MINUTES OF REGULAR MEETING OF THE CITY COMMISSION OF THE CITY OF LUFKIN, TEXAS, HELD ON THE 1ST DAY OF SEPTEMBER, 1970, AT 7:30 PM

On the 1st day of September, 1970, the City Commission of the City of Lufkin, Texas, convened in regular meeting in the regular meeting place of said City, with the following members thereof, to-wit:

Pitser H. Garrison	Mayor
J. T. Hopson	Commissioner, Ward No. 2
Kenneth R. Crain	Commissioner, Ward No. 3
Edgar C. Wareing	Commissioner, Ward No. 4
W. O. Ricks, Jr.	Commissioner at Large, Place A
Basil E. Atkinson, Jr., M.D.	Commissioner at Large, Place B
Harvey Westerholm	City Manager
Robert L. Flournoy	City Attorney
Lynn Durham	City Secretary

being present, and

Roy L. Leamon, M.D.	Commissioner, Ward No. 1

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

1. Meeting opened with prayer by Rev. Quentin Payne, Pastor of First Presbyterian Church, Lufkin, Texas, who was thanked by Mayor Garrison for his participation.

2. Mayor Garrison welcomed a number of visitors who were present as observors or in connection with items on the agenda, and expressed the hope that the citizens of Lufkin would continue to show an interest in the affairs of the City.

3. Approval of Minutes

   Comm. Kenneth R. Crain made motion that minutes of meeting of August 18, 1970, be approved as written. Motion seconded by Comm. B. E. Atkinson, Jr., M.D., and a unanimous affirmative vote was recorded.

4. Proposed Rate Increase for United Gas Co., Inc.

   Mayor Garrison stated that second reading of ordinance granting rate increase to United Gas Go., Inc., was considered at last meeting but no action was taken since the vote was three to two. Mayor Garrison stated this ordinance was now ready for consideration again on second and final reading and requested City Attorney to read caption of same. Comm. W. O. Ricks, Jr., made motion that ordinance be passed on second reading. Motion was seconded by Comm. Edgar C. Wareing. Before vote was taken, Comm. B. E. Atkinson, Jr., M.D., requested information from representatives of United Gas Go., Inc., who were present, as to their policy in handling repairs, etc., on air-conditioning units. He was advised that United Gas Co., Inc., has a schedule of charges that were made for such work after the warranty has run out. The following vote was then recorded on the above motion and second:

   Voting Aye: Pitser H. Garrison, W. O. Ricks, Jr., B. E. Atkinson, Jr., M.D., and Edgar C. Wareing

   Voting Nay: Kenneth R. Crain and J. T. Hopson

   Mayor declared ordinance passed on second reading by an affirmative vote of four to two. Mayor Garrison expressed appreciation to representatives of United Gas Co., Inc., for the services rendered in the past to the citizens of Lufkin and was looking forward to this continued fine service in the future. He also called attention to the provision that the United Gas Co., Inc., should furnish an annual report on operations in Lufkin.

5. Proposed Water Rate Increase

   Mayor Garrison stated that ordinance passed previously on first reading, increasing water rates, was up for consideration on second reading at this meeting. He stated this ordinance set water rates as follows:

Residential & Commercial			Inside City	Outside City
First	1,500 gallons	(minimum)	$2.50	$3.75
Next	5,500 "	(per M)	.65	.97½
Next	3,000 "	"	.60	.90
Next	10,000 "	"	.55	.82½
Next	20,000 "	"	.50	.75
Next	60,000 "	"	.45	.67½
Next	100,000 "	"	.40	.60
Next	300,000 "	"	.35	.52½
Next	500,000 "	"	.30	.45
All over 1,000,000 gallons			.21	.31½

However, at last regular meeting, City Manager Westerholm submitted an alternate schedule of rates for study, which would produce practically same additional revenue, as follows:

Residential & Commercial			Inside City	Outside City
First	2,000 gallons	(minimum)	$2.50	$3.75
Next	1,000 "	(per M)	.50	.75
Next	7,000 "	"	.75	1.12½
Next	10,000 "	"	.65	.97½
Next	10,000 "	"	.55	.82½
Next	10,000 "	"	.50	.75
Next	60,000 "	"	.45	.67½
Next	100,000 "	"	.40	.60
Next	300,000 "	"	.35	.52½
Next	500,000 "	"	.30	.45
All over 1,000,000 gallons			.21	.31½

This alternate schedule of rates was considered to be more applicable than schedule of rates previously passed on first reading and on which no action was taken on second reading. City Attorney Flournoy stated that if the alternate schedule of rates was to be considered at this meeting, would have to be on first reading of ordinance. Discussion developed and Comm. B. E. Atkinson, Jr., M.D., suggested that since the proposed increase in water rates was primarily for the purpose of raising funds to cover cost of proposed sewer improvement program, he thought such increase should be restricted to an increase in sewer rates instead and then consideration would not have to be given as to whether or not there would be a dry or wet summer. Comm. W. O. Ricks, Jr. stated that he agreed with this idea that the burden of producing increased revenues should be placed on sewer rates where the burden was. He also stated he thought it would be only a matter of a few years when the City would be confronted with considerable expense in procuring water from Sam Rayburn Lake. Mayor Garrison stated that he thought the City Commission was duty bound to increase the water rates since the citizens were advised to this effect prior to the recent bond election covering improvements to City sewer system. Other City Commission members expressed their views, however, the inclination was to increase water rates. Comm. Kenneth R. Crain made motion that ordinance be passed on first reading covering increase in water rates per alternate schedule presented by City Manager Westerholm, starting with 2,000 gallons minimum at $2.50. Comm. Edgar C. Wareing seconded the motion and the following vote was recorded:

