

MINUTES OF REGULAR MEETING OF THE CITY COMMISSION OF THE CITY OF
LUFKIN, TEXAS, HELD ON THE 3RD DAY OF FEBRUARY, 1987, AT 5:00 P.M.

On the 3rd day of February, 1987, 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:

Pitser H. Garrison	Mayor
Percy Simond, Jr.	Commissioner, Ward No. 1
Danny Roper	Commissioner, Ward No. 3
Pat Foley	Commissioner, Ward No. 4
Jack Gorden	Commissioner, Ward No. 5
Louis Bronaugh	Commissioner, Ward No. 6
Harvey Westerholm	City Manager
Ron Wesch	Public Works Director
Nick Finan	City Planner
Bob Flournoy	City Attorney
Atha Stokes	City Secretary

being present, and

Don Boyd	Commissioner, Ward No. 2
Brian Boudreaux	Assistant City Manager

being absent when the following business was transacted:

1. Meeting was opened with prayer by Rev. James A. Hill, Sr., Minister of Long Chapel C.M.E. Church, Lufkin, Texas.

2. Mayor Garrison welcomed visitors present.

3. APPROVAL OF MINUTES

Motion was made by Commissioner Pat Foley and seconded by Commissioner Louis Bronaugh that minutes of January 20, 1987, item 15, be amended as requested by Commissioner Foley that City Manager Harvey Westerholm acknowledged that any savings from bid items would be placed in the contingency fund. A unanimous affirmative vote was recorded.

4. PUBLIC HEARING - REINVESTMENT ZONE/TAX ABATEMENT - CHARLES STEMPLE
115-119 NORTH FIRST STREET

Mayor Garrison opened Public Hearing on Reinvestment Zone/Tax Abatement requested by Charles Stemple covering property located at 115-119 North First Street.

Mayor Garrison recognized Mr. Stemple who stated that he had owned and operated a business in the downtown area for the past fourteen years. Mr. Stemple stated that he originally started his business in the building at 115 North First, but five years ago had moved to 119 North First. Mr. Stemple stated he recently purchased the building at 115 North First, and now owns both buildings.

Mr. Stemple stated that he would like to refurbish both buildings. Mr. Stemple stated that he had already started on the building that he now occupies by refinishing the facade and adding a sign to give the building a 1940's look. Mr. Stemple stated that he planned to paint the back of the building and eventually to remodel the interior giving it a "race track" type design.

Mr. Stemple stated that he planned to remove the facade of the building at 115 North First and bring it back to the old appearance. Mr. Stemple stated that the stairs between the two buildings will have to be removed. Mr. Stemple stated that this building is the old Calder Square building and one of the oldest buildings in the downtown area.

Mr. Stemple stated that he would like to attempt to approach the way that it looked in the past, but the cost is definitely going to be a factor.

Mr. Stemple stated that if he is unable to rent the building prior to remodeling, he intends to remodel the inside of the building so that it will be presentable to a possible tenant.

In response to question by Commissioner Jack Gorden, Mr. Stemple stated that he had used the Main Street architect for the front of the building at 119 North First, but decided to go a step more traditional than what they suggested. Mr. Stemple stated that presently the bottom of the building is aluminum with plate glass, and the Main Street architect suggested going back to having the bottom of the building old wood with wooden doors. Mr. Stemple stated that if he does not go with the old wood, he will cover the aluminum with brick. Mr. Stemple stated that he would like to go with the Main Street architect's recommendation for the back of the building if it's cost justifiable.

Mr. Stemple stated that he had bought the building for possible expansion, but would consider selling the building.

Mayor Garrison closed Public Hearing due to lack of discussion.

Motion was made by Commissioner Pat Foley and seconded by Commissioner Louis Bronaugh that First Reading of Ordinance for Reinvestment Zone/Tax Abatement be heard at the February 17th meeting. A unanimous affirmative vote was recorded.

5. PUBLIC HEARING - REINVESTMENT ZONE/TAX ABATEMENT - JOHN SLOAN -
307 EAST FRANK STREET

Mayor Garrison opened Public Hearing for Reinvestment Zone/Tax Abatement requested by John Sloan covering property located at 307 East Frank Street.

Mayor Garrison recognized Mr. Sloan who stated that the building he planned to remodel is the old Atkinson Candy building across from Pearson's Furniture. Mr. Sloan stated that the building is now being used as a warehouse and he proposes to remodel the interior as office space. Mr. Sloan stated that he has a tenant for the building who is currently officing in the building he occupies at 305 Frank. Mr. Sloan stated that there will be very little exterior changes. In answer to question by Commissioner Jack Gorden, Mr. Sloan stated that the building has roughly 3,850 square feet of floor space.

