

MINUTES OF REGULAR MEETING OF THE CITY COMMISSION OF THE CITY OF LUFKIN, TEXAS, HELD ON THE 17TH DAY OF OCTOBER, 1989, AT 5:00 P.M.

On the 17th day of October, 1989, the City Commission of the City of Lufkin, Texas, convened in regular meeting in the Council Chambers of City Hall with the following members thereof, to wit:

Louis A. Bronaugh	Mayor
Percy Simond, Jr.	Commissioner, Ward No. 1
Don Boyd	Commissioner, Ward No. 2
Danny Roper	Commissioner, Ward No. 3
Bob Bowman	Commissioner, Ward No. 4
Jack Gorden	Commissioner, Ward No. 5
Paul Mayberry	Commissioner, Ward No. 6
Harvey Westerholm	City Manager
Brian Boudreaux	Assistant City Manager
Tommy Deaton	Assistant City Attorney
Ron Wesch	Public Works Director
Atha Stokes	City Secretary

being present when the following business was transacted.

1. Meeting was opened with prayer by Rev. Randy Hageman, Associate Minister, First United Methodist Church.

2. Mayor Bronaugh welcomed visitors present.

3. APPROVAL OF MINUTES

Minutes of regular meeting of October 3, 1989 were approved on a motion by Commissioner Bob Bowman and seconded by Commissioner Don Boyd. A unanimous affirmative vote was recorded.

4. PUBLIC HEARING - JULIE B. HUGHES - TAXI CAB LICENSE

Mayor Bronaugh opened Public Hearing to consider request by Julie B. Hughes for taxi cab license.

Ms. Hughes stated that she is the President of UBC (United Body of Christ), a religious based organization, and is interested in operating a taxi cab company in the City of Lufkin. Ms. Hughes stated that there is a need for another taxi cab company in the City, and when the property next to the bus station became available she decided to submit her application for a taxi cab license.

In response to question, Ms. Hughes stated that the taxi cab company will be open 24 hours a day, seven days a week.

Mayor Bronaugh stated that the present taxi cab company (Checkerboard Taxi Cab) does not operate on Saturday because of religious convictions, and that trolleys do not operate on the weekends.

There was no opposition present.

Mayor Bronaugh closed Public Hearing.

5. TAXI CAB LICENSE - APPROVED - UBC CAB COMPANY

Mayor Bronaugh stated that the next item for consideration was to authorize taxi cab license for UBC Cab Company.

Motion was made by Commissioner Don Boyd and seconded by Commissioner Percy Simond authorizing taxi cab license for the UBC Cab Company. A unanimous affirmative vote was recorded.

6. TAX ABATEMENT AGREEMENT - TABLED - PAGE PERRY

Mayor Bronaugh stated that the next item for consideration was a request by Page Perry for Tax Abatement Agreement.

Mr. Perry stated that he owns the building at 112 East Burke and has been unable to rent the second floor to commercial enterprises. Mr. Perry stated he would like to convert this area into two apartments.

In response to statement by Mayor Bronaugh that he had applied for a Tax Abatement previously, Mr. Perry stated he did not understand the program at that time, and completed the work before he submitted his application.

City Manager Westerholm stated the City has since adopted a Tax Abatement Policy, which sets forth the following criteria for granting a Tax Abatement in the downtown area:

- a) Must make building improvements of at least \$25,000 in additional value to the current value
- b) Must be in downtown area
- c) Rehabilitation is given preference over new construction

The amount of new building improvements abated for years 1-3 is 100%; 75% for the 4th year; 50% for the 5th year; 25% for the 6th year and 10% for the 7th year.

Mayor Bronaugh suggested that Mr. Perry meet with Marvin Hahn of the Tax Appraisal District to determine the value of the proposed renovations and if the cost of said renovations will be in compliance with the required amount of \$25,000.

In response to question by Commissioner Mayberry, Mayor Bronaugh stated that the other taxing entities can approve or disapprove the Tax Abatement Agreement.

