video, is seeking to purchase some of the

property for expansion of their business. Mr. Maclin stated that TxDOT would be the one that desires to make that sale so therefore they have asked the City to release the property back to them. Mr. Maclin stated that the City has retained what they need for easements for water or sewer lines. Mr. Maclin stated that other than the City's retainment for easement, then this would be up to TxDOT to make a determination as to whether or not to sell it or how much of it to sell to the adjacent property owner. Mr. Maclin stated that then they would have to go through their State procedures for sale of property by the State of Texas.

Mayor Bronaugh stated that in the past there have been problems with traffic within that given area, and the Ellis intersection of Frank Avenue is at a very obliqued angle. Mayor Bronaugh stated that when TxDOT sells that property it was his hope that they take into consideration the problems with the intersection of that area. Mayor Bronaugh asked if TxDOT was considering a traffic light at that intersection. City Manager Maclin stated that there was an accident close to two years ago at the intersection of Frank and Gaslight that resulted in a fatality and at that time the City requested that TxDOT study the entire area from Memorial Hospital west all the way to the Loop, due to the accidents not only at Gaslight and Frank but Ellis and Frank and Hill Street and Frank. Mr. Maclin stated that has been something that TxDOT has considered and they were to come up with a proposed plan to help improve the safety in that area that could include additional traffic lights, or additional lane areas for left-turn, right-turn, etc. Mr. Maclin stated that staff has not gotten any final confirmation on what their action would be or when they would have the funds to implement that. Mr. Maclin stated that as far as today's action is concerned perhaps it would be appropriate if the Council, when they approve this Resolution, have some documentation in the minutes of today's meeting that requests the State to review that area as it relates to safety improvements, whether that be based on approach of Ellis into Frank Street or the addition of traffic signalization so they reserve adequate property to see if any safety improvements can be made at this intersection.

In response to question by Mayor Bronaugh, Mr. Abraham stated that this property just by the purchase and selling of the property and platting it into one lot would take on the zoning classification of Pal's Video. Mr. Abraham stated that the City does not zone right-of-ways but if the right-of-way moves the zoning moves to the right-of-way.

Mayor Bronaugh stated that he would hope that this area would be watched for drainage problems since it is it's own detention pond after a large rain.

In response to question by Mayor Bronaugh, City Manager Maclin stated that TxDOT had originally said that it would take six months to replace the bridge on Ellis.

Motion was made by Councilmember Lynn Torres and seconded by Councilmember R. L. Kuykendall that Resolution from TxDOT be approved as presented with the addendum that TxDOT be requested to perform a study for potential reserve for adequate right-of-way for traffic signalization or other changes in the approach to Frank Street for safety purposes. A unanimous affirmative vote was recorded.

8. PLANNING & ZONING COMMISSION'S ANNUAL COMPREHENSIVE PLAN REPORT FOR 2002

Mayor Bronaugh stated that the next item for consideration was accepting the Planning and Zoning Commission's Annual Comprehensive Plan Report for 2002.

City Manager Maclin stated that Councilmembers received in the Council packet a document of recapitulation of the City's report for progress on the Comprehensive Plan update from last year. Mr. Maclin stated that staff is asking today that Council set forth at the next agenda an official item to consider approval of this Comprehensive Plan

Report. Mr. Maclin stated that if Council has any comments or questions today, additions, deletions, corrections to the Plan, staff would make those corrections. Mr. Maclin stated that staff is seeking today for Council to formally place this on the next agenda for consideration of approval thereby allowing two more weeks for review.

Councilmember Boyd stated that she would like for staff to insert an acronym table in the report as a supplement to the document. Councilmember Kuykendall asked if this could become a legend for future documents. Mr. Maclin stated that staff would try to avoid the use of acronyms in the future.

Councilmember Boyd complimented Mr. Abraham on a good report.

In response to question by Councilmember Robertson, Mr. Maclin stated that the timing of the jail is much more imminent than the City Hall facility. Mr. Maclin stated that staff was looking at City Hall from a long range planning standpoint – growth of the City in the future and the need for additional space. Mr. Maclin stated that it is hoped that by the end of the summer staff is able to close the holding facility also known as the jail, and totally use the new County facility.