Commissioner Simond stated that he would like a more definitive statement as to how long the taxes will be abated whether 15 years, 10 years or 5 years.

Commissioner Simond stated that there had been discussion regarding this determination at previous meetings, but nothing had ever been decided. Commissioner Simond stated that the City should already have established some type of guidelines rather than deciding the length of the tax abatement as each request comes before the Commission.

Mayor Garrison stated that at one time the Commission had considered having the term of years determined by the relationship to downtown. Mr. Garrison stated that each time a request comes before the Commission, it seems as if the Board has already set a precedent and each request is handled as the one before. Mayor Garrison stated that perhaps at the next meeting before these two requests are heard on First Reading, the Commission can establish a policy at that time if the members wish to do so.

Commissioner Simond stated that he would like for the Commission to take under consideration that the immediate downtown area be designated as a 15 year Tax Abatement, and outlying areas 10 and 5 years depending on the boundaries. Commissioner Simond stated that, in his opinion, the immediate downtown area should be given as much consideration as possible since the City is trying to build up this area.

Mayor Garrison stated that this discussion of a firm policy in determining the term of the Tax Abatement program can be placed on the agenda prior to the First Reading of the requests from Mr. Stemple and Mr. Sloan.

Mayor Garrison closed Public Hearing due to lack of discussion.

Motion was made by Commissioner Pat Foley and seconded by Commissioner Jack Gorden that First Reading of Reinvestment Zone/Tax Abatement request by John Sloan be heard at the February 17th City Commission meeting. A unanimous affirmative vote was recorded.

6. ORDINANCE - APPROVED - SECOND READING - REINVESTMENT ZONE/TAX ABATEMENT - RICK ROEDERER - 114 EAST LUFKIN AVENUE

Mayor Garrison stated that the Commission now had for consideration Second Reading of Reinvestment Zone/Tax Abatement request by Rick Roederer covering property located at 114 East Lufkin Avenue.

Motion was made by Commissioner Louis Bronaugh and seconded by Commissioner Pat Foley that Ordinance be approved on Second Reading as presented. A unanimous affirmative vote was recorded.

7. ELECTION ORDINANCE - APPROVED - SECOND READING - APRIL 4, 1987

Mayor Garrison stated that the Commission now had for consideration Second Reading of the Election Ordinance calling for a regular election April 4, 1987.

Motion was made by Commissioner Danny Roper and seconded by Commissioner Pat Foley that ordinance be approved on Second and Final Reading as presented. A unanimous affirmative vote was recorded.

8. ORDINANCE - APPROVED - SECOND READING - LOCAL SALES AND USE TAX INCREASE - LOWERING PROPERTY TAX

Mayor Garrison stated that the Commission now had for consideration Second Reading of an Ordinance declaring a special City election for increasing the sales tax by one-half cent with funds dedicated to lowering property tax.

Mayor Garrison stated that there had been much discussion at the last meeting about this Ordinance, and he was of the opinion that it might be advisable to take an excerpt from the law and put a provision in the Ordinance that the funds from the increase in taxes were to be used for the reduction of property tax.

In response to question by Mayor Garrison, City Manager Westerholm stated that the wording of the official ballot had been changed on the ordinance to comply with the law.

Mayor Garrison recognized Attorney Gilbert Spring who stated that twenty years ago there was a sales tax election in the City and it was defeated. Mr. Spring stated that some years later the sales tax was raised in order to repair the streets, and for three or four years the streets were repaired.

Mr. Spring stated that last month he paid taxes to the County in the amount of \$3,574, \$10,299 school tax and \$5,065 City tax; a total of

\$18,938. Mr. Spring stated that he did not mind paying taxes on property he owned, but objected to putting the burden of a sales tax increase on the poor. Mr. Spring stated that this City or any other City should not find ways to tax poor people, but it seemed to be the trend.

Mr. Spring stated that the City already had a one cent increase, and with the additional 1/2 cent increase there was the promise to lower property tax, and he would like to know how long the property tax would be reduced.

Mr. Spring stated that most of the people in the City were not aware that their utility bills were being taxed. Mr. Spring stated that the County added \$5.00 to vehicle registration, which hurt the poor man, and they will probably want to raise County taxes by 1/2 cent too.

Mr. Spring stated that he was not before the Commission representing himself, but was speaking for the "little" man, and he hoped that the Commission would give this Ordinance some consideration before making a final decision.

Mayor Garrison stated that the Commission was considering tonight simply offering the people the opportunity to vote for or against the sales tax increase.

