

MINUTES OF REGULAR MEETING OF THE CITY COUNCIL OF THE CITY OF
LUFKIN, TEXAS, HELD ON THE
16TH DAY OF FEBRUARY, 1999 AT 5:00 P. M.

On the 16th day of February, 1999 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
Jack Gorden, Jr.	Mayor pro tem
R. L. Kuykendall	Councilmember, Ward No. 1
Don Boyd	Councilmember, Ward No. 2
Bob Bowman	Councilmember, Ward No. 4
Tucker Weems	Councilmember, Ward No. 6
C. G. Maclin	City Manager
James Hager	Asst. City Manager/Finance
Bob Flournoy	City Attorney
Atha Stokes	City Secretary
Keith Wright	City Engineer
Stephen Abraham	Director of Planning
Kenneth Williams	Director of Public Works

being present, and

Betty Jones	Councilmember, Ward No. 3
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being absent when the following business was transacted.

1. Meeting was opened with prayer by Dr. Dewey Bowen, Pastor, First Presbyterian Church - USA.
2. Mayor Bronaugh welcomed visitors present.

3. APPROVAL OF MINUTES

Motion was made by Councilmember Don Boyd and seconded by Councilmember Jack Gorden, Jr. that the minutes of the Regular Meeting of February 10, 1999 be approved as presented. A unanimous affirmative vote was recorded.

4. Y2K COMPLIANCE STATUS UPDATE - BILL CAMERON

Mayor Bronaugh stated that the next item for consideration was an update from Bill Cameron concerning the City of Lufkin's Y2K compliance status.

City Manager Maclin stated that it had been mentioned to Council previously that about once a quarter staff would help Council, as well as the public, be informed as to the activities and preparations that the City of Lufkin is making for the Y2K compliance. City Manager Maclin stated that this will help the public to understand that the City is doing everything appropriate, necessary, and in a timely manner.

Bill Cameron, the Director of Data Processing, stated that he would be giving a status report as to where the City is on the Y2K compliance. Mr. Cameron stated that he has been with the City for six months and he appreciated the vision that Council and staff had before he got here, because a lot of this was in place and the mechanism in order for the City to be successful has been in place. Mr. Cameron stated that the budget has also been put in place that will allow the upgrading of the system to happen.

Mr. Cameron stated that his purpose in giving this updated report is to tell Council

and the public how the City is doing at this time, and hopefully give them a comfort level that staff will be successful.

Mr. Cameron stated that the presentation will show where the City staff started, where they are now, and where they are going. Mr. Cameron stated that he would start by talking about the hardware status. Mr. Cameron stated that there are two Ethernet servers and 25 workstations that are non-compliant, but staff will be able to make them compliant with minimal expense. The original non-compliant software included the AS/400 application software in City Hall, the AS/400 application software in the Police Department, all the Ethernet server software, the fire reporting software, and one of the older ambulance billing software (AIM), seven Street Department databases, two inspection service databases, E-911 ALI database (DETCOG), and the water utilities database. Mr. Cameron stated that the City is working with DETCOG on updating the 911 equipment. Mr. Cameron stated that the software issue is bigger than the hardware issue. Mr. Cameron stated that there were hundreds of possibilities with unknown status of the embedded processors including the fire and EMS equipment, the automated flow meters, radios, and alarm systems.

Mr. Cameron stated that corrective action for the hardware included individually testing all hardware using NSTL software, labeling all hardware as compliant or non-compliant, and the workstations will receive BIOS update or software patch.

Mr. Cameron stated that corrective action for the software included an AS/400 application software contract with HTE approved by City Council on January 19. The AS/400 will be upgraded to run the new application (AS/400 9406-720 DP Solutions). Mr. Cameron stated that the first phase of the WAN is in place. Further corrective action includes the Police Department AS/400 operating system being upgraded, Police Department As/400 application programs being reviewed, and programs that can't be made compliant will be replaced. Mr. Cameron stated that non-compliant programs will be replaced with existing HTE programs to the extent possible. Mr. Cameron stated that the City will be transitioning to Windows NT, key personnel will be certified, City Hall and the Police Department Novell 4.11 servers have been "patched", and other servers will be patched. Mr. Cameron stated that Windows NT will provide in house WEB page and E-mail. The Fire Department server will be "decommissioned" and replaced by the City Hall NT server. Mr. Cameron stated that the Novell 3.12 server will be taken off-line.

