

**MINUTES OF REGULAR MEETING OF THE CITY COUNCIL OF THE CITY OF
LUFKIN, TEXAS, HELD ON THE
6TH DAY OF APRIL, 1999 AT 5:00 P. M.**

On the 6th day of April, 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
Betty Jones	Councilmember, Ward No. 3
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 Martin	City Secretary
Keith Wright	City Engineer
Stephen Abraham	Director of Planning
Kenneth Williams	Director of Public Works

being present when the following business was transacted.

1. Meeting was opened with prayer by Rev. Donna Brown, Pastor, St. Paul's Methodist Church.
2. Mayor Bronaugh welcomed visitors present.
3. **APPROVAL OF MINUTES**

Motion was made by Councilmember Don Boyd and seconded by Councilmember Tucker Weems that the minutes of the Regular Meeting of March 16, 1999 be approved as presented. A unanimous affirmative vote was recorded.

4. ORDINANCE - APPROVED - SECOND READING - ZONE CHANGE - RESIDENTIAL MEDIUM TO COMMERCIAL - G. W. MASSINGILL, JR. SURVEY - LEWIS HOLLOWAY SURVEY - LOOP 287 AND PAUL AVENUE - CORLIS HULETT - DON AND CLETHA DICKERSON

Mayor Bronaugh stated that the next item for consideration was Second Reading of an Ordinance to change the zoning from Residential Medium to Commercial on 1.486 acres of land located at the northeast corner of Loop 287 and Paul Avenue described as Tract 2 of the G. W. Massingill, Jr. Survey (A-475) and Tract 218 of the Lewis Holloway Survey (A-310) and more commonly known as 2603 Paul Avenue as requested by Corlis Hulett on behalf of Don and Cletha Dickerson.

Motion was made by Councilmember Don Boyd and seconded by Councilmember Jack Gorden, Jr. that Ordinance to change the zoning from Residential Medium to Commercial on 1.486 acres of land located at the northeast corner of Loop 287 and Paul Avenue described as Tract 2 of the G. W. Massingill, Jr. Survey (A-475) and Tract 218 of the Lewis Holloway Survey (A-310) and more commonly known as 2603 Paul Avenue as requested by Corlis Hulett on behalf of Don and Cletha Dickerson be approved on Second and Final Reading as presented. A unanimous affirmative vote was recorded.

5. ORDINANCE - APPROVED - SECOND READING - ZONE CHANGE - RESIDENTIAL MEDIUM TO COMMERCIAL - LOCAL BUSINESS (SPECIAL USE - CAR LOT) EASTWOOD ADDITION - 205 ARENA STREET - GIUSEPPE V. RICCIO

Mayor Bronaugh stated that the next item for consideration was Ordinance to change the zoning from Residential Medium to Local Business (Special Use - Car Lot) on Lot 3, Block 2 of the Eastwood Addition, and more commonly known as 205 Arena Street as requested by Giuseppe V. Riccio.

Motion was made by Councilmember Bob Bowman and seconded by Councilmember R. L. Kuykendall that Ordinance to change the zoning from Residential Medium to Local Business with a Special Use Permit for automobile sales, and prohibiting vehicular access onto Arena Street, on Lot 3, Block 2 of the Eastwood Addition, more commonly known as 205 Arena Street, as requested by Giuseppe V. Riccio be approved on Second and Final Reading as presented. A unanimous affirmative vote was recorded.

6. TAX ABATEMENT AGREEMENT - APPROVED - AMERICAN FREIGHTWAYS - MOLLY McCALL

Mayor Bronaugh stated that the next item for consideration was a request of Molly McCall on behalf of American Freightways for approval of a Tax Abatement Agreement.

City Manager Maclin stated that included in the Council packet is a memorandum of explanation from the Planning Department along with a copy of a letter from Ms. McCall and a copy of the application for Tax Abatement.

Bill Wellborn, Executive Director of the Lufkin/Angelina County Economic Development Partnership, stated that their purpose in coming before the City Council this evening is to share with Council an exciting, new economic development project proposed to the City of Lufkin. Mr. Wellborn introduced Molly McCall, an attorney with Ernst and Young representing American Freightways, Joel Hitchcock, local terminal manager for American Freightways and Mike Garrison, Special Projects Manager, from Athens, Texas. Mr. Wellborn stated that also present representing the Economic Partnership are David Perkins, Vice Chairman, and Murphy George, the immediate past Chairman.

