

MINUTES OF REGULAR MEETING OF THE CITY COMMISSION OF THE CITY OF LUFKIN, TEXAS, HELD ON THE 15TH DAY OF AUGUST, 1989, AT 5:00 P.M.

On the 15th day of August, 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
Ron Wesch	Public Works Director
Robert Flournoy	City Attorney
Atha Stokes	City Secretary

being present when the following business was transacted.

1. Meeting was opened with prayer by Rev. James Lee Riley, Minister, First United Methodist Church.
2. Mayor Bronaugh welcomed visitors present and recognized Mike Hudson, member of Boy Scout Troop 140, who is working on his Merit Badge.

3. APPROVAL OF MINUTES

Minutes of regular meeting of August 1, 1989 were approved on a motion by Commissioner Don Boyd and seconded by Commissioner Bob Bowman. A unanimous affirmative vote was recorded.

4. RECOGNITION OF MEMBERS - CITY BOARD OF DEVELOPMENT

Mayor Bronaugh stated that he would like to recognize a group of citizens who have worked very diligently with the City serving on the City Board of Development.

Mayor Bronaugh stated that the City Board of Development had been created in 1975 and has recently been dissolved, to be replaced by the Lufkin Development Board, whose job it will be to oversee the governing of the Hotel/Motel Tax.

Mayor Bronaugh presented awards to Bettie Williams and Thomas Moore. Leeland Petty, Ted Lankford and George Henderson were unable to attend the meeting.

5. RESOLUTION - APPROVED - GEORGE MICKEY LELAND

Mayor Bronaugh stated that a Resolution had been prepared in honor of the memory of Representative George Mickey Leland.

Commissioner Percy Simond read the Resolution to members of the Commission and the audience.

Motion was made by Commissioner Percy Simond and seconded by Commissioner Paul Mayberry that Resolution be accepted as presented. A unanimous affirmative vote was recorded.

6. PUBLIC HEARING - CITY BUDGET - FISCAL YEAR 1989-90

Mayor Bronaugh opened Public Hearing to consider proposed City budget for fiscal year 1989-90.

City Manager Westerholm stated that a preliminary budget had been made available to members of the City Commission.

City Manager Westerholm stated that the budget sets forth the amount of income estimated, the tax rate that has been recommended to be set, and the estimated Contingency.

City Manager Westerholm stated that the debt retirement this year has increased by 4.667 cents and the maintenance and operation has increased by 2.7 cents for a total of 7.37 cents in the tax rate. City Manager Westerholm stated that last year it was necessary to use reserve funds and taxes were not assessed for that much debt. City Manager Westerholm stated that the City has also proposed financing some capital items through issuance of contractual obligations. City Manager Westerholm stated that the basic increases in the budget are: insurance costs of \$218,000, the drug program at \$230,000, and an additional \$355,000 for street construction and street overlay.

Mayor Bronaugh stated that the City Commission had conducted four 3-hour Budget Workshops in preparation of the 1989-90 budget.

There was no audience participation.

Commissioner Mayberry requested that a copy of the City's final budget be made available to the Library for the citizens of Lufkin. Mayor Bronaugh stated that citizens are always welcome to come to City Hall to review the budget documents.

Mayor Bronaugh closed Public Hearing.

7. ORDINANCE - APPROVED - SECOND READING - ZONE CHANGE - MR. & MRS. JAMES BELLAMY - 1809 AND 1811 SPENCE STREET - HM TO RS

Mayor Bronaugh stated that the next item for consideration was Second Reading of Zone Change request by Mr. and Mrs. James Bellamy covering property located at 1809 and 1811 Spence Street from Heavy Manufacturing to Residential Small.

Motion was made by Commissioner Bob Bowman and seconded by Commissioner Paul Mayberry that Ordinance be approved on Second and Final Reading as presented. A unanimous affirmative vote was recorded.

8. ORDINANCE - APPROVED - SECOND READING - HOTEL/MOTEL TAX INCREASE

Mayor Bronaugh stated that the next item for consideration was Second Reading of Ordinance to increase Hotel/Motel Tax.

Motion was made by Commissioner Bob Bowman and seconded by Commissioner Paul Mayberry that Ordinance be approved on Second and Final Reading as presented. A unanimous affirmative vote was recorded.

9. ORDINANCE - APPROVED - FIRST READING - ZONE CHANGE - LEROY SHANKLE - 1703-A SAYERS STREET - RM TO NR, SU (BEAUTY SHOP)

Mayor Bronaugh stated that the next item for consideration was First Reading of Ordinance for Zone Change request by Leroy Shankle covering property located at 1703-A Sayers Street from Residential Medium to Neighborhood Retail, Special Use (Beauty Shop).

