

**MINUTES OF CALLED MEETING OF THE CITY COUNCIL OF THE  
CITY OF LUFKIN, TEXAS, HELD ON THE  
29TH DAY OF APRIL, 1994 AT 9:30 A.M.**

On the 29th day of April, 1994 the City Council of the City of Lufkin, Texas, convened in a Called Meeting in the Council Chambers of City Hall with the following members thereof, to wit:

Louis A. Bronaugh	Mayor
Don Boyd	Mayor pro tem
Larry Kegler	Councilman, Ward No. 3
Jack Gorden, Jr.	Councilman, Ward No. 5
C. G. Maclin	City Manager
Ron Wesch	Asst. City Manager/Public Works
Darryl Mayfield	Asst. City Manager/Finance
Bob Flournoy	City Attorney
Atha Stokes	City Secretary

being present, and

Percy Simond	Councilman, Ward No. 1
Bob Bowman	Councilman, Ward No. 4
Tucker Weems	Councilman, Ward No. 6

being absent when the following business was transacted.

1. Meeting was called to order by Mayor Louis Bronaugh.

2. **RESOLUTION - APPROVED - ENTERPRISE ZONE - TEXAS FOUNDRIES**

Mayor Bronaugh stated that the reason for the Called Meeting is to consider a Resolution nominating Texas Foundries as an Enterprise Project. Mayor Bronaugh stated that the Resolution has to be in Austin by Tuesday, and since the next Council meeting was scheduled for Tuesday, Council felt that it was important to call this meeting to pass the Resolution.

City Manager Maclin stated that basically this is the culmination of some things Council and staff talked about last November when the Empowerment Resource Team came to town and discussed ways existing industries could be helped through incentives provided by the State. City Manager Maclin stated that staff has submitted the revised Enterprise Zone in order to help both Texas Foundries and Champion International qualify as Enterprise Projects. City Manager Maclin stated that staff is now ready to move to the next step which is the Enterprise Project Application through the approval of this Resolution. City Manager Maclin stated that from this Enterprise Project designation the industry will be eligible for reduced electric rates, reduced franchise tax, and potentially rebates of sales tax due to expansion and purchase of new equipment.

Councilman Kegler stated that the first time this subject was presented to Council he voted against it due to the fact that part of the area he lives in, and the area where the people live who elected him to office, was cut out of the Enterprise Zone. Councilman Kegler stated that after discussing the subject with the City staff he realized that the area of LufkinLand would not benefit a lot from being in the Enterprise Zone and that Texas Foundries being in the Enterprise

Zone would benefit Lufkin and the people of Lufkin a great deal. Councilman Kegler stated that as a result he will now change his vote.

Councilman Kegler stated that his second comment is that a great deal of people who live in the area where he was elected work at Texas Foundries and for the past year or so there has been some discussion on some practices that may appear to be discriminatory to the employees. Councilman Kegler stated that the people who elected him have brought this matter to his attention, and he would like for somebody from Texas Foundries to address this matter. Councilman Kegler stated that for the people he serves, he would like to have some explanation from Texas Foundries. City Manager Maclin suggested that he set up a meeting with Councilman Kegler and James Milstead of Texas Foundries.

City Planner Abraham stated that as part of the application, Texas Foundries has to commit to hiring 25% of the new employees either from residents of the Enterprise Zone or economically disadvantaged individuals. Mr. Abraham stated that Texas Foundries commits over the next five years to making capital expenditures of \$27.5 million to expand both the steel and iron foundries. Mr. Abraham stated that they will employ 472 new employees for an annual payroll of \$10.3 million. Mr. Abraham stated that in addition to the expansion activities, they plan to make capital expenditures of \$2 million per year for the next five years to modernize. Mr. Abraham stated that as a part of the Enterprise Project designation, they must commit to product source and other items from minority owned businesses.

Motion was made by Councilman Don Boyd and seconded by Councilman Larry Kegler that Resolution be approved as presented. A unanimous affirmative vote was recorded.

### 3. COMMENTS

Mayor Bronaugh presented flowers on behalf of the City Council to the City Secretary for Secretary's Day.

City Manager Maclin stated that the meeting scheduled for next week regarding the Housing Committee has been postponed and will be rescheduled.

City Manager Maclin stated that immediately following this meeting the Councilmembers are encouraged to meet at Fire Station No. 2 for Open House and a ribbon cutting.

Mayor Bronaugh stated that at 2 p.m. this afternoon there will be a ribbon cutting at the Joe Elliott House and invited the Councilmembers to attend.

Mayor Bronaugh stated that the guest speaker for the First Friday Luncheon will be John D. Caruthers who is the President of the Mid-Continent Highway Coalition (Interstate 69 Project).

Mayor Bronaugh stated that next Wednesday at 6:30 p.m. there will be a water meeting and all interested people in the County are invited to attend to discuss the Lake Eastex project.

Mayor Bronaugh reminded Councilmembers of the Called Council Meeting

on Tuesday, May 10 to canvass the election votes and the annual retreat to be held at Pine Island on May 18th.

4. There being no further business for consideration, meeting adjourned at 9:47 a.m.

  
Louis A. Bronaugh - Mayor

ATTEST:

  
Atha Stokes - City Secretary