Ms. McCall stated that she would be giving an overview of the project and a brief history of American Freightways. Ms. McCall stated that American Freightways is a scheduled for-hire carrier of less than truck load shipments of general commodities. Ms. McCall stated that they have been listed as one of Forbes best 200 small companies, and additionally received the Quality Carrier Award from Distribution Magazine. In 1982, they began operations with 20 customer centers and 16 years later they have 230 customer centers throughout the U. S., serving all points in 30 Mid-Atlantic, mid-western, southeastern, and southwestern states. Ms. McCall stated that American Freightways long term goal is to be a 48 state provider for scheduled all points services. Ms. McCall stated that in order to accomplish this goal the company has implemented aggressive expansion plans for the next several years. Ms. McCall stated that one of the sites proposed for expansion is the current Lufkin center. American Freightways has been a corporate citizen of Lufkin since 1987. Ms. McCall stated that their current plans are to expand their facility to a new site within the Enterprise Zone of Lufkin, which will be a \$1.2 million capital expenditure, and employment will be increased by 12 new positions. Ms. McCall stated that because of their aggressive expansion plans, American Freightways is interested in partnering with communities to help off-set some of the substantial expansion costs. Ms. McCall stated that cost savings are necessary to make this a viable business reality. Ms. McCall stated that American Freightways is very excited about being in Lufkin; their experience here has been wonderful and they are hoping to be able to stay here.

Mr. Wellborn stated that several years ago the City Council established an Enterprise Zone to stimulate capital investment and new job creation; therefore, benefiting portions of the community that were considered to be of high unemployment and

blight. Mr. Wellborn stated that this project they are bringing to Council this evening is the first opportunity they have had to create new jobs and stimulate new capital investment in North Lufkin since the closure of Louisiana Pacific. Mr. Wellborn stated that North Lufkin has not seen the rapid growth that has been seen in other parts of the community, and in their opinion this is an opportunity to do something in North Lufkin. Mr. Wellborn stated that the American Freightways project that he is bringing to Council today, in their efforts to build a shell building on Old Mill Road, represent their best opportunity to revitalize this part of the City. Mr. Wellborn stated that the project will provide above average income employment opportunities; the plant averages approximately \$35,000 per employee, and the project will create a multi-modal transportation mode consisting of warehousing, rail, highway and trucking along North Spence Street that he believes brings the promise of further job creation in the future. Mr. Wellborn stated that the project will help eliminate urban blight and remove an eyesore from this struggling area of the town. Ms. McCall presented slide pictures of old buildings that will be torn down.

Mr. Wellborn stated that the project is going to create a positive property tax cash flow to the City from year one, and for the duration of the project, which would not occur if this project went outside the corporate City limits. Mr. Wellborn stated that the project will not create a burden to the City in terms of new roads, sewer or water line construction, as all those services are present on site or nearby. Mr. Wellborn stated that for these reasons, the Economic Development Partnership supports this project and humbly requests the approval of the City Council.

In response to question by Councilmember Weems, Mr. Hitchcock stated that the freight that comes in each day will be on their line-haul operation coming out of Dallas, Louisiana, Houston, Ft. Worth, etc. Freight will be picked up and delivered in Lufkin on a daily basis.

Councilmember Bowman stated that this area lends itself to a regional transportation hub in that it has close proximity to railroad, a major highway (the Loop), and some good lateral roads. Mr. Wellborn stated that the Partnership has already seen that the north Loop brings four lane access to that part of the community and that the north/south rail line, the major warehousing complex that is next door (Brookshire Bros.), and this expansion will further compliment all these things. Mr. Wellborn stated that he sees some synergies building there that offer the hope of further development along this line.

Motion was made by Councilmember Don Boyd and seconded by Councilmember Bob Bowman that Tax Abatement Agreement as requested by Molly McCall on behalf of American Freightways be approved as presented. A unanimous affirmative vote was recorded.

7. ORDINANCE - APPROVED - ZONE CHANGE - RESIDENTIAL SMALL TO LOCAL BUSINESS - GARDEN ACRES SUBDIVISION - ATKINSON DRIVE BETWEEN PAUL AVENUE AND McHALE STREET - CHAMPION REALTY CORPORATION - PHILIP W. GOODWIN

Mayor Bronaugh stated that the next item for consideration was a request of Philip W. Goodwin on behalf of Champion Realty Corporation to change the zoning from Residential Small to Local Business on Lots 5 through 13 of the Garden Acres Subdivision and being located on the south side of Atkinson Drive (SH 103) between Paul Avenue and McHale Street.

City Manager Maclin stated that included in the Council packet is a memorandum of explanation from the Planning Department, some photographs of the area, a location map designating the area, and the surrounding zone classifications. Mr. Maclin stated that the Planning & Zoning Commission, by unanimous vote, recommends the zone change be approved to Local Business as requested.

Motion was made by Councilmember Tucker Weems and seconded by Councilmember Betty Jones that Ordinance to change the zoning from Residential Small to Local Business on Lots 5 through 13 of the Garden Acres Subdivision and being located on the south side of Atkinson Drive (SH 103) between Paul Avenue and McHale Street be approved on First Reading as presented.

Councilmember Bob Bowman recused himself from voting.

Motion carried with six affirmative votes.

