

**MINUTES OF REGULAR MEETING OF THE CITY COUNCIL OF
THE CITY OF LUFKIN, TEXAS, HELD ON THE
2ND DAY OF SEPTEMBER, 1997 AT 5:00 P. M.**

On the 2nd day of September, 1997 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
Percy Simond
Betty Jones
Bob Bowman
Jack Gorden, Jr.
Tucker Weems
C. G. Maclin
Bob Flournoy
Atha Stokes
Keith Wright
Stephen Abraham
Kenneth R. Williams

Mayor
Councilmember, Ward No. 1
Councilmember, Ward No. 3
Councilmember, Ward No. 4
Councilmember, Ward No. 5
Councilmember, Ward No. 6
City Manager
City Attorney
City Secretary
City Engineer
Director of Planning
Public Works Director

being present, and

Don Boyd

Mayor pro tem

being absent when the following business was transacted.

1. Meeting was opened with prayer by Rev. E. I. Sullivan, Pastor, Long Chapel CME Church.
2. Mayor Bronaugh welcomed visitors present, and recognized Jerrod Deason, Boy Scout, who is working on his Community Service Badge.

Mayor Bronaugh stated that staff had inadvertently left off the Second Reading of a zone change request by Hood Davis. City Manager Maclin stated that since this item was approved on First Reading without any opposition and since it is no fault of Mr. Davis that this was inadvertently left off the agenda, he would like to seek a consensus of opinion of Council to allow the Building Department to go ahead and issue a Building Permit predicated on First Reading, recognizing that the Second Reading will take place in two weeks (September 16). It was the consensus of opinion of Council that the Building Permits be approved prior to the Second Reading of the Ordinance.

3. APPROVAL OF MINUTES

Motion was made by Councilmember Bob Bowman and seconded by Councilmember Tucker Weems that the minutes of the Regular Meeting of August 19, 1997 be approved as presented. A unanimous affirmative vote was recorded.

4. APPROPRIATIONS ORDINANCE - APPROVED - SECOND READING

Mayor Bronaugh stated that the next item for consideration was Second Reading of the Appropriations Ordinance.

City Manager Maclin stated that the Second Reading of the Appropriations Ordinance reflects two changes, number one is the additional two police officers for Gang Intervention through the COPS Grant, and number two reflects a decrease of \$83,000 in liability insurance costs. City Manager Maclin stated that staff had talked briefly about a bid the City received from Titan Insurance Company, and staff

went back to TML and requested a re-rating from them and they were able to match the bid received from Titan. City Manager Maclin stated that this will reflect a \$83,000 reduction in the total insurance costs for all three funds.

Motion was made by Councilmember Tucker Weems and seconded by Councilmember Jack Gorden, Jr. that the Appropriations Ordinance be approved on Second and Final Reading as presented. A unanimous affirmative vote was recorded.

5. TAX LEVYING ORDINANCE - APPROVED - SECOND READING

Mayor Bronaugh stated that the next item for consideration was Second Reading of the Tax Levying Ordinance.

Motion was made by Councilmember Percy Simond and seconded by Councilmember Bob Bowman that the Tax Levying Ordinance be approved on Second and Final Reading as presented. A unanimous affirmative vote was recorded.

6. ORDINANCE - APPROVED - SECOND READING - REVISION OF SOLID WASTE RATES

Mayor Bronaugh stated that the next item for consideration was request Second Reading of an Ordinance to revise the Solid Waste rates.

Motion was made by Councilmember Bob Bowman and seconded by Councilmember Jack Gorden, Jr. that Ordinance revising the Solid Waste rates be approved on Second and Final Reading as presented. A unanimous affirmative vote was recorded.

7. ORDINANCE - APPROVED - SECOND READING - REVISION OF WATER AND SEWER TAP FEES

Mayor Bronaugh stated that the next item for consideration was Second Reading of an Ordinance revising water and sewer tap fees.

Motion was made by Councilmember Tucker Weems and seconded by Councilmember Percy Simond that Ordinance revising water and sewer tap fees be approved on Second and Final Reading as presented. A unanimous affirmative vote was recorded.