In response to question, Mrs. Shankle stated that she will be operating a four-chair beauty shop at this location.

Motion was made by Commissioner Don Boyd and seconded by Commissioner

Percy Simond that Ordinance be approved on First Reading as presented. A unanimous affirmative vote was recorded.

10. BUDGET - FISCAL YEAR 1989-90 - PROPOSED TAX INCREASE - PUBLIC HEARING DATE SET

Mayor Bronaugh stated that the next item for consideration was the budget for fiscal year 1989-90, vote on proposed increase in taxes and setting the date for Public Hearing and adoption of Tax Levying Ordinance and Appropriation Ordinance.

City Manager Westerholm stated that if the anticipated revenues and expenses in the General Fund stay as projected, there should be a contingency reserve of \$131,964.46 at the end of year. City Manager Westerholm stated that the Water and Sewer Fund contingency is estimated at \$29,582.55 at the end of the year. City Manager Westerholm stated that in order to develop this type revenue, a tax rate of .3787 cents per \$100 valuation has been suggested.

Commissioner Mayberry stated that he was concerned about the way the City is financing capital equipment, and the poor condition of City streets.

Commissioner Bowman stated that he continues to be sorely disappointed that the public does not attend or participate in the budget at the workshops.

The following vote was recorded for the proposed increase in the tax rate to .3787 cents per \$100 valuation for the fiscal year 1989-90.

Aye: Commissioners Mayberry, Boyd, Simond, Roper, Bowman, Gorden, Mayor Bronaugh

Nay: None

Motion was made by Commissioner Don Boyd and seconded by Commissioner Danny Roper that date for Public Hearing on Tax Increase be set for August 29, 1989 at 5:00 p.m. A unanimous affirmative vote was recorded.

Motion was made by Commissioner Paul Mayberry and seconded by Commissioner Don Boyd to set the date for adoption and First Reading of the Tax Levying Ordinance and Appropriation Ordinance on September 5, 1989 and Second Reading on September 19, 1989. A unanimous affirmative vote was recorded.

11. CITY FINES - DISCUSSED

Mayor Bronaugh stated that a letter had been received from Commissioner Simond suggesting proposed changes in municipal court fines.

City Attorney Flournoy stated that Commissioner Simond's interest in changing the amount of the fines was that funds could be allocated for the drug situation in Lufkin. Mr. Flournoy stated that, in his opinion, after some research and years of experience, that the only way the City can adjust fines is to rewrite the Ordinances granting latitude to the Judge to assess fines from \$1-200. Mr. Flournoy stated that the City Commission could allocate certain funds out of the Municipal Court fines for this purpose, but it would be a budgetary process.

Commissioner Simond stated that perhaps the Efficiency Advisory Committee could find some solutions to the City's drug problem.

Commissioner Bowman stated that he would encourage the City Attorney to look at Ordinances from other cities, and through his research create some very strong reprimands and penalties for drugpushers and drugusers.

Commissioner Boyd stated that it was his opinion that Houston's City Council raised the fines in their City several years ago, and requested that the City Attorney check with the City of Houston.

Mayor Bronaugh requested that the City Manager and City Attorney continue to research ways to increase City fines.

12. RESOLUTION - APPROVED - GRANT FUNDING - DEEP EAST TEXAS REGIONAL NARCOTICS TRAFFICKING TASK FORCE

Mayor Bronaugh stated that the next item for consideration was a Resolution authorizing submission of a grant for the funding of the Deep East Texas Regional Narcotics Trafficking Task Force.

Motion was made by Commissioner Paul Mayberry and seconded by Commissioner Bob Bowman that Resolution be approved as presented. A unanimous affirmative vote was recorded.

13. BID - APPROVED - CAD SYSTEM - WATER DISTRIBUTION DEPARTMENT

Mayor Bronaugh stated that the next item for consideration was a bid on a Computer Assisted Drawing System to be used in the Water Distribution Department.

City Manager Westerholm stated that bids had been taken on this item but was being re-bid because the vendor was no longer in business.

City Manager Westerholm stated that Purchasing Agent David Cochran was recommending accepting the bid of Computer Junction for the CAD hardware, the bid of Harold Kaemmerling for the Autocadd software and the bid of IBM for the personal computer system.

Public Works Director Ron Wesch stated that this is part of the valve location system which will enable City employees to work in-house in locating waterlines, valves, storm sewers and manholes.