Commissioner Pat Foley stated that, in his opinion, the fairest way to have a tax is through the sales tax and without the sales tax, the ad valorem tax would probably be double what it is now. Commissioner Foley stated that local sales tax has dropped down due to the local economic conditions in the last year or so, and for that reason, he has some reservations at this time as to whether the Ordinance should be presented for election.

Commissioner Foley stated that the people he had talked to about the sales tax increase didn't have an opinion one way or the other and maybe they were looking for the Commission to make the decision. Commissioner Foley stated that, at this point, he didn't see any reason to go ahead with it. Commissioner Foley stated that he had some deep reservations as to what the increase might do to the budget, and he hoped that another economic situation did not develop locally like it has in the past few years.

Commissioner Simond stated that he was confused by Commissioner Foley's position when he said that he thought the sales tax was the fairest form of tax and would reduce ad valorem tax by half, and then he said he didn't think the City should have an election increasing the sales tax.

Commissioner Foley stated that he had said that, in his opinion, sales tax were the fairest way to tax everyone, and he also stated that, in his opinion, if the City had not had its sales tax for the past 10-15-20 years, the ad valorem tax would be twice as much as it is at this time. Commissioner Foley stated that considering the impact that if somewhere in the future the sales tax grew and washed away the ad valorem taxes, the City probably wouldn't have a base down the road, assuming that sales tax revenues are going to increase. Commissioner Foley stated that he was concerned that if the City were to get into an economic situation as it has experienced the last few years, it might have a devastating effect on the budget.

In response to question by Commissioner Roper, Commissioner Foley stated that he understands that if the sales tax is increased and as it is collected, the City would have to have an equal reduction in ad valorem taxes each year, and for each year that the 1/2 cent is collected, the ad valorem taxes would have to be reduced an equal amount.

City Manager Westerholm stated that the City would be limited to 3% for increasing ad valorem tax each year if the sales tax is increased, unless the City has a bond issue.

Mayor Garrison stated that if the City has a short fall this year, then when the budget is set for next year the ad valorem tax can be reduced only to the extent to the income of the last four years. ✓

In response to question by Commissioner Simond, Commissioner Foley stated that the information he had regarding the reduction in ad valorem taxes came from the TML, in information that was passed out to Commission members.

Commissioner Simond stated that when items of this magnitude came about, he would like for the City Manager to be sure and bring it to his attention. Commissioner Simond stated that he did not have too much confidence in the TML, and didn't make a habit of reading their material.

Commissioner Foley stated that the TML was not taking a position pro or con on this issue, but merely passing on information as to what law is.

City Manager Westerholm stated that information from the Comptroller's office had been highlighted and included in the Commissioner's packets prior to last meeting.

Commissioner Danny Roper stated that he would like to know if in the Contract with the Angelina Appraisal District the rate the City is paying is based on a per lot basis or is it on the total gross amount collected.

City Manager Westerholm stated that there are two contracts, one for the appraisal work and one for the collection work.

Commissioner Roper asked if this Ordinance would have any impact on what the City is paying the Appraisal District for billing.

City Manager Westerholm stated that he would have to check the contract. Mayor Garrison stated that the fee paid the Angelina Appraisal District is paid on a percentage.

Mayor Garrison stated that in reality this law, if implemented, would not have a direct effect on the City unless there is a short fall.

Mayor Garrison stated that he looked at reducing taxes on a person's home as a trend in the right direction.

Mayor Garrison stated that he viewed the election as giving the people an opportunity to make the choice as the legislature provided an enabling act to do it, and if the Commission refused to submit the sales tax increase to the people, then the Commission has made the choice for them. Mayor Garrison stated that the Commission has an intellectual obligation to allow the people to make a choice for themselves.

Motion was made by Commissioner Louis Bronaugh and seconded by Commissioner Percy Simond that Ordinance be approved as revised on Second and Final Reading. A unanimous affirmative vote was recorded.

Commissioner Gorden stated that he had had some serious reservations at last meeting about the Ordinance, but after reviewing it, he agreed that it should be put to a vote by the people. Commissioner Gorden stated that he appreciated Mr. Spring coming and speaking to the Commission, and he shares the same concern for the poor, but that middle

America is in need of some relief also, and he sees this as a way of getting a small amount of relief on property taxes.

9. RESOLUTION - APPROVED - CERTIFICATES OF OBLIGATION - SOUND TECH - SOUND SYSTEM FOR NEW CITY HALL

Mayor Garrison stated that the next item for consideration was a Resolution authorizing Certificates of Obligation for payment of an invoice from Sound Tech for the sound system for the Council Chambers in the new City Hall.