Voting Aye: Pitser H. Garrison, J. T. Hopson, Kenneth R. Crain, and Edgar C. Wareing

Voting Nay: B. E. Atkinson, Jr., M.D., and W.O. Ricks, Jr.

Mayor declared ordinance passed on first reading by four to two vote majority.

6. Proposed Sewer Rate Increase

City Attorney Flournoy read caption of ordinance covering increase in sewer rates, copy of which had previously been furnished City Commission members. This subject was also discussed in considerable detail and Comm. B. E. Atkinson, Jr., M.D., thought the amount to be collected from the poultry plants was far below the actual cost incurred by the City as a result of such operations. Mayor Garrison stated that the ordinance seemed to be reasonable, was subject to change and if it did not meet requirements further study then could be given to amending it. He also stated that he did not think the poultry plants should be priced out of business since this industry was initially welcomed to Lufkin and had contributed greatly to the City's economic growth. City Attorney Flournoy stated this ordinance had been given great sutdy by City Manager, Consulting Engineers and himself and thought it was equitable and enforceable. Comm. W. O. Ricks, Jr., inquired if poultry plants were now paying sewer charges. City Manager Westerholm stated they were not but thought this Ordinance would be enforceable for payment of such charges. Comm. W. O. Ricks, Jr., also inquired about portion of ordinance covering charges to hotels, motels, etc., which was based on occupancy. Discussion brought out that such businesses should submit information to City under oath regarding such occupancy. Comm. Kenneth R. Crain stated that sufficient time and study had been given to this subject, and regardless of City's past experience, thought ordinance should be passed and then enforced. Comm. Edgar C. Wareing made motion that ordinance be passed on first reading with changes to be made as follows:

(1) Oath by hotels and motels, and

(2) Section 5 add two words "charge for"

Comm. Kenneth R. Crain seconded the motion and a unanimous affirmative vote was recorded. Mayor Garrison expressed his personal appreciation to certain City Commission members whom he felt were against the provisions of the ordinance, but who voted affirmatively to make it a unanimous vote.

7. Plans - Sewer Improvement Program

Mayor Garrison welcomed Messrs. Dick Phelps, Paul Ombruni and Paul Moritz, of Henningson, Durham & Richardson, Inc., City's Consulting Engineers, who presented plans and other information on proposed new sewer plant site, etc. A number of questions were asked and Comm. B. E. Atkinson, Jr., M.D., questioned the hydraulic capacity figures of 5 MGD instead of 7.3 MGD, which he understood the City Commission approved. He stated that 5 MGD capacity would only last from five to six years and the City would then be forced to enlarge on sewer facilities. The Engineers advised that they were trying to stay within funds available and to bring the plant up to 7.3 MGD hydraulic capacity would cost approximately $250,000.00 for added facilities. The Engineers were instructed to get figures on added facilities when bids were let later on which would increase the capacity sufficiently to handle operations for 20 years. Comm. W. O. Ricks, Jr., confirmed with the Engineers that type of plant was the same as one inspected sometime ago by several members of City Commission with representatives of Henningson, Durham and Richardson, Inc., at Santee, California. Mayor Garrison thanked Messrs. Phelps, Ombruni and Moritz for their presentation on the sewer improvement program.

8. Zoning Board of Adjustment Membership

City Attorney Flournoy called attention to ordinance he had prepared, amending Zoning Ordinance No. 1146 on Board of Adjustment and Appeals and providing for the appointment of two alternate members. He read caption of Ordinance and discussion was had on two changes desired as follows:

(1) Three of the regular members shall be appointed for two-year terms and two regular members shall initially be appointed for one-year terms; and

(2) All cases to be heard by the Board of Adjustment will always be heard by a minimum of five members.

Comm. Edgar C. Wareing made motion that ordinance be passed on first reading with above changes. Comm. Kenneth R. Crain seconded the motion and a unanimous affirmative vote was recorded.