8. ORDINANCE - DENIED - RESIDENTIAL MEDIUM AND RESIDENTIAL SMALL TO MANUFACTURED DWELLING - ABNEY AVENUE - CAIN STREET - MAGNOLIA STREET - WILLIAMS STREET - SHARON OVERSHOWN

Mayor Bronaugh stated that the next item for consideration was the request of Sharon Overshown to change the zoning from Residential Medium and Residential Small to Manufactured Dwelling on approximately 19.18 acres of land generally bounded by Abney Avenue on the north, Cain Street and the Southern Pacific Railroad on the east, Magnolia Street on the south and Williams Street on the west.

City Manager Maclin stated that included in the Council packet is a memorandum of explanation from the Planning Department regarding this request, a map showing the subject property and its boundaries, along with a map showing the existing zoning classifications in the neighborhood. Mr. Maclin stated that this request comes to the City Council from the Planning and Zoning Commission with a unanimous recommendation for denial.

Mr. Maclin stated that since this request comes to the City Council with a recommendation of denial from the Planning and Zoning Commission, it will require six affirmative votes from the City Council to pass to over rule the Zoning Commission's recommendation.

Sharon Overshown stated that she would like to know why the area she was trying to get changed was so big. Ms. Overshown stated that a mobile home had recently been placed on a lot on Treadwell, which is two or three blocks from where she is trying to place a mobile home. Ms. Overshown stated that a double wide mobile home had just been placed on Martin Luther King, Jr. Drive. Ms. Overshown asked why it was so difficult to get the property she was requesting rezoned and why the area was so big. Ms. Overshown stated that she did not speak at the Planning & Zoning Commission meeting.

Stephen Abraham, Director of Planning, stated that he had discussed with Council on several occasions the difficulty in trying to determine what appropriate boundaries for this district would be. Mr. Abraham stated that usually he tries to find established physical boundaries that separate the subject area distinctly from the property which would be just across the street. Mr. Abraham stated that on Attachment No. 2, which is the zoning map, it shows what he has done in order to create the boundaries. Mr. Abraham stated that he does not believe that there is any distinct difference between those properties on Oak Street and Persimmon Street within this subject area that would cause them to be treated differently from a zoning standpoint. Mr. Abraham stated that on the eastern side and the western side of the subject property are non-residential zoning districts. Mr. Abraham stated that he did not think it was appropriate to take a Light Manufacturing Zoning Classification and tell those people they could not use that property for commercial purposes. Mr. Abraham stated that if this was changed, then it would no longer be Light Manufacturing and they would just be allowed to use that property for single family residents. Mr. Abraham stated that that is the reason he chose the western boundary. Mr. Abraham stated that on the eastern boundary there is apartment zoning classification, and therefore, to change the zoning it likewise would have reduced or down zoned the current property. Mr. Abraham stated that leaves

physical boundaries on the railroad and Magnolia Street, where there is some additional Light Manufacturing. Mr. Abraham stated that that is why it is a large area as it ended up being; there is no magical number, it is just trying to determine what property out there is similarly situated without going through repeated zone changes street by street by street when there is no difference. Mr. Abraham stated that once the boundaries are put in place the first time there really is no basis to continue to deny requests in the future.

At the request of Councilmember Kuykendall, Mr. Abraham gave the definition of "spot zoning". Mr. Abraham stated that the concept of "spot zoning" is that if you take one lot, apply a zoning designation on it that treats it differently for no apparent reason than all the surrounding properties, then that is considered "spot zoning".

Councilmember Boyd asked that if this request is approved, would it open up the way for each individual lot to have a manufactured home placed on it. Mr. Abraham stated that that was correct.

In response to question by Councilmember Boyd, Mr. Abraham stated that notices were sent to everybody within the area and everybody within 200' of the area. Mr. Abraham stated that five sent in favorable responses, two were against, and 79 did not respond.

In response to question by Councilmember Boyd, Mr. Abraham stated that part of the confusion was because of the definition of a mobile home and a manufactured dwelling that the City had prior to adoption of the new zoning ordinance. Mr. Abraham stated that the State classified a manufactured dwelling as anything that had a HUD certification, built off-site and brought into a location, which meant it was constructed after 1976. Mr. Abraham stated that the reference to a mobile home was simply anything that did not have a HUD certification, which meant that it was built prior to 1976 and therefore, not built to any known building code standards. Mr. Abraham stated that beyond that there is no difference from an inspection standpoint - the City does not have the opportunity to inspect a manufactured dwelling for wiring and plumbing and that is why the City relies on the HUD certification. Mr. Abraham stated that the HUD certification means that it has been built to a national standard set by the Department of Housing and Urban Development. Mr. Abraham stated that previously if a home was built on its own chassis it was a mobile home, and that is not how the State classifies them.

Councilmember Bowman asked what other options were available to Mrs. Overshown to put a home on this property. Mr. Abraham stated that at this particular location it would have to be a traditional single family dwelling. Mr. Abraham stated that there are some agencies such as the Pineywoods Home Team, which provides down payment assistance, if the applicant meets the eligibility requirements. This assistance provides up to a \$7,500 down payment.