Councilmember Robertson stated that he had a question about the annexation policy that the City has in terms of an aggressive consistent annexation policy. Councilmember Robertson stated that in looking at the infrastructure in the vacant buildings within the City right now, he would like to see a pretty good assessment of whether or not the City needs to annex various properties versus trying to use some kind of incentive to get some of the infill of vacant areas and buildings occupied within the City. Councilmember Robertson stated that he hoped there would be a way to deal with that so that the City does not over annex to where there is so much property out there that logically would not be developed within the foreseeable future. Mr. Maclin stated that he understands Councilmember Robertson's concern. Mr. Maclin stated that historically looking at the vast majority of the City's annexations in the past 12 years, there have been areas that have been developed by the developer in many cases, i. e., Oak Trace, Southern Oak area, which was requested for annexation and was all developed in accordance with the subdivision codes of the City so that the streets, water and sewer costs were borne by the developer at their expense. Mr. Maclin stated that the City took over the maintenance and operation. Mr. Maclin stated that being new streets and new water lines and new sewer lines many years would pass before the City would incur significant expense in the maintenance of those. Mr. Maclin stated that there have been a few times that the City has annexed for the purpose of squaring up boundaries for ease of services, but the vast majority of all the City's annexations have been requested and in most cases, requested developments that were developed by the developer at no expense to the City for the initial outlay. Mr. Maclin stated that, in his opinion, the City should always try to find ways to encourage more development inside the City particularly in the under developed areas. Mr. Maclin stated that that is part of what the Comprehensive Plan was all about, to update some of these areas that the potential utilization had changed and the desires of the community had changed from one zoning classification to another zoning classification. Mr. Maclin stated that this is exactly what is being accomplished through the Comprehensive Plan update, to stimulate through changes in the Comprehensive Plan to make it easier to get a zone change to help facilitate exactly what Councilmember Robertson is talking about.

Motion was made by Councilmember R. L. Kuykendall and seconded by Councilmember Dennis Robertson that the Planning and Zoning Commission's Annual Comprehensive Plan Report for 2002 be accepted as presented. A unanimous affirmative vote was recorded.

9. MODIFIED APPROACH FOR INFRASTRUCTURE REPORTING – APPROVED – ENGINEERING DEPARTMENT

Mayor Bronaugh stated that the next item for consideration was a request from the Engineering Department for modified approach for Infrastructure Reporting.

City Manager Maclin stated that what staff is seeking today is Council's consideration to approve a modified approach for reporting the City's infrastructure. Mr. Maclin stated

that this is something that is necessary as a part of the external audit as it relates to GASB34, which is a Government accounting methodology. Mr. Maclin stated that staff is seeking Council to approve this particular approach as a policy that would then be exercised by the external auditors in assessing the City's audit.

Keith Wright, City Engineer, stated that basically the City has been developing a pavement management system for the last few years and with the advent of GASB34 (Governmental Accounting Standards Board) it required staff to do an infrastructure assets inventory and insert this into the City's audit and accounting policies. Mr. Wright stated that there are two methods for looking at these assets and they were the basic approach and the modified approach. Mr. Wright stated that the two approaches can be mixed and that is basically what staff is doing. Mr. Wright stated that on most of everything they are doing they are depreciating the normal, standard method using the basic approach, but for streets they are looking at the modified approach. Mr. Wright stated that the modified approach makes more sense for the City and gives opportunities to evaluate the City street system to determine which streets require maintenance and to keep up with the conditions of our pavement.

Mr. Wright stated that the Engineering Department uses a program called MicroPaver 4.2, which was developed by the U. S. Army Corps of Engineers in the early 1970's. Mr. Wright stated that this program was purchased through the American Public Works Association. Mr. Wright stated that this is an automated pavement management system and is a decision making tool for the development of cost effective maintenance and repair alternatives. Mr. Wright stated that it maintains a pavement network inventory which develops a Pavement Condition Index (PCI), which is the rating the City will use as part of the modified approach in the audit. Mr. Wright stated that it looks at different pavement condition deterioration models, present and future pavement conditions, and it can actually estimate pavement needs over time. Mr. Wright stated that the program does a lot more than the City is doing with it right now. Mr. Wright stated that if the City was using it to it's fullest extent, every time we patch a pot hole or do anything to a street it would go into a model. Mr. Wright stated that every time money is spent it would go into the model and over time would show you what you have spent on a particular segment of street. Mr. Wright stated that it would also allow you to estimate future needs. Mr. Wright stated at this time the City is concentrating on developing the condition aspect of this program. Mr. Wright stated that the Engineering Department has graded City streets for the past three years. Mr. Wright stated that the Engineering Department uses two types of manuals that the U. S. Corps of Army Engineer developed in order to evaluate the streets, one for asphalt distresses and the other for concrete distresses. Mr. Wright stated that some of the concrete distresses are patching, linear cracking, scaling or spalling. Mr. Wright showed pictures of the different concrete distresses. Mr. Wright stated that asphalt distresses included alligator cracking, block cracking, edge cracking and a lot of patch/utility cuts. Mr. Wright showed a picture of the different asphalt distresses.