Mr. Cameron stated that devices that may contain embedded processors have been inventoried, and the inventory lists have been screened against the non-compliance list on the WEB. The results have been placed in a database. Mr. Cameron stated that 98% of those items inventoried have been found fully compliant. Mr. Cameron stated that departments are continuing to check for compliant status of embedded processors, and that critical items (emergency services) will be tested, or certified test results will be obtained.

Mr. Cameron stated that letters requesting Y2K compliant status have been sent to critical vendors. The results are being tracked and any problems will be resolved in the second quarter.

Mr. Cameron stated that Y2K planning is a part of everyday City business. Key personnel have attended numerous workshops on Y2K contingency planning, and contingency plans will be developed at the department level. Contingency plans will be in place by June 1. Mr. Cameron stated that an emergency power generator is currently in place at the Waste Water Treatment Plant. Generators will be provided for the Water Treatment Plant, one well site and one lift station. Mr. Cameron stated that necessary diesel will be stockpiled.

In summary, Mr. Cameron stated that a huge effort is being made by Council and staff; the budget is in place, personnel are focused, and the City is on track for Y2K success.

In response to question by Mayor Bronaugh, City Manager Maclin stated that about three years ago a City employee submitted an idea under the Employee Suggestion Program about being able to use the diesel generator at the Waste Water Treatment Plant to reduce the electrical costs by running the diesel generator during peak periods in the summer, thereby avoiding the higher cost per kilowatt hour. City Manager Maclin stated that this program has been implemented and it has saved the City well, and that employee was rewarded for making that suggestion.

5. ORDINANCE - APPROVED - SECOND READING - CITY ELECTION - ESTABLISHING POLLING PLACES - SETTING ELECTION DATE

Mayor Bronaugh stated that the next item for consideration was Second Reading of an Ordinance providing for the calling of a City Election, establishing polling places and setting a date for the election.

Motion was made by Councilmember Bob Bowman and seconded by Councilmember Don Boyd that Ordinance providing for the calling of a City Election, establishing polling places and setting May 1, 1999 as the date for the election be approved on Second and Final Reading as presented. A unanimous affirmative vote was recorded.

6. ORDINANCE - APPROVED - FIRST READING - ZONE CHANGE - RESIDENTIAL LARGE TO NEIGHBORHOOD RETAIL - 1513 SOUTH CHESTNUT - DON DURAN - B. J. McADAMS

Mayor Bronaugh stated that the next item for consideration was a request of Don Duran, on behalf of B. J. McAdams to change the zoning from Residential Large to Neighborhood Retail at 1513 South Chestnut Street and being approximately one acre of land abutting the northern property line of the Gipson, Hunter, Metcalf Funeral Home.

City Manager Maclin stated that included in the Council packet is a memorandum of explanation from the Planning Department, and the request comes to Council with a unanimous vote of approval by the Planning & Zoning Commission.

Motion was made by Councilmember Bob Bowman and seconded by Councilmember Jack Gorden, Jr. that Ordinance for a zone change from Residential Large to Neighborhood Retail at 1513 South Chestnut Street and being approximately one acre of land abutting the northern property line of the Gipson, Hunter, Metcalf Funeral Home as requested by Don Duran on behalf of B. J. McAdams be approved on First Reading as presented. A unanimous affirmative vote was recorded.