Councilmember Boyd stated that other mobile homes placed in this area have actually been an improvement to the neighborhood.

Motion was made by Councilmember Don Boyd that request of Sharon Overshown to change the zoning from Residential Medium and Residential Small to Manufactured Dwelling on approximately 19.18 acres of land generally bounded by Abney Avenue on the north, Cain Street and the Southern Pacific Railroad on the east, Magnolia Street on the south and Williams Street on the west be approved as presented, overriding the recommendation of the Planning & Zoning Commission.

Motion failed due to lack of a second to the motion.

Motion was made by Councilmember Betty Jones and seconded by Councilmember R. L. Kuykendall that Ordinance to change the zoning from Residential Medium and Residential Small to Manufactured Dwelling on approximately 19.18 acres of

land generally bounded by Abney Avenue on the north, Cain Street and the Southern Pacific Railroad on the east, Magnolia Street on the south and Williams Street on the west as requested by Sharon Overshown be denied as recommended by the Planning & Zoning Commission.

The following vote was recorded:

Aye: Councilmembers Jones, Kuykendall, Gorden, Bowman, Weems and Mayor Bronaugh

Nay: Councilmember Boyd

Motion carried with six affirmative votes.

9. ORDINANCE - APPROVED - FIRST READING - TRAFFIC REGULATIONS - TRUCK ROUTES

Mayor Bronaugh stated that the next item for consideration was First Reading of an Ordinance amending Chapter 71, Traffic Regulations, Code of Ordinances, City of Lufkin, Texas establishing truck routes within the City limits, and providing a penalty for violation of this Ordinance.

City Manager Maclin stated that there is an updated version of this Ordinance on the Council table along with a proposed truck route map that corresponds with the Ordinance. Mr. Maclin stated that the City Engineer has developed the Ordinance as a method in attempting to prolong the life of residential streets of the City and stretch the tax dollar by designating routes for loaded trucks.

Keith Wright, City Engineer, stated that he reviewed several ordinances and this ordinance is modeled after the City of Cleveland. Mr. Wright stated that he has received numerous complaints in regard to the deterioration of City streets. Mr. Wright stated that trucks that are loaded versus unloaded provide a multiple load to the pavement surface. Mr. Wright stated that the Ordinance provides for delivery points into the City for trucks which can go into a residential area to unload. Mr. Wright stated that he had developed a map, but inadvertently left off Webber Street, which would be added to the map by the next meeting.

In response to question by Mayor Bronaugh, Mr. Wright stated that the Ordinance does not address signage, but that that would be done through the Engineering Department. Mr. Wright stated that the maps will also be provided to truck stops and industries within the City. Councilmember Bowman asked that Grove Street be taken off the map as a truck route.

Motion was made by Councilmember Bob Bowman and seconded by Councilmember Jack Gorden, Jr. that Ordinance amending Chapter 71, Traffic Regulations, Code of Ordinances, City of Lufkin, Texas establishing truck routes within the City limits, and providing a penalty for violation of this Ordinance be approved on First Reading with proposed changes being made on Second and Final Reading of the Ordinance. A unanimous affirmative vote was recorded.

10. RESOLUTION - APPROVED - GRANT APPLICATION - TEXAS COMMUNITY DEVELOPMENT PROGRAM 1999-2000

Mayor Bronaugh stated that the next item for consideration was approval of a Resolution authorizing submission of a 1999-2000 Texas Community Development Program (TCDP) grant application.

City Manager Maclin stated that included in the Council packet is a letter from Raymond Vann who is working with the City as a consultant, for the preparation of this application, along with a budget listing, a Resolution, and a map showing the location of the target area and the proposed project. Mr. Maclin stated that this project would be to use CDBG funds for the replacement of 24,000 linear feet of

asbestos cement pipe in the area that would range from the Keltys, Wilson, Culverhouse Streets. Mr. Maclin stated that this area has a 78% low to moderate income that would be part of the application requirement to meet the needs of the low to moderate income neighborhood.

Raymond Vann stated that the City of Lufkin would be in competition with other cities and counties in this region for the biannual funding of community development projects. Mr. Vann stated that there is \$5,034,000 available and he anticipates from 30 -35 applications and about 20 of them will be funded. Mr. Vann stated that the application will be submitted on April 20 to the Texas Department of Housing and Community Affairs, approximately two months later the application will be presented to the Regional Review Committee. Those applications scoring highest will be funded.

Mayor Bronaugh stated that the review will be held in the Council Chambers and Councilmembers are invited to attend the meeting the last part of June or the first part of July.

Motion was made by Councilmember Don Boyd and seconded by Councilmember Betty Jones that submission of a 1999-2000 Texas Community Development Program (TCDP) grant application be approved as presented. A unanimous affirmative vote was recorded.

11. COMMUNITY POLICING OFFICERS - APPROVED - UNIVERSAL HIRING PROGRAM - COPS - TWO POSITIONS

Mayor Bronaugh stated that the next item for consideration was authorization of two positions for community policing officers under the Universal Hiring Program COPS.