Mr. Wright stated that the Engineering Department breaks the City down into all six wards, and then breaks the ward down into different areas. Mr. Wright stated that in these areas they take each street, and a street segment may be broken into several parts. Mr. Wright stated they go out and do a test segment on each part and in a 100' section they will measure all the distresses and enter that into the computer and the computer analyses that data and projects it as an average over the entire street pavement. Mr. Wright stated that what they are doing is developing the condition of a road or street pavement as a measure using this management system. Mr. Wright stated that the system is based on 18 distress factors found in pavement surfaces dependent upon the type of road material. Mr. Wright stated that Paver 4.2 uses a measurement scale that is based on a condition index ranging from zero for a failed pavement to 100 for a pavement in perfect condition. The condition index is used to classify roads in good or better condition (70-100), fair condition (40-70), and sub-standard of poor condition (less than 40).

Mr. Wright stated that the next slide was a breakdown by ward of the pavement condition showing the years 2001, and 2002. Mr. Wright stated that this is an average index for that particular ward. Mr. Wright stated that as far as the wards as a whole, they all fall in the good or better condition. Mr. Wright stated that breaking it down further on the 2002 data you can see from excellent to good, fair and sub-standard.

Mr. Wright stated that the City has few streets that actually fall in the sub-standard category. Mr. Wright stated that the next slide shows that he has broken down the street categories to major thoroughfares, collector streets and residential streets. Mr. Wright stated that the thoroughfares are in better condition than the residential streets. Mr. Wright stated that the percentage of roads for the whole City that fall into excellent to good is 77.7%, fair is 18.5% and sub-standard is 3.8%.

Mr. Wright stated that the GASB34 modified approach requires governments to capitalize assets (general capital assets and infrastructure assets) at the time of purchase and depreciate most capital assets over their useful lives. Mr. Wright stated that the modified approach was developed as a compromise to provide an alternative to depreciating eligible infrastructure. Mr. Wright stated that infrastructure assets are long-lived capital assets that can be preserved for a significantly greater number of years than most capital assets. They are normally stationary in nature and include roads, bridges, storm sewers, etc. Mr. Wright stated that the only thing that the Engineering Department is proposing to use this method on is streets.

Mr. Wright stated the basic premise behind the modified approach is that no depreciation is incurred if infrastructure assets are being maintained or preserved at a certain level. The key requirement is a careful documentation of the level at which they are being maintained or preserved. In order to use the modified approach, two requirements must be met: An asset management system must be used, and there must be sufficient documentation that the assets are being preserved at or above a condition level established and disclosed by the government body.

Mr. Wright stated that in accordance with the letter, what he is asking Council to do is a target PCI index to establish a level of 56, which is in the mid-range of the fair condition and is a level that the Engineering Department feels that they can manage with current budget levels in the Street Department.

In response to question by Mayor Bronaugh regarding bridges, Mr. Wright stated that it may be something that they do later, but they haven't developed that system for keeping up with that asset.

Councilmember Gorden asked what are the pros and cons of having that number higher or lower. Mr. Wright stated that the higher the number is the better the condition of the street and the more money you will commit yourself to maintain that level. Mr. Wright stated that 56 is a mid-range on a fair condition. Mr. Wright stated that we are mostly above that on our streets right now but do have some streets that are below that. Councilmember Gorden asked if it would help the City to set that number higher. Mr. Wright stated that basically what he is saying is that they are going to bring every street in Lufkin up to at least a 56 as a minimum pavement level. Mr. Wright stated that if we set the level higher than that it would require a budget increase in the Street Department in order to maintain that. Mr. Wright stated that as you increase the pavement condition, the value of the street is actually going up.

In response to question by Councilmember Gorden, Mr. Wright stated that basically what he is saying is that we are going to put this in our audit that our goal is to maintain a 56 as a minimum level of the street condition, which will require you to provide proof that you are trying to maintain that level through the budgeting process.

In response to question by Councilmember Gorden, Mr. Wright stated that you could use the basic approach, which requires that you determine historical costs of an infrastructure asset if information is available. You calculate estimated historical costs for the infrastructure assets that have no historical cost information. You determine the economic life of the infrastructure assets, then you calculate an annual depreciation and accrued depreciation on expense.