Mayor Garrison stated that there had been some discussion at last meeting about the sound equipment meeting the specifications. Mayor Garrison stated that Jerry Hill had been present at last meeting when the matter was reviewed, and Commissioners had deferred the matter until tonight while anyone interested could get additional information regarding the sound system.

Commissioner Foley stated that he had requested additional information because what was specked out was not the equipment that was installed. Commissioner Foley stated that the additional information he had received from the architect and contractor had not necessarily been enlightening, but may have been more confusing. Commissioner Foley stated that the contractor stated that he deviated from the specs because the information he got from the architect and City Manager allowed him to make some changes. Commissioner Foley stated that it was like bidding a Cadillac and getting a Chevrolet.

Commissioner Simond stated that at last meeting there had been some concern that the news media were not able to hear from where they were sitting.

Commissioner Simond stated that he had attended a special Planning & Zoning meeting the night before and was sitting in the audience and he couldn't hear too well. Commissioner Simond stated that he had planned to stay for the entire meeting, but because of the heat he was unable to do so.

Commissioner Foley stated that there were only sixteen inputs installed and the specifications required eighteen, and he wanted to know if this had been corrected.

City Manager Westerholm stated that he has considered the architect as being the City's representative on the sound system. City Manager Westerholm stated that the architect had approved it and recommended it for payment. City Manager Westerholm stated that he had not challenged the architect on the sound system, but did get the information the architect furnished and his justification for accepting and recommending the bid that the City took on the system.

Commissioner Foley stated that the Commission approved the specifications when the sound system was put out for bids. Commissioner Foley stated that, in the future, when specifications are changed the Commission should be informed.

Commissioner Foley stated that he had a letter from the contractor stating that he had a meeting with the architect and City Manager and both of them allowed him to deviate from the specifications. City Manager Westerholm stated that he was not aware of a specific meeting.

Commissioner Foley stated that he would approve payment to the contractor with the request that before he is paid he install the additional inputs as per the specifications required in the sound room.

Commissioner Foley stated that the two additional inputs are not being used right now, but if a projector or other equipment were added some other things would have to be unplugged in order to do so.

Mayor Garrison stated that he was under the impression that Mr. Hill stated at last meeting that this system was equivalent to the specifications, and if Mr. Hill did, in fact, make that statement, then he would have to accept Mr. Hill's view about whether it was substantial compliance to the specifications.

Motion was made by Commissioner Louis Bronaugh and seconded by Commissioner Danny Roper that Resolution be approved as presented. A unanimous affirmative vote was recorded.

Commissioner Bronaugh stated that if plugs have to be pulled each time additional equipment is needed, then, in his opinion, the two additional inputs should be added.

Mayor Garrison stated that he would like for City Manager Westerholm to talk with Jerry Hill about putting the two additional inputs into the system.

10. WARD LINES - ESTABLISHED - WARD 6

Mayor Garrison stated that the next item for consideration was to establish ward lines for newly annexed areas. Mayor Garrison stated that in the material he received the only area specifically addressed was that area annexed west of the City. Mayor Garrison stated that there had been other areas in the City which were annexed recently, and, in his opinion, these areas should all be considered at the same time.

Mayor Garrison stated that, in his opinion, a formal ordinance should have been drawn up giving a description of the property.

City Manager Westerholm stated that annexation ordinances had been sent to the Justice Department on the annexation of this property.

Mayor Garrison stated that he was referring to an ordinance incorporating all of the property in the one Ward.

City Manager Westerholm stated that, at this time, the concern was for the City Officer's election which involved Wards 5 & 6.

City Manager Westerholm stated that since the area borders on the two wards, it could be challenged.

In response to question by Mayor Garrison, City Manager Westerholm stated that Ward 6 had considerably less population as related to Ward 5.

Mayor Garrison stated that it appears that Old Union Road is the line of demarcation and should rightfully be in Ward 6. City Manager Westerholm stated that was the staff recommendation.

Mayor Garrison stated that Commissioner Bronaugh had a good suggestion in that when the paperwork is sent in for an annexation, a request should also be sent for ward designation.

Mayor Garrison stated that actually a change in precinct lines is not valid until approval has been received from the Attorney General, and especially for election purposes. Mayor Garrison stated that he had been told earlier that the request for changing ward lines is sent in, and if the Justice Department doesn't object, then the City goes on as though the request has been approved and that the Justice Department doesn't send back a "yes" or "no" answer.

City Manager Westerholm stated that the population breakdown in 1985 by wards was as follows: Ward 4 - 28%, Ward 5 - 21%, Ward 6 - 12%, Ward 1 - 12%, Ward 2 - 15%, Ward 3 - 12%.