City Manager Maclin stated that staff brought this item to Council's attention recently and it has been placed on the agenda tonight for formal consideration. Mr. Maclin stated that Chief Collins was notified that the City had the opportunity to obtain two more police positions through the COPS program. Mr. Maclin stated that this has been an excellent program for the City to participate in in that it is Federal funding that comes direct to the City to help the Police Departments add community police officers to their Departments. Mr. Maclin stated that this has been a program that has paid big dividends to the City by providing grant funding for the first three years in the amount of approximately 75% of the cost of the salaries. Mr. Maclin stated that it would be the staff's recommendation that Council approve this authorization. Mr. Maclin stated that if all the paperwork is processed appropriately then staff would include this in the budget for next year.

Motion was made by Councilmember Don Boyd and seconded by Councilmember Jack Gorden, Jr. authorizing two positions for community policing officers under the Universal Hiring Program COPS as presented. A unanimous affirmative vote was recorded.

12. RESOLUTION - BUDGET AMENDMENT NO. 3 - APPROVED - CIVIC CENTER ROOF REPLACEMENT - RIGHT-OF-WAY PAYMENT TO TEXAS DEPARTMENT OF TRANSPORTATION

Mayor Bronaugh stated that the next item for consideration was approval of Budget Amendment No. 3 regarding Civic Center roof replacement and right-of-way payment to the Texas Department of Transportation.

City Manager Maclin stated that included in the Council packet is a memorandum of explanation from Asst. City Manager James Hager regarding this item. Mr. Maclin stated that Council approved the replacement of the roof on the Civic Center at the last Council meeting. Mr. Maclin stated that included in the memorandum is the right-of-way payment to TxDOT and the corresponding minutes where the

City Council first agreed to participate in the right-of-way acquisition of this project going back to April of 1992. Mr. Maclin stated that on March 5, 1996 the Council approved the actual cost of \$45,000 as the City's portion of the 10% match of the right-of-way acquisition for the project that is well under way in construction at the intersection of 69 North and the Loop. Mr. Maclin stated that staff had received a call a few days ago from TxDOT indicating that they had never received the \$45,000 payment that was authorized in 1996. Mr. Maclin stated that the City needs to go ahead and send the check and use this Resolution as a budget amendment for leaving the appropriate audit trail for next year's audit.

Motion was made by Councilmember Bob Bowman and seconded by Councilmember Don Boyd that Budget Amendment No. 3 regarding Civic Center roof replacement in the amount of \$75,000, and right-of-way payment in the amount of \$45,000 to the Texas Department of Transportation be approved as presented. A unanimous affirmative vote was recorded.

13. LETTER OF REQUEST - TABLED - ANGELINA COUNTY EXPO CENTER - ANIMAL CONTROL FACILITY PROPERTY - LEASE OR ACQUISITION

Mayor Bronaugh stated that the next item for consideration was a request from the Angelina County Expo Center for lease or acquisition of the Animal Control facility property adjacent to the Expo Center.

City Manager Maclin stated that included in the Council packet is a letter from Tom Mansky, who is the managing agent for the Exposition Center, and a couple of memos from Gorden Henley, Director of the Ellen Trout Zoo. Mr. Maclin stated that he would like to request Council's consideration today to table this item and allow Mr. Mansky and Mr. Henley to join together to see if a plan can be developed for the use of this property. Mr. Maclin stated that obviously there are some advantages in that it lies in the corner of the tract of the property of the Exposition Center and could be used for expansion of horse barns and parking and other related needs. Mr. Maclin stated that the property is also across the street from the Ellen Trout Zoo, and the Zoo Director has asked for consideration for such areas as a quarantine location for animals that are ill, as well as some other things. Mr. Maclin stated that, in his opinion, everyone could work together for both groups use, some of it immediately for the Zoo, but not all of it, and the Exposition Center could use it for an extended period of time until such time in the future for possible expansion of the Zoo. Mr. Maclin stated that he is requesting from Council today to table this item and give some time to work together and develop a comprehensive plan for the use of this property.

Motion was made by Councilmember Don Boyd and seconded by Councilmember R. L. Kuykendall that request of the Angelina County Expo Center for lease or acquisition of the Animal Control facility property adjacent to the Expo Center be tabled until a later date. A unanimous affirmative vote was recorded.

14. PROPOSAL - APPROVED - PRELIMINARY REPORT - ENGINEERING SERVICES - SURFACE WATER TREATMENT PLANT

Mayor Bronaugh stated that the next item for consideration was approval of proposal for engineering services for a preliminary report for surface water treatment plant.