Motion was made by Commissioner Bob Bowman and seconded by Commissioner Don Boyd to accept the bid of Computer Junction in the amount of \$15,660, Harold Kaemmerling in the amount of \$2,750, and IBM in the amount of \$3,310; for a total of \$21,720 for the CAD system to be used in the Water Distribution Department. A unanimous affirmative vote was recorded.

14. TREE BOARD MEMBERS - REAPPOINTED

Mayor Bronaugh stated that the terms of four members of the Tree Board expired this month. Mayor Bronaugh stated that the Tree Board is in the process of creating an award for the largest tree to be presented during the week of the Forest Festival. Mayor Bronaugh suggested that since current members of the Tree Board had been involved in the Big Tree Contest, they be reappointed.

Motion was made by Commissioner Don Boyd and seconded by Commissioner Percy Simond that Commissioner Bob Bowman, Commissioner Paul Mayberry, John Courtenay and Ron Billings be reappointed to a three-year term on the Tree Board. A unanimous affirmative vote was recorded.

15. ECONOMIC DEVELOPMENT LOAN SPONSORSHIP - DENIED - VETERANS ADMINISTRATION OUT-PATIENT CLINIC

Mayor Bronaugh stated that as an Amendment to the agenda the City Commission would now consider request for sponsorship of an economic development loan for the construction of the Veterans Administration Out-Patient Clinic.

Jerry Moore, representing the Coward-Moore partnership, stated that he was requesting that the City sponsor an Economic Development Loan

through the Texas Capitol Fund to fund a new business to provide a facility, equipment and services through a government contract for the Veterans Administration.

Mr. Moore stated that it has already been announced that the Veterans Administration is locating an Out-Patient Clinic in the City, and should the City Commission vote to approve sponsorship of the Economic Development Loan, it does not mean that his firm will automatically receive the contract to build the facility.

Mr. Moore stated that at last meeting there were some questions by members of the City Commission, and that he and Raymond Vann had met with the Mayor and City Manager the following day to discuss the request in depth. Mr. Moore stated that a descriptive summary of the program had been prepared and made available to the City Manager.

In response to question by Commissioner Mayberry, Mr. Moore stated that the City would ultimately be responsible for the entire duration of the loan. Mr. Moore stated that he felt like, and the Capitol Fund representatives agreed, that this particular request was a very sound project because the loan period, which is 15 years, is backed up with a government contract for services for the same amount of time.

In response to question by Commissioner Mayberry, Mr. Moore stated that there are five or six other firms bidding on the project.

Commissioner Bowman stated that he was not sure that this was an appropriate vehicle for the City. Commissioner Bowman stated it was his understanding that the Texas Capitol Fund normally makes grants as incentives for communities to help bring in new business or industries and it appears that the City already has this business, which is being funded by the Federal government.

Commissioner Bowman stated that the second reservation he had is that there are a number of bidders bidding on the same project and he wondered about the appropriateness of sponsoring this loan for one bidder and not giving equal treatment to the other bidders on the project. Commissioner Bowman stated that he was also concerned about the City's liability.

Motion was made by Commissioner Percy Simond and seconded by Commissioner Don Boyd adopting a Resolution to sponsor an Economic Development Loan for the construction of a Veterans Administration Out-Patient Clinic for the partnership of Coward-Moore.

The following vote was recorded:

Aye: Commissioners Simond, Boyd

Nay: Commissioners Gorden, Bowman, Mayberry, Mayor Bronaugh

Commissioner Roper stated that upon the advice of the City Attorney he would recuse himself from voting.

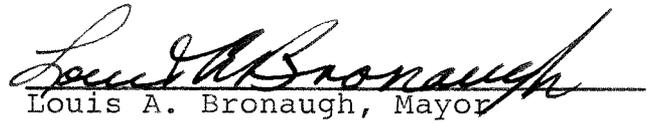
Mayor Bronaugh stated that the motion failed by a vote of 2 to 4.

#### 16. COMMENTS - TELEPHONE SOLICITATION - TML REGION 16 MEETING

Commissioner Bowman stated that there has been a lot of telephone solicitation lately representing the Fire and Police Departments, and he would urge the Fire Chief and Police Chief to investigate these promotions because of the public relations involved. Commissioner Bowman requested that the City Attorney do some research regarding telephone solicitations and report his findings back to the City Commission.

Mayor Bronaugh reminded members of the TML Region 16 meeting to be held August 24th in Liberty.

16. There being no further business for consideration, meeting adjourned at 7:03 p.m.

  
Louis A. Bronaugh, Mayor

ATTEST:

  
Atha Stokes, City Secretary