8. BID - REJECTED - PHASE I CONSTRUCTION - TULANE DRIVE

Mayor Bronaugh stated that the next item for consideration was award of bid for Phase I Construction on Tulane Drive.

City Manager Maclin stated that this item was tabled at the last meeting for further review and one of the suggestions made at the last meeting was to exercise the City's option to reject all bids and bid out the entire length of Tulane from Timberland to Whitehouse as one contract in anticipation of it providing a lower cost per unit. City Manager Maclin stated that if Council takes this option they would ask the project engineer, Goodwin and Lasiter, that when the bids are let to spell out that the section included in this first phase from the Loop to Harmony Hill be performed first as part of the entire contract. City Manager Maclin stated that the other options that Council has are to go with one of the low bid options as stated in the letter from Mr. Goodwin.

Motion was made by Councilmember Tucker Weems and seconded by Councilmember Jack Gorden, Jr. to reject all bids on the Tulane Drive Phase I construction project and that the entire project be rebid. A unanimous affirmative vote was recorded.

In response to question by Mayor Bronaugh, City Manager Maclin stated that he hoped that the new bids would be in by December, which would give us time to do two things and they are to complete the final three or four acquisitions that remain to be completed for right-of-way, and secondly to have the utilities relocated, which include water and sewer lines, telephone and electrical/and or gas lines.

9. RESOLUTION - APPROVED - PARKS AND RECREATION BOARD

Mayor Bronaugh stated that the next item for consideration was a Resolution creating the Parks and Recreation Board.

City Manager Maclin stated that Council approved the formation of a Parks and Recreation Board as a recommendation from the Parks Advisory Committee to act as a liaison to the public and to provide additional insight and information for the Council in areas relating to parks and recreation. City Manager Maclin stated that it was suggested by TML and through the City Attorney that a Resolution be prepared for the purpose of providing some legal or legislative authority for the appointment of this Board.

Motion was made by Councilmember Bob Bowman and seconded by Councilmember Jack Gorden, Jr. that Resolution creating the Parks and Recreation Board be approved as presented. A unanimous affirmative vote was recorded.

10. RESOLUTION - APPROVED - METROPOLITAN STATISTICAL AREA (MSA) - LUFKIN/NACOGDOCHES

Mayor Bronaugh stated that the next item for consideration was a Resolution in support of the designation of Lufkin and Nacogdoches as a Metropolitan Statistical Area (MSA).

City Manager Maclin stated that for several years now the discussion of the advantages of Lufkin and Nacogdoches being classified as a Metropolitan Statistical Area have been enumerated. City Manager Maclin stated that the Key 5 Group (now the Key 6 group) worked on this when Congressman Wilson was in office. City Manager Maclin stated that the most obvious advantage from the City's viewpoint is the designation as an entitlement community. City Manager Maclin stated that as an entitlement community Lufkin would receive HUD funds directly and not be required to compete for funds as we do now through DETCOG. City Manager Maclin stated that this would give the City some designated funds to help in the low-to-moderate income areas through housing and water and sewer improvements, and other avenues that are eligible through HUD. City Manager Maclin stated that there are also advantages to the hospitals, in that they would be able to receive a higher Medicare/Medicaid reimbursement rate than they currently do as a rural area. City Manager Maclin stated that by becoming an MSA they would be classified as a metropolitan area and thereby receive about a 25/35% higher reimbursement, which would be substantially beneficial to the two local hospitals.

City Manager Maclin stated that the Chamber of Commerce has already approved a Resolution of this effect, and the Commissioners Courts of both Nacogdoches and Angelina County, as well as the local financial institutions will be requested to have a letter of support. City Manager Maclin stated that these letters of support and Resolutions will be forwarded to Congressman Turner's office and he will use them as part of his effort of accomplishing this. City Manager Maclin stated that technically to meet the criteria there would have to be a 50,000 population of either the City or if the two city limits were contiguous to each other, then we could use the population of Lufkin and Nacogdoches. City Manager Maclin stated that Congressman Turner is attempting to get a waiver to this, and his District is the only District in Texas that does not have an MSA wholly within its jurisdiction.