City Manager Maclin stated that a few months ago staff performed a study to evaluate the City's water needs and water status and provided that information as an element to hopefully be included with the Region I report for Senate Bill 1. Mr. Maclin stated that as a result of that study, staff identified the fact that in the not too distant future, with the City's current growth and the droughts that we have experienced, that it is probably feasible that the City has reached the point where they have exceeded the ability of the ground water to meet the peak demands. Mr. Maclin stated that with that in mind, and the fact that the City has had access

through contractual agreements with the Corps of Engineers and LNVA for surface water rights on Rayburn since 1967, staff brought it to Council's attention and Council agreed that we needed to pursue further the development of a master plan in order to obtain surface water from Rayburn to be used as part of the City's water supply to meet our needs for the future.

Mr. Maclin stated that tonight we have a partnership proposal prepared by Goodwin-Lasiter, Camp Dresser & McKee, Everett Griffith & Associates that was included with the Council packet.

Philip Goodwin stated that present tonight are several members of the proposed project team and they are: Larry Smith with Camp Dresser & McKee, Stephen Dorman and Bob Thurber with KSA, Wayne Stoltz and Rick Freeman with EGA, Pat Oates and Mike Walker with Goodwin-Lasiter.

Mr. Goodwin stated that he would review the history that brought us to this point. In 1998 his firm conducted a regional water study for the City of Lufkin addressing potential water usage in Angelina County and addressing potential surface water treatment issues that could be involved in the ultimate taking of water from Lake Sam Rayburn Reservoir. Mr. Goodwin stated that that study culminated in a report dated July, 1998 that recommended further study and that is where we are at this moment.

Mr. Goodwin stated that this study projected some average water usage for the City of Lufkin, that is at a 3% rate which is the general historic increase for the City. Mr. Goodwin stated that the graph shows the peak usage projection and the immediate years are right at our projected capacity. Mr. Goodwin stated that another well is anticipated this year and another well in two years. Mr. Goodwin stated that with these additional two wells the City will barely be above the projected peak usage. Mr. Goodwin stated that the City's experiences last summer showed that water usage during the dry summer months can be critical, not only for us, but for our neighbors who use water and sometimes have to request water from us at the emergency interconnects that we have at the water systems. Mr. Goodwin stated that the projected increases, if the City were to go with a surface water treatment system at Lake Rayburn, would help supplement the ground water usage in stages. Mr. Goodwin stated that the first stage is a 10 mgd plant at Rayburn, and then in subsequent years, two five mgd expansions.

Mr. Goodwin showed a slide which was from the 1998 study that showed three potential locations for intake structures with three corresponding locations for surface water treatment plants and a variety of possible routes for the transmission line that would ultimately culminate in Lufkin with possible take points at the City of Huntington and the City of Zavalla.

In response to question by Councilmember Bowman, Mr. Goodwin stated that one of the areas on Rayburn is at the FM 147 bridge, and the others are at various locations between Hanks Creek and FM 147. Mr. Goodwin stated that the further down you go the transmission line coming back up is more expensive, but also the further down stream the better the water quality is in general.

Mr. Goodwin stated that their proposal on this study would address some major areas, and is presented in more detail on page one of the document that was given to Councilmembers with their packets. Mr. Goodwin stated that essentially they are going to determine the best facility locations for the intake structure, treatment plant, pumping stations, and the transmission line. Mr. Goodwin stated that also associated with those facilities will be some land requirements that will need to be determined not only for the initial facility, but for expansion facilities. Mr. Goodwin stated that Mr. Smith will elaborate more on the best treatment methods. Mr. Goodwin stated that they would have to go through a rather elaborate analysis of the lake water to determine the best treatment process for that water. Water qualities in lakes across Texas will vary greatly depending upon what is going into it

plus the natural terrain and the particles that are in that water. Mr. Goodwin stated that they will further define their project costs because they will have more detail about the size and location of the facilities. Mr. Goodwin stated that the permitting issues will have to be determined because there are many elaborate permitting issues from the Corps of Engineers, TNRCC, River Authority, and several others that will have an interest in this project. Mr. Goodwin stated that the financial impacts will have to be reviewed because this is a rather expensive enterprise and it is important to know on the front end how it will effect everyone involved not only from the construction cost standpoint but how it can be paid for. Mr. Goodwin stated that culminating in this there will be a presentation to the City of their findings and recommendations. Mr. Goodwin stated that there will be constant meetings with the City staff and subsequent meetings with the City Council if they so desire.

Mr. Goodwin stated that for the local team members, the main contacts will be Larry Lasiter and himself of Goodwin-Lasiter, Billy Simms and Bob Thurber of KSA, Rick Freeman and Wayne Stoltz of EGA. Mr. Goodwin stated that their main contacts with Camp Dresser & McKee will be Larry Smith (the branch manager of their Dallas office) and Dominic DiCenso (the branch manager for the Houston office).