Motion was made by Commissioner Louis Bronaugh and seconded by Commissioner Jack Gorden that Resolution declaring newly annexed area that is North of Old Union Road, South of Texas Southeastern Railroad line, West of Largent and East of Hudson City limits line (Civil Ordinance 2485, March 4, 1986) be incorporated in Ward 6 of the City of Lufkin. A unanimous affirmative vote was recorded.

11. RESOLUTION - APPROVED - CHANGE ORDER NO. 6 - TRIBBLE & STEPHENS CITY HALL EXPANSION AND IMPROVEMENTS

Mayor Garrison stated that the Commission now had for consideration Resolution ratifying, confirming and approving Change Order No. 6 to the Contract with Tribble & Stephens in relation to City Hall expansion and improvements.

Motion was made by Commissioner Pat Foley and seconded by Commissioner Jack Gorden that resolution be approved as presented. A unanimous affirmative vote was recorded.

12. RESOLUTION - APPROVED - CHANGE ORDER NO. 7 - TRIBBLE AND STEPHENS CITY HALL EXPANSION AND IMPROVEMENTS

Mayor Garrison stated that the next item for consideration was Resolution ratifying, confirming and approving Change Order No. 7 to the contract with Tribble & Stephens in relation to City Hall expansion and improvements.

In response to question by Commissioner Gorden, City Manager Westerholm stated that Change Order No. 6 was for the facade of the old building, and Change Order No. 7 was for changes made in the Police Department, which had been approved on Change Orders at the last meeting.

Commissioner Gorden stated that in looking around at some of the Change Orders in the Police Department, although the changes were needed, in his opinion, the price was ridiculous. Commissioner Gorden stated that the millwork and work done in the TV room was over \$30,000. Commissioner Gorden stated that the work is completed now, but he would like to see if there was some way to keep this kind of thing from happening again. Commissioner Gorden stated that, in his opinion, the architect should have prevented this type of thing from happening.

Commissioner Gorden stated that he would invite the other Commission members to take a look at what he is talking about.

Mayor Garrison stated that he would like for the City Manager to have the architect to explain the changes in detail.

Mayor Garrison stated that he has an aversion to change orders, and in his opinion, a lot of the work on change orders should have been included in the original contract price.

Motion was made by Commissioner Pat Foley and seconded by Commissioner Jack Gorden that Resolution be approved as presented. A unanimous affirmative vote was recorded.

13. POLICE DEPARTMENT - NEW JAIL - BEDS

Mayor Garrison stated that the next item for consideration is a re-

quest by the Police Department for more capacity for female prisoners in the new jail.

Mayor Garrison stated Acting Chief David Kirkland has submitted a request to the City Manager for two additional beds to be used in cells for female prisoners.

City Manager Westerholm stated that a steel frame has to be constructed to hold the beds in the walls.

Commissioner Bronaugh stated that this is a good example that someone in the Police Department did not study the plans recognizing that there were two less beds than the old jail had.

In response to question by Commissioner Bronaugh, Acting Chief Kirkland stated that double bunk beds had been used in the old jail, and that single beds had been placed in the new cells, but that it did not matter whether bunk beds were installed or another bed was placed beside the existing bed, just as long as the same capacity was met.

In response to question by Commissioner Percy Simond, Acting Chief Kirkland stated that it is possible for some female prisoners to be confined over a weekend.

Commissioner Simond stated that he noticed in Acting Chief Kirkland's letter where there was approximately \$70,000 worth of equipment in the communications area and was concerned about protecting the equipment should the sprinkler system accidentally discharge.

Acting Chief Kirkland stated that he had discussed the matter with Jerry Hill and was advised that the building construction had to have the sprinkler system installed.

City Manager Westerholm stated that at a previous meeting there had been some discussion about a dry sprinkler system for this room, but because the cost was so high the City had elected to go with a wet sprinkler system. Commissioner Bronaugh stated that the dry system (Halon) was used in the computer room because it would not damage the equipment.

Commissioner Foley stated that he remembered discussion on the computer room and it was his recollection that the City would not have a wet system in that particular room.

City Manager Westerholm stated that he would check the minutes, but as he remembered, the architect was discussing this item with the City Commission before he was finished with the design and the Commission decided against Halon because of the expense.

In response to question by Commissioner Simond, Acting Chief Kirkland stated that he had recommended capping the sprinklers, but was told that capping the sprinklers would not meet local fire codes. Acting Chief Kirkland stated that the Communications Room is manned 24 hours a day, 7 days a week, and in his opinion, bottled fire extinguishers would be adequate, but the building code prohibits this.

Commissioner Simond stated that perhaps a metal canopy could be installed over the equipment to prevent water damage.