City Manager Maclin stated that the statistical reporting that our area will receive as

a result of this would be invaluable in our economic development efforts.

Motion was made by Councilmember Bob Bowman and seconded by Councilmember Jack Gorden, Jr. that Resolution in support of the designation of Lufkin and Nacogdoches as a Metropolitan Statistical Area (MSA) be approved as presented. A unanimous affirmative vote was recorded.

11. DESIGNATED FUND BALANCE - APPROVED - FUND APPROPRIATION 1996-'97 - MERIT INCENTIVE PROGRAM

Mayor Bronaugh stated that the next item for consideration was designated fund balance of unused Fund Appropriation of the 1996-'97 fiscal year for merit incentive program.

City Manager Maclin stated that this time of year staff brings projects that were in this years budget that for whatever reason were not completed or not expended that staff wants to carry them over into next years budget. City Manager Maclin stated that in order to leave a paper trail for our external auditors as well as provide the kind of documentation that the bond rating agencies prefer to see, staff seeks Council's consideration of a designated fund balance. City Manager Maclin stated that there will be a few more of these at the next Council meeting two weeks from today.

City Manager Maclin stated that he wanted to bring this particular balance to Council's attention in that this item was ranked high enough as a Decision Package a year ago and was included in this year's budget for a merit pay incentive program using a performance based measurement system of objectivity to produce the merit pay incentive. City Manager Maclin stated that when staff received the performance evaluations this past April the administrative staff discovered that there were some departments who had done an excellent job of maintaining and achieving a performance measurement based performance evaluation and there were some who did not. City Manager Maclin stated that rather than move forward with the program without a 100% objectivity staff desired, the program was basically put on hold. City Manager Maclin stated that this administration is still of the opinion that this program can be a bona fide motivation and incentive for employees and still has adequate justification for further consideration. City Manager Maclin stated that staff is seeking to take the \$30,558 that was in this year's budget and was not expended to be carried over into next year's budget and give the City's new Director of Personnel, Mr. Koonce who has experience in this area, a chance to review those departments that staff did not feel comfortable with and get them up to par by next March, conduct our annual performance evaluations in March like we normally do and hopefully enact the program in April of 1998, instead of April of 1997 as originally scheduled.

Councilmember Simond stated that he would like to make the suggestion that anyone who was involved in the incident at the Kurth Drive overpass not be included in this incentive program. Councilmember Simond stated that last night two cars were hit by flying glass off of the overpass, and somebody will be killed if something is not done. Councilmember Simond stated that he would like for someone to be in touch with the railroad company and see if this can be stopped.

Mayor Bronaugh stated that Southern Pacific Railroad has been purchased by Union Pacific Railroad and the City staff has been in contact with a complete different group of people. Mayor Bronaugh stated that one of the more active parts of Union Pacific is their community development/public relations department, and they said they would be willing to work with the City on this and other problems.

In response to question by Councilmember Simond, Keith Wright stated that any barricade the City would construct would have to be approved by Union Pacific because it would be on their property.

Motion was made by Councilmember Percy Simond and seconded by Councilmember Bob Bowman that designated fund balance of unused Fund Appropriation of the 1996-'97 fiscal year for merit incentive program be approved as presented. A unanimous affirmative vote was recorded.

12. CANDIDATE NOMINATION - APPROVED - TML GROUP BENEFITS - REGION 16 BOARD OF TRUSTEES - JOSEPH P. ARISCO

Mayor Bronaugh stated that the next item for consideration was the nomination of a candidate to the TML Group Benefits of Region 16 Board of Trustees.