This item was tabled until further notice by Mr. Perry.

7. RESOLUTION - APPROVED - PRIMARY HEALTH CARE CLINIC

Mayor Bronaugh stated that the next item for consideration was a Resolution endorsing Angelina County support of the Primary Health Care Clinic.

Mayor Bronaugh stated that the City of Lufkin supports and endorses this referendum asking the County of Angelina to institute a 2-cent ad valorem tax to fund the Primary Health Care Clinic.

Mayor Bronaugh stated that because he and Commissioner Bowman are members of the Primary Health Care Clinic Advisory Board, they would refrain from voting.

Motion was made by Commissioner Percy Simond and seconded by Commissioner Paul Mayberry to approve the Resolution in support of a 2-cent ad valorem tax to fund the Primary Health Care Clinic. A unanimous affirmative vote was recorded.

8. PAYMENT - APPROVED - HIGHWAY DEPARTMENT - SOUTH 59 IMPROVEMENTS

Mayor Bronaugh stated that the next item for consideration was request for payment to Highway Department for work on South 59 improvements.

City Manager Westerholm stated that he had received a letter from J. L. Beaird, District Engineer for the Highway Department, informing him that the City owed an additional amount of \$34,194.29 for curb, gutter, storm sewer and incidental items for the US 59 South improvements. City Manager Westerholm stated that he had held the letter in

abeyance until the end of the fiscal year to determine if this amount could be paid from surplus funds.

Motion was made by Commissioner Percy Simond and seconded by Commissioner Don Boyd authorizing the payment of \$34,194.29 to the Highway Department for US 59 South improvements. A unanimous affirmative vote was recorded.

Motion was made by Commissioner Jack Gorden and seconded by Commissioner Bob Bowman that any excess funds over and above from the previous budget year be placed in the Contingency Fund. A unanimous affirmative vote was recorded.

Commissioner Gorden stated that he would like to commend management for ending the year with a surplus balance in spite of the rollback.

9. VEHICLE PURCHASE - APPROVED - NARCOTICS ENFORCEMENT PROGRAM

Mayor Bronaugh stated that the next item for consideration was purchase of two used vehicles for Narcotics Enforcement Program.

City Manger Westerholm stated that Chief Collins had submitted a request to purchase two used vehicles instead of one new vehicle to be used in narcotics enforcement. City Manager Westerholm stated that \$13,500 had been budgeted for the purchase of one vehicle, and Lufkin Motors had quoted prices of \$7,346.20 for a 1986 Chevrolet and \$6,153.70 for a 1985 Ford.

Commissioner Mayberry asked if the City was exempt from tax on these cars. City Manager Westerholm stated that he would make inquiries and report back to Commissioner Mayberry.

Motion was made by Commissioner Percy Simond and seconded by Commissioner Jack Gorden authorizing the Police Department to purchase two used vehicles in the amount of \$13,499.90. A unanimous affirmative vote was recorded.

Commissioner Bowman stated that he is receiving an increasing number of telephone calls regarding problems with drugs being used at apartment complexes. Commissioner Bowman suggested that the Police Department organize a meeting with apartment complex managers in an attempt to help them with drug related problems. Commissioner Bowman requested that Chief Collins report back at next meeting.

10. VEHICLE REPLACEMENT - APPROVED - WATER AND SEWER DEPARTMENT

Mayor Bronaugh stated that the next item for consideration was a request to replace burned vehicle in the Water and Sewer Department.

City Manager Westerholm stated that recently a '82 model one-half ton pickup assigned to the Water and Sewer Department caught fire and burned at the intersection of Abney and Raguet. City Manager Westerholm stated that Public Works Director Ron Wesch does not feel that it would be cost effective to repair this vehicle and was requesting authorization to purchase a replacement vehicle.

In response to question, Mr. Wesch stated that a new vehicle would cost approximately \$10,500.

Motion was made by Commissioner Bob Bowman and seconded by Commissioner Danny Roper authorizing the Public Works Director to advertise for bids on replacement vehicle and to utilize funds in the Water and Sewer Contingency fund for payment of same. A unanimous affirmative vote was recorded.