9. Budget Study

City Manager Westerholm requested City Commission to make a study of budget submitted to them covering period October 1, 1970, through September 30, 1971, in order that a hearing date could be set for approval of the Budget prior to September 27, 1970. At this point, Mayor Garrison stated that he had studied the Budget and was greatly concerned about the growing cost of City Government and stated he had requested City Manager Westerholm to be certain that income and outgo was in balance. Mayor Garrison also stated that City Manager Westerholm had furnished data explaining the increase in Budget figures for the past four years. Mayor Garrison also requested that City Manager Westerholm set up and keep a close watch on expenditures on a month-to-month basis in order that no such expenditures would be made unless money was available. The Budget was then gone into department by department and City Manager Westerholm stated that Fire Department would be reduced from a total of 52 men to a total of 46 men. Discussion was had on the item in the Sanitation Department, formerly referred to as the Garbage Department, wherein recommendation is being made that plastic garbage can liners be furnished by the City and used by all residential customers. City Manager Westerholm estimated this practice could eliminate the need for one additional truck and 3½ men. There was some question as to the workability of these liners by Comm. B. E. Atkinson, Jr., M.D., and Mayor Garrison. However, after a great amount of discussion, it was decided to try this method out and Comm. Edgar C. Wareing made motion to this effect. Motion was seconded by Comm. W. O. Ricks, Jr., and a unanimous affirmative vote was recorded. There were several other items on which City Manager Westerholm was requested to furnish date, such as the purchase of automobiles in various departments and the use of City owned vehicles by City employees, etc. Discussion was then had on possible hearing date on the Budget and Comm. W. O. Ricks, Jr., made motion that next regular meeting scheduled for September 15, 1970, be advanced to September 22, 1970, at which time hearing on the Budget could also be held. Comm. J. T. Hopson seconded the motion and a unanimous affirmative vote was recorded.

10. Executive Session

At this point, the City Commission went into Executive Session to discuss real estate for the proposed new Sewer Plant and certain personnel problems. At the conclusion of the Executive Session, Mayor Garrison called the meeting back to regular session and the following business was transacted:

11. Requirements for Petroleum Products for the Year Beginning Oct. 1, 1970

City Manager Westerholm stated had advertised and received bids from four dealers on the City's requirements for Petroleum Products for the year beginning October 1, 1970, and Gresham Temple, Sinclair Dealer, was the low bidder and requested authority to place this business with Gresham Temple, Sinclair Dealer, for the year beginning October 1, 1970, and furnish City Commission members copies of tabulation of such bids. Comm. Kenneth R. Crain made motion that bid for the City's Petroleum Products for the new Budget year be awarded to Gresham Temple, Sinclair Dealer, Lufkin. Motion was seconded by Comm. Edgar C. Wareing and a unanimous affirmative vote was recorded.

12. Sale of Soil Pulverizer Machine

City Manager Westerholm requested permission to advertise for bids on sale of Soil Pulverizer Machine that is no longer in need or use by the City. Comm. Kenneth R. Crain made motion that this request by City Manager Westerholm be authorized. Comm. J. T. Hopson seconded the motion and a unanimous affirmative vote was recorded.

13. Insurance Premium Invoice

City Manager Westerholm requested authority to pay down-payment of $2,413.60 on a three-year Fire Insurance Premium to our insurance carrier. Comm. W. O. Ricks, Jr., made motion that authority be granted City Manager Westerholm to pay this down-payment on Fire Insurance Premium. Comm. Kenneth R. Crain seconded the motion and a unanimous affirmative vote was recorded.

14. Invoice - Henningson, Durham & Richardson, Inc. (Consulting Engineers)

City Manager Westerholm requested authority to pay invoice of Henningson, Durham & Richardson, Inc., in the amount of $4,990.32, covering Survey Work for Sewer Improvement Program performed to date. Mayor Garrison suggested that payment of this invoice be delayed until October due to the City's shortage of finances at this time. Comm. Kenneth R. Crain made motion that the payment of this invoice in the amount of $4,990.32 be authorized for the month of October. Comm. J. T. Hopson seconded the motion and a unanimous affirmative vote was recorded.

15. Revision of Building Permit Fees

City Manager Westerholm requested consideration be given to revising present Building Permit Fees to coincide with those of the Southern Standard Building Code, which the City previously adopted and furnished each member with copy of our present rates and those of the Southern Standard Building Code. After some discussion, Comm. Edgar C. Wareing made motion that this change be made and present Building Permit fees to be made to coincide with those suggested by the Southern Standard Building Code. Comm. W. O. Ricks, Jr., seconded the motion and a unanimous affirmative vote was recorded.

16. Audit of City Records

City Manager Westerholm brought up matter of employing a Certified Public Accounting firm to audit the City's records for the fiscal year ending September 30, 1970, per Charter requirements. Comm. Kenneth R. Crain made motion that City Manager Westerholm be authorized to develop cost information from different CPA firms in the City and make report at next meeting. Comm. J. T. Hopson seconded the motion and a unanimous affirmative vote was recorded.

17. Estimate #2-Moore Bros. Const. Co. - Paving Reen & Roseneath Streets

City Manager Westerholm requested authority to pay above Estimate #2 in amount of $13,724.62 to Moore Bros. Const. Co. covering paving work done from 7-31-70 to 8-31-70 on Reen & Roseneath Streets. Comm. B. E. Atkinson Jr., M.D., made motion that this authority be granted. Comm. J. T. Hopson seconded the motion and a unanimous affirmative vote was recorded.

18. Adjournment

There being no further business for consideration, meeting was adjourned at 1:30 A. M., September 2, 1970.

Peter W. Garrison
Mayor - City of Lufkin, Texas

ATTEST:

Lynn Dunbar
City Secretary - City of Lufkin, Texas