Mayor Garrison stated that perhaps the architect could come before the Commission and discuss this matter or could write a letter to the Commissioners regarding the alternatives.

In response to question by Commissioner Danny Roper, City Manager

Westerholm stated that if the sprinkler system malfunctions, and the equipment is damaged, we have insurance coverage.

Commissioner Bronaugh stated that a wall bracket Halon fire extinguisher would meet insurance codes.

City Manager Westerholm stated that this particular item was not on tonight's agenda, but was part of the letter regarding the beds for female prisoners. City Manager Westerholm stated that he would contact the architect regarding this matter.

City Manager Westerholm stated that if the total building is not correctly sprinklered, the best advantage in insurance rates would not be realized.

In response to question by Mayor Garrison, Acting Chief Kirkland stated that on the weekend it is not uncommon to have as many as four to six female prisoners.

In response to question by Commissioner Gorden, Acting Chief Kirkland stated that his preference would be two low beds to minimize the danger of having a prisoner fall from a top bunk.

City Manager Westerholm stated that the frames for the beds are welded to the walls on brackets, and mattresses are simply placed on them and the bunks are not moveable. City Manager Westerholm stated that the estimated cost would be from \$400 to \$500.

Acting Chief Kirkland stated that he had contacted Jerry Hill and was told that the beds were part of the construction and a non-budget item. Mr. Hill had stated that he was not sure what the procedure was in having this item paid through Certificates of Obligation.

City Manager Westerholm stated that if this item is approved by the Commission, then it can be paid for with Certificates of Obligation rather than coming out of operating budget funds.

Motion was made by Commissioner Jack Gorden and seconded by Commissioner Pat Foley authorizing the purchase of two (2) beds for the new female prisoner jail cells for a maximum of \$500. A unanimous affirmative vote was recorded.

14. WATER DISTRIBUTION STUDY PROPOSALS - TABLED

Mayor Garrison stated that the City had received some water study proposals that were submitted to the Commission at it's request.

Mayor Garrison stated that he would apologize to the representatives present for having them sit through the meeting. Mayor Garrison stated that this item was placed on the agenda by the City Manager with the thought that the Commissioners would need some time to study each proposal. Mayor Garrison stated that the proposals were being submitted to the Commissioners at this time, and would be placed on the agenda for the next City Commission meeting, February 17th.

Motion was made by Commissioner Louis Bronaugh and seconded by Commissioner Percy Simond that Water Distribution Study Proposals be presented at 4:00 P.M. at a Workshop meeting before the regular February 17th meeting, allowing ten minutes discussion for each proposal. A unanimous affirmative vote was recorded.

15. BID - APPROVED - PIPE & MATERIAL - FULLER SPRINGS WATER SUPPLY DISTRICT - BIG STATE UTILITY SUPPLY, INC.

Mayor Garrison stated that a large number of bids had been received

for pipe and material to interconnect the Fuller Springs Water Supply District with the Lufkin system.

Mayor Garrison stated that the low bid had been received from an out-of-state firm.

Mayor Garrison stated that under the Louisiana law if the bid is not more than five (5) percent under the bid of the Texas resident, then the City is obligated to award same to the Texas resident bidder.

Mayor Garrison stated that the City Attorney had advised that the City was not privileged to accept the low bid of the Louisiana firm, therefore, the bid of Big State Utility Supply was before the Commission for consideration.

In response to question by Commissioner Roper, Public Works Director Ron Wesch stated that the original figures for this project was \$123,000, which included several bore jobs plus raising the tower at Fuller Springs.

In response to question by Commissioner Roper, City Manager Westerholm stated that the City tries to take advantage of discounts by paying the account within ten days.

Motion was made by Commissioner Percy Simond and seconded by Commissioner Pat Foley that bid of Big State Utility Supply, Inc. in the amount of \$98,944.48 be accepted as the lowest and best bid with a provision for a 2% discount in 10 days for a total bid of \$96,965.59. A unanimous affirmative vote was recorded.

16. EXEMPTION POLICY - TABLED - 1987 TAX YEAR

Mayor Garrison stated that the City had been informed by the Appraisal District that the City's exemption policy for 1987 had to be set before May.

Mayor Garrison stated that the example included in the Commissioner's material showed that though the exemptions authorized had gone from \$3,000 to \$20,000, the tax had been reduced by \$13.50.

Mayor Garrison stated that the law required accessing property at market value in 1981. City Manager Westerholm stated that at that time the exemption was doubled because the value was doubled.

In response to question by Commissioner Gorden, City Manager Westerholm stated that he was not making a recommendation to the Commissioners, but wanted the members to be aware because some people had complained that they had to pay more taxes this year because their exemption did not cover the value of their house anymore.