11. PROPOSAL - APPROVED - PAPER RECYCLING PROGRAM - LEASE OF FACILITIES

Mayor Bronaugh stated that the next item for consideration was a proposal to conduct paper recycling program and lease of facilities.

City Manager Westerholm stated that Coldwell Banker had submitted a proposal for a 24-month lease on the property at 901 Ellen Trout Drive, where CART had its operation. City Manager Westerholm stated terms of the lease provide that the City would pay no rent for the first six months in return for cleaning and repairing the property (these repairs are listed in Exhibit A of the proposal). City Manager Westerholm stated that the second six months would be \$1,000 per month and the following twelve months would be \$1,200 per month for the property. City Manager Westerholm stated that the total cost for building repairs would be \$5,500.

City Manager Westerholm stated that operating cost to go into the business would be \$8,363.39. City Manager Westerholm stated that projected income from the sale of paper would be \$10,000 which would result in a balance of \$1,636.61. City Manager Westerholm stated this figure did not take into account the savings realized by not taking the paper to the landfill at \$2.10 per cubic yard. City Manager Westerholm stated that it is more environmentally advantageous to recycle the paper rather than bury it at the landfill.

City Manager Westerholm stated that the City could continue leasing the containers from the Weyerhaeuser Paper Company.

Mr. Wesch stated that he has been talking to Weyehauser Paper Co. about buying the paper, but intended to open it up to the market for the best price. Mr. Wesch stated that most of the paper companies would send a truck for the paper or it could be sent by freight.

Mr. Wesch stated that he would start by recycling corrugated paper because it is the easiest to handle and to sell, and there is more of it than any other kind of paper.

In response to question by Commissioner Roper, Mr. Wesch stated that historically an average of \$50 per ton is a minimal figure. Mr. Wesch stated that if the City signed a contract with Weyehauser they would guarantee \$50 per ton.

Mr. Wesch stated that he anticipates that it will take him at least six months to work up to a 200-250 ton per month production.

Mr. Wesch stated that the dumpsters will be located at any commercial business site that is a paper producer. Mr. Wesch stated that CART had 85 containers located throughout the City. Mr. Wesch stated he anticipates placing 300 containers, and after a certain period of time the containers will belong to the City.

Commissioner Roper stated that he supported the proposal by Mr. Wesch, but with a commitment of \$100,000 he would like to see some historicals on the value (purchase price) of paper.

Mr. Wesch stated that the City could back out of the program without any problem at any given time.

Mr. Wesch stated that he hoped that the City Attorney would prepare a legal document that would allow the City to withdraw from the lease agreement on the property with 30-days notice. Mr. Wesch stated that he had talked to Phil Medford about this, and Mr. Medford agreed to it.

Commissioner Simond stated that eventually the President will sign a Bill raising the minimum wage and that would make a difference in the salary expense.

Commissioner Roper stated that he had talked at length with Roger Smith who owned CART and he commented that the business was at the mercy of

the market. Commissioner Roper stated a guaranteed contract might be the best idea.

Mayor Bronaugh stated that the staff is working with ABC for a voluntary recycling program by citizens of the community.

Lynn Bailey, president of B & B Metals, stated that he has been in the recycling business for 25 years. Mr. Bailey stated that paper recycling is volatile and must be done right. Mr. Bailey stated that there are numerous recycling businesses in Lufkin, but none of them recycle paper because of the risks involved.

Mayor Bronaugh stated that Mr. Wesch has been in touch with Weyehauser Paper Co. and is aware of the problems involved.

Gil Cox, former Southwest Color employee, stated that before the City goes into the recycling business, they should thoroughly research the program.

Commissioner Simond suggested contacting the Cities of Diboll and Nacogdoches in regard to picking up their paper.

Motion was made by Commissioner Percy Simond and seconded by Commissioner Jack Gorden authorizing the Public Works Director to proceed with the paper recycling program. A unanimous affirmative vote was recorded.