City Manager Maclin stated that included in the Council packet is a letter from Catherine Fryer, Board Secretary for the TML Group Benefits Risk Pool. City Manager Maclin stated that the City is a member of Region 16 and this is the Risk Pool that handles the health insurance, which is our third party administrator for our self-funded health insurance program. City Manager Maclin stated that there is a vacancy for the Trustee that represents Region 16. The former Trustee was the former City Manager of Groves who had been in this position for several years and has resigned. This term of office is from 1997 to the year 2000. City Manager Maclin stated that the only name that has been submitted thus far is Joseph P. Arisco, who is a Councilmember for the City of Groves. City Manager Maclin stated that Council action is needed to cast a vote for this Trustee election. City Manager Maclin stated that the former Trustee served for three terms and never had any opposition.

Motion was made by Councilmember Bob Bowman and seconded by Councilmember Betty Jones that the Lufkin City Council cast their vote for Joseph P. Arisco as the candidate to the TML Group Benefits of Region 16 Board of Trustees. A unanimous affirmative vote was recorded.

13. LCC REQUEST - APPROVED - PERMANENT MURAL - PARKS AND RECREATION BUILDING

Mayor Bronaugh stated that the next item for consideration was a request of LCC to place a permanent mural on the Parks and Recreation building.

City Manager Maclin stated that included in the Council packet is a letter of request from Yana Bullock, Public Relations Specialist for LCC. City Manager Maclin stated that this would be the fourth mural for downtown; the third mural was completed this summer and is on the side of the jail building on Frank Street. City Manager Maclin stated that the latest mural was sponsored by the Pineywoods Foundation and the Brookshire Bros. Corporation.

Ms. Bullock stated that Lufkin-Conroe Communications will celebrate 100 years in 1998, and they have a lot of activities planned for this celebration. Ms. Bullock stated that one idea was to erect a mural downtown and be a part of the Pineywoods Foundation downtown program. Ms. Bullock stated that she has spoken with Lance Hunter, the artist who has completed the previous three murals. Ms. Bullock stated that Mr. Hunter has looked at the Lufkin Parks & Recreation building and feels that the material would be fine for a mural. Ms. Bullock stated that LCC will be working with the Pineywoods Foundation to sponsor half of the mural.

Councilmember Bowman stated that LCC is the oldest continuing business in the City of Lufkin.

Ms. Bullock stated that if Council approves this request, she is also requesting that the mural be a permanent part of the building, and if the building is sold in the future that it would have the stipulation that the mural would remain.

In response to question by Councilmember Jones, Ms. Bullock stated that Mr. Hunter guarantees a 20 year life of the mural and maintains the right to come back

and redo it. Councilmember Bowman stated that the Pineywoods Foundation has set up a system whereby the mural will be maintained throughout the years without any cost to the City.

Motion was made by Councilmember Bob Bowman and seconded by Councilmember Jack Gorden, Jr. that request of LCC to place a permanent mural on the Parks and Recreation Building be approved as presented. A unanimous affirmative vote was recorded.

14. AUTHORIZATION - APPROVED - PURCHASE OF GARBAGE BAGS - HGAC

Mayor Bronaugh stated that the next item for consideration was authorization to purchase garbage bags from HGAC.

City Manager Maclin stated that this is the time of year when staff normally makes the purchase of bags, and customers will be getting notices next month to pickup their bags. City Manager Maclin stated that as staff has done for the past three or four years, we are recommending the purchase of these bags through the utilization of the HGAC. This years cost will be approximately \$95,000, which is slightly less than last years cost.

Motion was made by Councilmember Jack Gorden, Jr. and seconded by Councilmember Bob Bowman authorizing staff to purchase garbage bags through the HGAC. A unanimous affirmative vote was recorded.

15. BUCKET TRUCK - APPROVED - HOUSTON-GALVESTON AREA COUNCIL

Mayor Bronaugh stated that the next item for consideration was the purchase of a bucket truck through the Houston-Galveston Area Council.

City Manager Maclin stated that since Council approved earlier in the meeting Second Reading of the Appropriations Ordinance of the budget, then staff can bring this request to Council. City Manager Maclin stated that staff is trying to get a head start on an item that is in the 1997-'98 budget. City Manager Maclin stated that staff has needs of an immediate nature relating to the downtown lighting project.