7. ORDINANCE - APPROVED - ZONE CHANGE - RESIDENTIAL LARGE TO COMMERCIAL - LEWIS HOLLOWAY SURVEY - G. W. MASSINGILL, JR. SURVEY - LOOP 287 AND SHADY PINE STREET - MORRIS MOREHEAD - JERRY JOHNSON

Mayor Bronaugh stated that the next item for consideration was a request of Morris Morehead on behalf of Jerry Johnson to change the zoning from Residential Large to Commercial on approximately 2.74 acres of land described as Tract 214 of the Lewis Holloway Survey (Abstract 310) and Tracts 6, 7, 8 and 9 of the G. W. Massingill, Jr. Survey (Abstract 475) and located at the northwest corner of the intersection of Loop 287 and Shady Pine Street.

City Manager Maclin stated that included in the Council packet is a memorandum of explanation from the Planning Department and this request comes to Council with a unanimous vote of approval by the Planning & Zoning Commission.

Motion was made by Councilmember Tucker Weems and seconded by Councilmember Jack Gorden, Jr. that zone change from Residential Large to

Commercial on approximately 2.74 acres of land described as Tract 214 of the Lewis Holloway Survey (Abstract 310) and Tracts 6, 7, 8, and 9 of the G. W. Massingill, Jr. Survey (Abstract 475) and located at the northwest corner of the intersection of Loop 287 and Shady Pine Street as requested by Morris Morehead on behalf of Jerry Johnson be approved on First Reading as presented. A unanimous affirmative vote was recorded.

8. ORDINANCE - APPROVED - HEALTH BENEFITS - CITY RETIREES - REVISED

Mayor Bronaugh stated that the next item for consideration was revised Ordinance No. 3354 offering health benefits to City retirees.

City Manager Maclin stated that included in the Council packet is a letter from the Director of Human Resources regarding this Ordinance which was passed by Council on October 20, 1998.

David Koonce, Director of Human Resources, stated that TML included a paragraph inside the sample Ordinance which would in essence make TML liable for payment of all the claims rather than the City of Lufkin, which is self-insured. Mr. Koonce stated that this is simply a housekeeping item taking out the old paragraph and inserting the new paragraph.

Motion was made by Councilmember Don Boyd and seconded by Councilmember Bob Bowman that Ordinance No. 3354 (revised) offering health benefits to City retirees be approved as presented. A unanimous affirmative vote was recorded.

9. PRESENTATION - PROPOSED STREET OVERLAY PROGRAM

Mayor Bronaugh stated that the next item for consideration was a presentation of the proposed street overlay program.

City Manager Maclin stated that included in the Council packet is a letter from the Public Works Director with an attachment of the proposed street and roadway expenses and programs for 1999.

Kenneth Williams, Director of Public Works, stated that the Street Department dealt with overlays in the past but would now do a concentrated effort for reconstruction. Mr. Williams stated that the goals for this program include providing a quality riding system, finding long term solutions and supplement drainage plans. Mr. Williams stated that the plan includes overlays, reconstruction, routine maintenance, improving storm drains at a cost of \$230,000, and parks parking lots at a cost of \$32,000.

Mr. Williams stated that the street overlay list consists of Lufkin Avenue and Cotton Square at a cost of \$37,119.58, which includes a \$9,964 milling credit; Peace, Jane and North First at a cost of \$58,195.40, and Freeman and Whippoorwill at a cost of \$37,580.47. Further overlays include Pershing at a cost of \$102,300, which includes a \$6,000 milling credit, and Centralia at a cost of \$18,186.67. The total overlay project cost is \$296,336.20.

Mr. Williams stated that the street reconstruction project includes Copeland (\$350,000), Culverhouse (\$130,000), and Daniel McCall (\$113,572) for a total cost of \$593,572.

Mr. Williams stated that the storm drain project will include Cunningham, Normandy, Church and Myrna, Whistlehollow, Hoo Hoo and Sayers, North Avenue, Weaver, O'Quinn, Highland and the Animal Control Facility at a total cost of \$230,124.

Mr. Williams stated that the parking lots will include Winston Park (\$13,644), Chambers Parks (\$903), Kiwanis Park (\$7,979), and City Hall (\$9,894), for a total cost of

\$32,420.

Mr. Williams stated that the grand total for 1998-'99 expenses is \$866,974.