Commissioner Gorden stated that there had been a lot of discussion about the appraisal district and taxes in general, and he would like to commend the Mayor for his comments in the paper, which clarified, to a great degree, part of the confusion.

Commissioner Gorden stated that he would also commend the paper for discussing the issue because taxes are very important to everyone.

Commissioner Gorden stated that the greatest increase had come about because of growth within the City, and that wasn't brought out properly in the news articles. Commissioner Gorden stated that growth mandates additional expenses.

Mayor Garrison stated that, over all, the idea of taxing on actual value is the best way, and he hoped that the City's history shows that

every time the schedule of values has been raised that the rates have been reduced.

In response to question by Commissioner Foley, Mayor Garrison stated that if the Exemption is not changed, it carries forward.

Mayor Garrison stated if any of the members feel that the exemption should be reconsidered, there is time to do so before the May 1st deadline.

17. SANITATION RATES - DISCUSSED

Mayor Garrison stated that a request had been received from Homer Pace to consider reducing the sanitation rate.

Mayor Garrison stated that Mr. Pace lives in Midland, Texas, and owns the Arrangement Apartments in Lufkin. Mayor Garrison stated that a letter had been received from Mr. Pace requesting that the City consider reducing the rates for garbage pickup.

Mayor Garrison stated that the City's present Ordinance calls for charging each family in residential apartments at the same rate that would be charged for a single family home, and Mr. Pace thinks that apartment owners should be charged a commercial rate.

City Manager Westerholm stated that he would like to do a study of other cities' rates and regulations.

Mayor Garrison stated that several years ago the Apartment Owners Association came before the Commission and the rates were set on the current basis at that time.

City Manager Westerholm stated that it was just as economical for the City to go into an apartment complex where the bags have been set at the curb as it is to go to the dumpster. City Manager Westerholm stated that the City only has to pick up once every two weeks at the newer apartments that have compactors.

Commissioner Foley stated, in his opinion, rather than a twice a week scheduled pick-up, if the garbage was picked up on a demand basis, perhaps it would save money.

Public Works Director Ron Wesch stated that if they were paying a commercial rate this would be true, but they are charged \$5.00 per unit every month.

Commissioner Bronaugh stated that he understood that if the percentage of occupancy is at 50% that is taken under consideration.

City Manager Westerholm stated that the apartment manager can sign an affidavit and receive a credit for a refund. City Manager Westerholm stated that the Arrangement Apartments are not presently taking advantage of this privilege.

Mayor Garrison stated that, in his opinion, the staff should write Mr. Pace a letter informing him of what the Ordinance allows. City Manager Westerholm stated that a copy of the Ordinance has already been forwarded to Mr. Pace.

18. LUFKIN CIVIC CENTER - RE-BID - RE-ROOF

Mayor Garrison stated that bids had been received for re-roofing of the Civic Center and they were all higher than it was estimated that the cost would be. Mayor Garrison stated that there was one bid that was substantially lower than the other bids that was sent in by Western Union. Mayor Garrison stated that through a mix-up at Western

Union the bid was not received by the City in time to be considered at time specified in the invitation to bid.

Mayor Garrison stated that the architect has recommended in view of the excessiveness of the bids that the City invite re-bidding. Mayor Garrison stated that the bids will have to be rejected and then will have to be re-bid.

In response to question by Commissioner Louis Bronaugh if there would be any legal problems to re-bid, Mayor Garrison stated that the City has the right to reject any and all bids.

City Manager Westerholm stated that Jerry Hill can redesign the specifications in order to effect some savings.

Motion was made by Commissioner Percy Simond and seconded by Commissioner Louis Bronaugh that bids received on re-roofing the Civic Center be rejected and request that the architect resubmit for bids. A unanimous affirmative vote was recorded.

Commissioner Foley stated that he hoped that if Mr. Hill rewrites the specifications, and he doubted that he would, that the City will not have a lesser quality roof on the Civic Center.

19. SALES TAX ELECTION - SAFETY RECORD - WRECKER SERVICE VIOLATION - CITY HALL SECURITY - PORTABLE SIGN ORDINANCE

Commissioner Danny Roper stated that while he is in agreement that an election should be held for the 1/2 cent increase in local sales and use tax, and the citizens decide the issue, it is incumbent on the City to investigate the matter thoroughly. Commissioner Roper stated that the matter is a fairly complex ordinance and one that he thinks the citizens of Lufkin will look to the City Commissioners for leadership. Commissioner Roper stated that the matter should be discussed at more length and investigated further and the City Commission should present an opinion "for" or "against" to the public.