Larry Smith of Camp Dresser & McKee stated that they are a national firm and have over 2,500 employees spread out nationally in over 80 offices. Mr. Smith stated that last year CDM celebrated their 50th anniversary. Mr. Smith stated that they have six offices in Texas: Dallas, Ft. Worth, Austin, Houston, San Antonio and El Paso. Mr. Smith stated that the Dallas office has been in existence since 1978 and he began working there in 1980. Mr. Smith stated that his firm has helped municipalities such as Lufkin either develop, expand or upgrade surface water treatment plants at nearly 30 locations. Mr. Smith stated that a lot of the planning process is working with the State agency, in this case will be primarily TNRCC. Mr. Smith stated that CDM's involvement will be focused on the water treatment plant itself and the in-take structure. Mr. Smith stated that the beginning point will be to review water quality as promulgated by the U. S. Congress under the Safe Water Drinking Act as enforced in the State of Texas by TNRCC. Mr. Smith stated that the next thing they would be doing is looking at the quality of the water in Sam Rayburn. Mr. Smith stated that unfortunately there are no other systems currently treating water out of the lake; Lufkin will be the first. Mr. Smith stated that the third step is working with Lufkin to establish treatment and capacity goals. Mr. Smith stated that what he means is establishing goals for the degree of treatment that will be provided by the plant, both initially and in the future as the demands increase, and establish what the capacity of the plant needs to be. Mr. Smith stated that Mr. Goodwin mentioned that it is projected that the initial production of the plant would treat about 10 mgd of water, but in the future as the City grows there will be a need to treat more water. Mr. Smith stated that a significant part of CDM's work will be what they call treatability studies, where they will be looking at various treatment techniques and determine which ones are viable for meeting the City's treatment goals and meeting the capacity goals, more or less identifying those viable alternatives for further evaluation. Mr. Smith stated that another unique part of this treatability study will be considering what happens when the new surface water is blended with the City's ground water from the well system. Mr. Smith stated that there will be two different types of water co-mingling in the distribution system and they have to make sure that the final product is satisfactory. Mr. Smith stated that lastly they will be taking those viable alternatives that were identified in the treatability studies and looking at them from a cost standpoint, location standpoint, ease of expansion, etc., looking at the initial upfront capital cost, and also the operating and maintenance costs that are associated with the water treatment plant.

Mr. Smith stated that the next slide shows what they will be looking at for an in-take structure. Mr. Smith stated that this particular in-take structure and lake is a surface water system that was developed by the City of Ft. Worth in the late 1980's. Mr. Smith stated that this in-take structure relates to some earlier questions by

Council, this in-take structure has to be designed in size so it can get raw water at various lake levels. Mr. Smith stated that adjacent to the lake is a pump station, and this pump station is needed to convey and pump the water from the lake to the treatment plant. Mr. Smith stated that the engineers are looking at something similar for the City of Lufkin - an in-take structure in the lake and an adjacent pump station to pump the water to the treatment plant. Mr. Smith stated that the treatability studies are going to consist of several components, one of which will be actual testing of various treatment techniques of the water out of Lake Sam Rayburn. Mr. Smith stated that the next slide shows the test apparatus that will be used. Mr. Smith stated that it is relatively simple consisting of six jars, each holding about two quarts of the water and what is done is to treat the water using different types of chemicals, different dosages, so it can be determined relatively accurately what treatment will meet the treatment goals and how much it will cost to treat the water. Mr. Smith stated that they will also be complimenting this set of testing with additional testing to determine the impact of blending the ground water and surface water.

Mr. Smith stated that the last slide is an example of a surface water treatment plant. Mr. Smith stated that the capacity of this plant is 30 mgd compared to the initial capacity that will be needed in Lufkin of about 10 mgd (on a scale basis it is three times as large).

Mr. Goodwin stated that the three local firms involved will be participating in various stages of the project management, technical review, transmission line, pumping and storage, treatment issues, permitting and environmental and financial issues.

In response to question by Councilmember Gorden, Mr. Goodwin stated that the reason for the three locations is that these are the three potential locations that they identified in the 1998 study, and expanded on that to further evaluate those three locations. Mr. Goodwin stated that as the Mayor pointed out earlier there is some economy in being closer to town, but there are also some other issues that could effect this project, for instance, the City of Zavalla is interested in water and if they purchased water from this, the location down stream would almost automatically be the preferred one. Mr. Goodwin stated that another issue would be an analysis of the water qualities at those three locations.

Councilmember Gorden stated that he personally thought that the engineers should look further down than the 147 bridge more toward the dam. Mr. Maclin stated that when they talked about working with staff, one thing staff would do to accommodate that type of question is to come up with an estimate of a cost per linear foot for the further south we go, what is that going to do to impact the total cost of the project and what is that going to do to impact the cost of operations and maintenance.

Mr. Maclin stated that in relation to the coordination with other water supply entities for the possible purchase of water and funding operations under the scope of work proposal on page 1, one of the things that he would expect to be included is to sit down with Texas Water Development Board, sit down with TNRCC, sit down with the elected officials, the State Representative and Senator, and make every humanly possible effort to seek some type of support from the State in the way of grants to help off-set some of the cost.