Keith Wright stated that when the City purchased the milling machine staff told Council that it should pay for itself in three to five years, and they are well on the way to doing that.

Motion was made by Councilmember Bob Bowman and seconded by Councilmember R. L. Kuykendall that the proposed street overlay program be approved as presented. A unanimous affirmative vote was recorded.

10. AMENDMENTS - APPROVED - TAX ABATEMENT POLICY STATEMENT

Mayor Bronaugh stated that the next item for consideration was amendments to the City of Lufkin Tax Abatement Policy Statement.

City Manager Maclin stated that included in the Council packet is a memorandum of explanation from the Director of Planning, Stephen Abraham, as well as a copy of the policy statement highlighted where there are minor changes. City Manager Maclin stated that this Policy is being amended because the City of Lufkin has been the leader in the tax abatement programs in recent years and carried the ball in terms of mechanics and implementation and the application process, which originates through the City Planning Department. It is then forwarded on to the County, the college and LISD as applicable. City Manager Maclin stated that this is a situation where the application by Donohue to the County, the College and LISD is for their proposed investment in renovation and rehabilitation of the papermill. City Manager Maclin stated that Donohue will be making their presentation before the Commissioners Court on Thursday morning, and included in that request are amendments to the policy of the County. City Manager Maclin stated that staff felt that it was appropriate that the City Council consider those amendments first even though the City is not being asked for an abatement since Donohue is not in the City limits. City Manager Maclin stated that the changes trigger around State law that allows elected bodies or political subdivisions to make waivers to their policy. City Manager Maclin stated that State law gives City Council the authority to vary from their policy if they feel it is in the best interest of the City of Lufkin. City Manager Maclin stated that the difference in the Donohue request that will be made at Commissioner's Court Thursday morning is for job retention, in the past it has always been for job creation. City Manager Maclin stated that since the City's policy does not allow for job retention, staff feels that these changes are appropriate and are necessary in order to retain 650 jobs at the papermill.

City Manager Maclin stated that the other opportunity that this amendment gives Council is to make waivers in other situations where they think it is in the best interest of the City. City Manager Maclin stated that staff hopes to use some modeling computer software that shows the cost benefit analysis of tax abatement in the future as one of the methods of helping Council determine what the best interests of the City are.

City Manager Maclin stated that Donohue's application will go to the College and LISD on March 8 and 9.

City Manager Maclin stated that staff would like to recommend that Council approve these amendments to the City of Lufkin Tax Abatement Policy Statement.

Motion was made by Councilmember Bob Bowman and seconded by Councilmember Don Boyd that amendments to the City of Lufkin Tax Abatement Policy Statement be approved as presented. A unanimous affirmative vote was recorded.

11. PROPOSAL - APPROVED - AS400 COMPUTER UPGRADE - DP SOLUTIONS

Mayor Bronaugh stated that the next item for consideration was a proposal for upgrading the AS400 computer.

City Manager Maclin stated that in the information given out at the last Council meeting the total dollar value included in that information was this element for upgrading the hardware to run the HTE software that was discussed at the last meeting. City Manager Maclin stated that staff recommendation is the low bid of DP Solutions in the amount of \$68,155.

Motion was made by Councilmember Jack Gorden, Jr. and seconded by Councilmember R. L. Kuykendall that proposal from DP Solutions in the amount of \$68,155 to upgrade the City's AS400 computer be approved as submitted. A unanimous affirmative vote was recorded.

12. EASEMENT - APPROVED - NORTH TIMBERLAND DRIVE - DP SOLUTIONS - ROBERT STEPHENS

Mayor Bronaugh stated that the next item for consideration was granting an easement on the west side of North Timberland Drive as requested by Robert Stephens and D P Solutions.