Mayor Garrison stated that the public needs to be informed, and perhaps with the benefit of the news media, the matter can be presented to the public. Mayor Garrison stated some formal publication or a summary of the law that could be presented in an advertisement or even a citizens group could send out a mailing without advocating one way or another.

Mayor Garrison stated that he was inclined to believe that this was the kind of election that should be brought out to the public where they will understand it and make an intelligent vote as to whether they want the increase or do not want the increase.

Mayor Garrison stated that he noticed in the newspaper where the paper would present pros and cons of a particular subject, and he would like to see this matter presented to the public in this way.

Mayor Garrison stated that Mr. Spring had pointed out that it's a question of how big an impact it will make on the less fortunate people whether or not the 1/2 of 1% sales tax is going to be more burdensome than the reduction in their property taxes by 50%.

Mayor Garrison stated that he would like for the City Attorney to write a summary of the law covering the items that have been discussed tonight, setting forth what the command of the law is, what the taxes will be used for and what the restraints on raising taxes is. Mayor Garrison stated that he was reading today where you can have an election to vote the increase out, but you cannot eliminate it until there is an election.

Commissioner Roper stated that, in his opinion, there are some facts and ramifications that need to be addressed, and the City Commission should provide that leadership.

Commissioner Gorden stated that he was in agreement with what Commissioner Roper had said regarding the 1/2 cent tax and that he would also like to find out some kind of evaluation of what the fluctuation in the normal tax receipts and what kind of bearing on the month-to-month cash needs of the operation of the City.

Commissioner Gorden stated that he wanted to commend City Manager Westerholm and whoever else was responsible for the City's safety record, which has given us a .66 modifier on our workers compensation insurance rate.

Commissioner Gorden stated that he had mentioned at last meeting that he would like for the City Attorney's office to look into and do something about Commissioner Bronaugh's new ward addition where the gentleman has a junk yard.

City Planner Finan stated that at the City Attorney's and Commissioner Gorden's request, he had taken pictures over a period of several weeks to determine if the cars there have been permanent in nature, and on the pictures he turned in in the middle of January, there were 10 to 11 cars on the property.

Commissioner Jack Gorden stated that at the time of annexation he was authorized to have three cars on the property.

In response to question by Commissioner Bronaugh as to whether the cars were being rotated, City Planner Finan stated that 6 or 7 seem to be the same cars.

Commissioner Simond stated that he was concerned that right now the City Hall is open and exposed to thievery. Commissioner Simond stated that during a meeting he attended Monday night in the Council Chambers he noticed several unsavory characters taking a shortcut through the atrium. Commissioner Simond stated that the paintings in the halls were irreplaceable, and anyone could come through and remove them. Commissioner Simond stated that, in his opinion, the building should be locked when no one was in the offices.

City Manager Westerholm stated that the contractor had worked late the night before, and perhaps some of the people Commissioner Simond saw were workers. City Manager Westerholm stated that the offices are locked at night but the hallways are not. City Manager Westerholm stated that he had been assured from the owner that the pictures were insured.

Mayor Garrison stated that several local schools have been vandalized, and it could happen to this building as well. Mayor Garrison stated that some type of security needs to be looked into.

Commissioner Bronaugh stated that he would like to know if the City had a portable sign ordinance. City Manager Westerholm stated that the City did have a portable sign ordinance and under the ordinance, the portable sign cannot be on City property, and if electrified, must be in conduit.

In response to question by Commissioner Bronaugh if the City actually had a written directive regarding portable signs, City Planner Finan stated that at this time the City is operating under the guidelines the Highway Department has for flashing signs, which are normally in the form of a portable sign. City Planner Finan stated that there are certain sign controls through the Building Department, but nothing specific on portable signs.

City Planner Finan stated that if a portable sign is on the right-of-way or within a thousand feet of an intersection, it is in violation.

Commissioner Bronaugh stated that he would like for the City to define what a portable sign can do and cannot do.

Mayor Garrison stated that, in his opinion, the City did have a portable sign ordinance, and the electrical wire has to be in conduit and extension cords are prohibited. Mayor Garrison stated that, in his opinion, the ordinance had not been enforced.

Commissioner Bronaugh stated that he thought that people should be given something in writing telling them what they can and cannot do, perhaps even signing it, and if they were in violation, a penalty can be imposed. City Manager Westerholm stated that the signs were regulated through three different ordinances, the Building Code, the Zoning Code and then there is a sign ordinance.

20. There being no further business for consideration, meeting adjourned at 7:33 P.M.


Pitser H. Garrison, Mayor

ATTEST:


Atha Stokes, City Secretary