Mr. Maclin stated that until the rural water supplies have a problem with their current supply, either exceeding their current supply or the first time one of the rural water supplies in north Angelina County goes and drills a well and spends \$4-500,000 and does not get any water out of it, that is when the panic will set in, and the cost for transmission will be a lot more accommodating than they are today.

Mr. Wright stated that the City of Lufkin will have to be farsighted enough so that when we need the water, it will have to be waiting for us, since this will take years

to develop and construct.

Councilmember Gorden stated that when this was last discussed he thought Council was in agreement that this plant would be built in the next three years. Mr. Maclin stated that the time frame for the study is eight to nine months, and when the study is completed staff will come back to Council in a workshop to discuss the results of the study and talk about financial impacts and do some planning. Mr. Maclin stated that some of this will be presented to Council through the Capital Improvements Plan.

In response to question by Councilmember Gorden, Mr. Goodwin stated that they are anticipating the construction of the first phase as four to five years from now. Mr. Wright stated that updates will be provided to Council as the study goes on to tell where we are at and what the engineers are finding.

In response to question by Councilmember Gorden, Mr. Wright stated that the study cost is listed in the proposal at \$220,000, which will take us to construction plans.

In response to question by Councilmember Bowman, Mr. Goodwin stated that if we started working today on the planning and engineering, the closest projection date for bringing water into our community would be three to four years.

City Manager Maclin stated that he did not find a contract in the proposal so he assumed that that was to be negotiated with staff and back to Council if necessary. Mr. Goodwin stated that that is correct.

Motion was made by Councilmember Bob Bowman and seconded by Councilmember Betty Jones that proposal for engineering services for a preliminary report for surface water treatment plant be approved as presented. A unanimous affirmative vote was recorded.

15. EXECUTIVE SESSION

Mayor Bronaugh recessed Regular Session at 6:47 p.m. to enter into Executive Session. Mayor Bronaugh reconvened Regular Session at 7:22 p.m. and stated that Councilmembers had discussed personnel matters.

16. MAYOR PRO TEM SELECTION

Mayor Bronaugh stated that the next item for consideration was the selection of a Mayor pro tem by election of the full Council on the first Tuesday of May each year.

Councilmember Weems stated that it would be his recommendation since Council started the rotation of the various Wards, and this has been in effect for two years and are now up to Ward 6, that Council back up to the two Wards that passed on serving as Mayor pro tem (Wards 3 and 4). Councilmember Weems stated that by rotation Ward 6 would be next to serve as Mayor pro tem, and he has not accepted. Councilmember Weems stated that he would like to go back and ask Councilmembers of Wards 3 and 4 if they would serve, and if not, proceed to having the Mayor pro tem elected at the second Council meeting following the election that those Councilmembers who are interested in serving as Mayor pro tem declare their interest of candidacy at the first meeting following the election in the closing comments.

Mayor Bronaugh stated that if Council passes Mr. Weems recommendation then Council will wait to make those decisions at the first meeting in May.

Councilmember Weems stated that if the Councilmembers of Wards 3 and 4 to agreed to serve as Mayor pro tem, following their terms the Council would go to a general election.

Motion was made by Councilmember Tucker Weems and seconded by Councilmember Jack Gorden, Jr. that the Mayor pro tem be elected by the City Council at the second meeting following a City Council election and that those Councilmembers interested in serving as Mayor pro tem declare their interest or candidacy at the first Council meeting following the election during the closing comments section of the agenda, and that the selection of a Mayor pro tem be completed by a vote of the Councilmembers with a simple majority determining the selection. A unanimous affirmative vote was recorded.

17. COMMENTS

Councilmember Bowman stated that there would be a DETDA regional seminar on April 23rd at 10:00 a.m. at the Fredonia Hotel in Nacogdoches to discuss water issues. Councilmember Bowman stated that the three major issues to be discussed are the function of the Region I, ground water, and the proposed merger of river authorities within the Neches River basin.

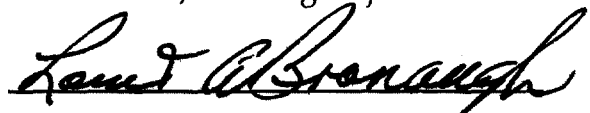
Councilmember Boyd expressed concern over the cable company and blacking out of programs.

City Manager Maclin stated that there will be a ribbon cutting on April 21st at 10:00 a.m. at the new Animal Control facility.

City Manager Maclin stated that the TML Region 16 meeting will be held April 29th at 6:30 p.m. at Crown Colony and the program would be Census 2000.

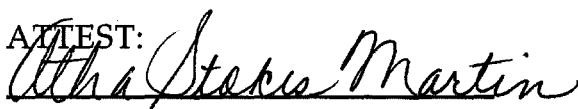
Mayor Bronaugh stated that the next DETCOG meeting will be held on April 22nd in Shelby County.

18. There being no further business for consideration, meeting adjourned at 7:30 p.m.



Louis A. Bronaugh
Mayor

ATTEST:



Atha Stokes Martin - City Secretary