Mayor Bronaugh stated that the City Attorney will draw up a formal contract to include a "bail out" clause when he returns.

12a. BID - APPROVED - AMBULANCE PATIENT MODULE REMOUNT - EAGLE EMERGENCY EQUIPMENT, INC.

Mayor Bronaugh stated that the next item for consideration was bids for remount on ambulance patient module.

Chief Snyder stated that the low bid of Eagle Emergency exceeds the budgeted amount of \$23,000. Chief Snyder stated that by waiting until the new budget year to bid, the 1989 models were no longer available. This bid is for a 1990 Ford Ambulance Cab/Chassis and remount of existing wheel coach ambulance patient compartment.

Motion was made by Commissioner Don Boyd and seconded by Commissioner Percy Simond to accept the low bid of Eagle Emergency Equipment, Inc. in the amount of \$27,451, and that the difference between this amount and the budgeted amount be taken from the Contingency Fund. A unanimous affirmative vote was recorded.

12b. BID - APPROVED - TRAILER - WATER AND SEWER DEPARTMENT - LUFKIN INDUSTRIES

Mayor Bronaugh stated that the next item for consideration was bid for trailer for the Water and Sewer Department.

City Manager Westerholm stated that \$15,000 had been budgeted for a 25 ton lowboy trailer to be used in the Water Distribution Department. City Manager Westerholm stated that the low bid of \$13,837 had been received from Lufkin Industries.

In response to question by Commissioner Mayberry, Mr. Wesch stated that this will be a replacement unit and the old trailer will be scrapped.

Motion was made by Commissioner Percy Simond and seconded by Commissioner Bob Bowman that bid of Lufkin Industries in the amount of \$13,837 for a 25 ton lowboy trailer be accepted. A unanimous affirmative was recorded.

13. EXECUTIVE SESSION

Mayor Bronaugh recessed formal session at 6:13 p.m. Mayor Bronaugh reconvened regular session at 6:33 p.m. and stated that real estate and demolition of dilapidated houses had been discussed.

14. DEMOLITION - APPROVED - DILAPIDATED HOUSES

Mayor Bronaugh stated that in Executive Session the following houses had been submitted by the Assistant City Attorney for demolition.

1. 300-400 block Birch (several houses)
2. Thompson Street
3. 804 Wilson
4. 1806 Williams (several houses)
5. 810 Everett
6. 1801 Culverhouse
7. 1013 Carver
8. 105 Brock
9. 313 Frank
10. Moffett Road

Commissioner Simond stated that he was particularly concerned about a dilapidated house located at 2807 Moffett Road.

15. BID - AUTHORIZED - CONTRACTUAL OBLIGATIONS - FIRST SOUTHWEST

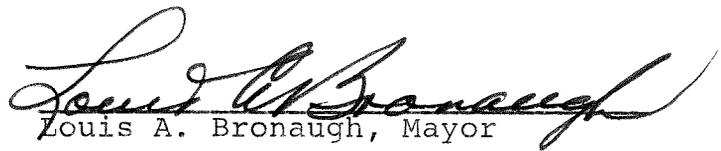
Mayor Bronaugh stated that the next item was an amendment to the agenda and was to consider a request from First Southwest to bid on the purchase of contractual obligations for the City of Lufkin.

Mayor Bronaugh stated that the City Commission must authorize First Southwest to bid on these contractual obligations because they act as the City's fiscal agent.

Motion was made by Commissioner Bob Bowman and seconded by Commissioner Jack Gorden authorizing First Southwest to bid on City of Lufkin contractual obligations. A unanimous affirmative vote was recorded.

City Manager Westerholm stated that an Ordinance approving and authorizing the execution and delivery of Public Property Finance Contractual Obligations will be on the November 7th agenda.

16. There being no further business for consideration, meeting adjourned at 6:37 p.m.


Louis A. Bronaugh, Mayor

ATTEST:


Atha Stokes, City Secretary