City Manager Maclin stated that included in the Council packet is a memorandum of explanation from the City Engineer along with a letter of request from Dean Leggett. City Manager Maclin stated that basically this goes back many years when Timberland Drive was the major State highway before the Loop. City Manager Maclin stated that there was some expansion done and there was a 15' strip left that reverted back to the City of Lufkin ownership because the State did not need it for their right-of-way. City Manager Maclin stated that in essence that 15' easement landlocks the property on the west side of Timberland. City Manager Maclin stated that Mr. Leggett is seeking an easement to allow ingress and egress onto the property on the west side of Timberland. City Manager Maclin stated that staff feels that this is a reasonable request, and that the City Attorney has agreed to draft the appropriate easement documentation.

In response to question by Councilmember Weems, Mr. Leggett stated that lot 1 on Andrew Street is owned by DP Solutions, and lots 2, 3, 4 and 5 are owned by Mr. Stephens. Mr. Leggett stated that there may be some other areas like this along Timberland but the right-of-way might be different widths. Mr. Wright stated that as these properties change and development occurs, these same situations might need to be addressed for different properties.

Motion was made by Councilmember Tucker Weems and seconded by Councilmember Don Boyd that easement be granted on the west side of North Timberland Drive as requested by Robert Stephens and DP Solutions. A unanimous affirmative vote was recorded.

13. BID - APPROVED - CAGES AND RINGS - ANIMAL CONTROL DEPARTMENT - SUBURBAN SURGICAL

Mayor Bronaugh stated that the next item for consideration was bids for cages and rings for the Animal Control Department.

City Manager Maclin stated that included in the Council packet is a copy of the bid tabulation, and the staff recommendation is the low bid of Suburban Surgical in the amount of \$23,641.42.

Motion was made by Councilmember Don Boyd and seconded by Councilmember Jack Gorden, Jr. that bid of Suburban Surgical for cages and rings for the Animal Control Department in the amount of \$23,641.42 be approved as submitted. A

unanimous affirmative vote was recorded.

14. BID - APPROVED - WATER LINE IMPROVEMENTS - HELEN STREET - CRAWFORD CONSTRUCTION

Mayor Bronaugh stated that the next item for consideration was the award of bid for water line improvements on Helen Street.

City Manager Maclin stated that this is another one of the small projects that was part of the bond proceeds back from 1994 for the elevated storage tank and the distribution line on the East Loop. City Manager Maclin stated that the attempt was to identify areas that were underserved in terms of water line size and water pressure and inadequate fire protection. City Manager Maclin stated that this project is the next one on the list, and it is staff's recommendation to award the low bid of Crawford Construction in the amount of \$39,534.

Motion was made by Councilmember Bob Bowman and seconded by Councilmember Tucker Weems that the bid of Crawford Construction in the amount of \$39,534 for water line improvements on Helen Street be approved as submitted. A unanimous affirmative vote was recorded.

15. EXECUTIVE SESSION

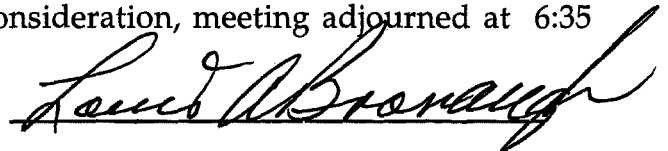
Mayor Bronaugh recessed Regular Session to enter into Executive Session at 5:50 p.m. Regular Session reconvened at 6:35 p.m. and Mayor Bronaugh stated that Council had discussed attorney-client matters and that no decisions were made.

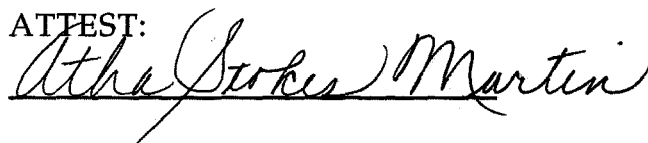
16. COMMENTS

Councilmember Weems stated that the financial committee had met earlier in the day to review the preliminary report of the audit.

City Manager Maclin stated that the DETCOG meeting will be held in Houston County on February 25th.

17. There being no further business for consideration, meeting adjourned at 6:35 p.m.


Louis A. Bronaugh
Mayor

ATTEST:


Atha Stokes Martin - City Secretary