City Manager Maclin stated that included in the Council packet is a bid notice from the Purchasing Agent through the HGAC purchasing program for the purchase of a bucket truck in the amount of \$57,967.99. The budgeted amount for this item was \$65,000. City Manager Maclin stated that staff is also recommending financing of Government Capital Corporation with an interest rate of 5.92% for a lease purchase on a three year basis for this unit. City Manager Maclin stated that this item was being presented to Council now since it takes four to six weeks to get this truck delivered and we need to get started on some catchup basically of maintenance, repairs and installation of the downtown lighting project to be ready in time for Thanksgiving.

In response to question by Councilmember Simond, David Cochran, Purchasing Director, stated that the manufacturer was basically running behind schedule, however, he would check with them tomorrow to see if it is possible to have the truck sooner.

Motion was made by Councilmember Bob Bowman and seconded by Councilmember Jack Gorden, Jr. that the purchase of a bucket truck through the Houston-Galveston Area Council be approved as presented. A unanimous affirmative vote was recorded.

16. EXECUTIVE SESSION

Mayor Bronaugh recessed Regular Session at 5:45 p. m. to enter into Executive Session. Mayor Bronaugh reconvened Regular Session at 6:10 p. m. and stated that

the Council had discussed the removal of dilapidated houses and problem housing within the City of Lufkin.

City Attorney Bob Flournoy stated that staff had exhausted all of their efforts to try and get these houses fixed up. Mr. Flournoy stated that his office goes through a process of notifying property owners that the houses are dilapidated, and in most instances they are given months to try and get the houses taken care of. Mr. Flournoy stated that these are houses that have no financial value and the past due taxes are substantial. Mr. Flournoy stated that in most instances the City is having to mow the lots, and as a last resort he seeks authorization from the City Council to tear the houses down, haul them off, clean up the property, and then file a lien against the property for the cost of the demolition.

Mr. Flournoy recommended that the following dilapidated houses be demolished:

- 1) 419 Locke
- 2) 414 Lindon
- 3) 2712 Atkinson
- 4) 218 McHale

Mr. Flournoy stated that there was one other house that had been recommended for demolition that was owned by the K. Morris family and they have offered this property to Habitat for Humanity.

Motion was made by Councilmember Percy Simond and seconded by Councilmember Tucker Weems that the four dilapidated houses recommended by the City Attorney for demolition be approved as presented. A unanimous affirmative vote was recorded.

17. COMMENTS

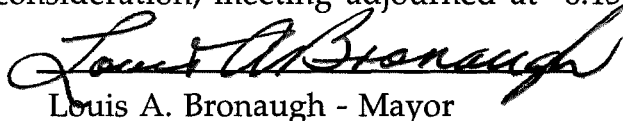
Councilmember Tucker Weems stated that there had been a meeting of the Tree Board at 4:30 p.m. and Parks Director Don Hannabas had contacted Mr. Davis, a forester, who had gone out to Kit McConnico part to review the timber, and gave a recommendation for the reduction of some of the timber. Councilmember Weems stated that it is estimated that the income from the sale of this timber would be \$20,000.

In response to question from Mayor Bronaugh, Mr. Flournoy stated that the sale of the timber would have to go before Council for approval and the proceeds of the sale would have to be used in the park.


City Manager Maclin stated that this Friday is the First Friday luncheon and Attorney General Dan Morales will be the speaker.

Mayor Bronaugh stated that this Thursday there will be a meeting at 10:00 a.m. at the Chamber offices for AB/C, TxDOT, members of the AB/C Committee of the Chamber and the discussion will be how to spend the money in the community that the City of Lufkin has received in the way of prize money for the last two years, approximately \$60,000 a year for a total of \$120,000. Mayor Bronaugh stated that these monies can only be spent for beautification on the TxDOT right-of-ways.

18. There being no further business for consideration, meeting adjourned at 6:15 p.m.


Louis A. Bronaugh - Mayor

ATTEST:


Atha Stokes - City Secretary