In response to question by Councilmember Gorden, City Manager Maclin stated that instead of 56, if we chose 75, we would probably have to double the amount of money in the Street Department to get an average or a minimum of 75. Mr. Maclin stated that the City wants to be the highest it can be because if S&P and Moody's ever get into looking into the City's PCI index to help evaluate the City's bond rating it should be as high as the City can afford. Mr. Maclin stated staff is saying right now that 56 is

as high as the City can afford. Mr. Wright stated that this number can be changed at any time.

In response to question by Councilmember Robertson, Mr. Wright stated that what staff will do every year as they do the grading system, they will bring back to Council a recommendation for the streets that are going to be worked on in accordance with what budget or allocated monies that are available. Mr. Wright stated that these streets will be targeted and brought up to a 56, but they will not necessarily let a street fall down to that level. Mr. Wright stated that the thoroughfare and collector type streets would be maintained at a higher level than a residential street due to the amount of traffic. Mr. Wright stated that staff would not let the streets fall to a 56. Mr. Wright stated that the City is only required to do this evaluation every three years, but the Street Department provides an intern and Engineering provides an Engineering trainee who actually goes out and grades the streets every year. Mr. Wright stated that this gives the Engineering Department more information on the changing condition of the street that can be analyzed and it can be determine the degree of maintenance.

In response to question by Councilmember Robertson, Mr. Wright stated that this would be done across the board for the whole City rather than for individual wards.

In response to question by Councilmember Boyd, Mr. Wright stated that the streets that are below the level of 56 would be targeted to bring them up to a 56 as a minimum.

Motion was made by Councilmember Lynn Torres and seconded by Councilmember Jack Gorden, Jr. that the request of the Engineering Department for modified approach for Infrastructure Reporting for the City to have a policy for the auditors be approved as presented. A unanimous affirmative vote was recorded.

10. BID – APPROVED – MINI-EXCAVATOR – WATER UTILITIES DEPARTMENT

Mayor Bronaugh stated that the next item for consideration was bids for a mini-excavator for the Water Utilities Department.

City Manager Maclin stated that the staff recommendation is to award the bid to the Texas Local Government Purchasing Cooperative (Buyboard) in the amount of \$35,406.10.

Motion was made by Councilmember Bob Bowman and seconded by Councilmember Rose Faine Boyd that the bid of the Texas Local Government Purchasing Cooperative (Buyboard) in the amount of \$35,406.10 for a mini-excavator for the Water Utilities Department be approved as submitted. A unanimous affirmative vote was recorded.

11. BID – APPROVED – BACKHOE – WATER UTILITIES DEPARTMENT

Mayor Bronaugh stated that the next item for consideration was bids for a backhoe for the Water Utilities Department.

City Manager Maclin stated that the staff recommendation is to award the bid of the Texas Local Government Purchasing Cooperative (Buyboard) in the amount of \$55,299.04.

Motion was made by Councilmember Bob Bowman and seconded by Councilmember Rose Faine Boyd that the bid of Texas Local Government Purchasing Cooperative (Buyboard) in the amount of \$55,299.04 for a backhoe for the Water Utilities Department be approved as submitted. A unanimous affirmative vote was recorded.

12. EXECUTIVE SESSION

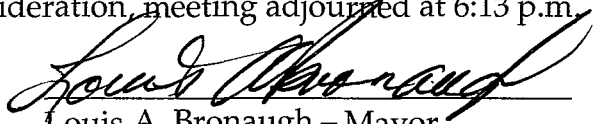
Mayor Bronaugh recessed Regular Session at 5:48 p. m. and Councilmembers entered into Executive Session. Regular Session reconvened at 6:10 p.m. and Mayor Bronaugh stated that Council had discussed appointments to Boards and Commissions. Mayor Bronaugh stated that Council had decided to delay a decision on the appointment to the Lufkin Board of Development until the next meeting.

13. CALENDAR NOTATIONS FROM MAYOR, COUNCILMEMBERS AND CITY MANAGER

City Manager Maclin stated that the Finance Committee would have a called meeting on Tuesday, February 25th.

City Manager Maclin stated that on Saturday, March 22, there would be a ribbon cutting at Jones Park to dedicate the new basketball courts and tennis courts. This will be an all day event starting at 9:00 a.m.

14. There being no further business for consideration, meeting adjourned at 6:13 p.m.


Louis A. Bronaugh – Mayor

ATTEST:

Atha Martin – City Secretary