

**MINUTES OF CALLED MEETING OF THE CITY COUNCIL OF THE CITY OF
LUFKIN, TEXAS, HELD ON THE 19TH DAY OF AUGUST, 1994 AT 12 O'CLOCK
NOON**

On the 19th day of August, 1994, the City Council of the City of Lufkin, Texas, convened in a Called Meeting in the Council Chambers of City Hall with the following members thereof, to wit:

Louis A. Bronaugh	Mayor
Percy Simond	Councilman, Ward 1
Don Boyd	Mayor pro tem
Larry Kegler	Councilman, Ward 3
Tucker Weems	Councilman, Ward 6
C. G. Maclin	City Manager
Ron Wesch	Asst. City Mgr./PW
Darryl Mayfield	Asst. City Mgr./Finance
Bob Flournoy	City Attorney
Atha Stokes	City Secretary

being present, and

Bob Bowman	Councilman, Ward 4
Jack Gorden, Jr.	Councilman, Ward 5

being absent when the following business was transacted.

1. Mayor Bronaugh called meeting to order.
2. **PUBLIC HEARING - BUDGET - FISCAL YEAR 1994-1995**

Mayor Bronaugh opened Public Hearing to consider the budget for the fiscal year 1994-1995.

There was no one present to speak for or against the budget.

Mayor Bronaugh closed Public Hearing.

3. APPROPRIATIONS ORDINANCE - APPROVED - FIRST READING

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

City Manager Maclin stated that on the Council table is an updated copy of the Appropriations Ordinance based on input given by Council, particularly Councilman Simond, at Tuesday's meeting. City Manager Maclin stated that he perceived at that meeting that there was a common consent of Council to find some way that if the depreciation line item was established that was proposed in the Water and Sewer Fund and the Solid Waste Fund, that there be a way to assure that it is expended for only long term capital improvements. City Manager Maclin stated that in order to address that the Asst. City Manager of Finance Darryl Mayfield, the City Attorney and he reviewed a way to incorporate the depreciation line item into the Appropriates Ordinance. City Manager Maclin read Section V which explains the methodology that staff is proposing in order to provide that assurance by virtue of the Council passing an Appropriate Ordinance that defines the depreciation account and also tells what it can exclusively be used for.

"Section V. That there is hereby appropriated in the Water and Sewer Utility Fund a depreciation reserve account to be exclusively utilized for long term capital improvements, including equipment, distribution system, production and

treatment facilities, repair, rehabilitation and renovation."

City Manager Maclin stated that long term capital improvements as defined by the audit are things such as the treatment plant, distribution lines, or elevated storage tanks. Long term capital can not include items such as pickup trucks, computers, or less expensive items. City Manager Maclin stated that the auditors, when they perform the audit each fall, will audit the books and records to see that the City has conformed to this portion of the Appropriations Ordinance.

City Manager Maclin stated that Section VIII, which refers to the Solid Waste Fund reads as follows:

"Section VIII. That there is hereby appropriated in the Solid Waste Disposal Fund a depreciation reserve account to be exclusively utilized for long term capital improvement, automated collection system, repair, rehabilitation and renovation."

City Manager Maclin stated that this refers to long term capital improvements only. City Manager Maclin stated that these two items, Section V and Section VIII, will accomplish what Councilman Simond had requested at Tuesday's meeting, and obviously is something that will have to be approved each year as part of the Appropriations Ordinance.

In response to question by Councilman Weems, City Manager Maclin stated that the dollar amount is specified under the depreciation part, which is \$900,000 for Water and Sewer and \$385,000 for Solid Waste. City Manager Maclin stated that these amounts can be incorporated in the Ordinance. City Manager Maclin stated that these numbers are subject to what the auditors actually determine to be the inventory value.

Councilman Weems recommended that the dollar amounts be added to Sections V and VIII.

Motion was made by Councilman Percy Simond and seconded by Councilman Larry Kegler that Ordinance be approved on First Reading with revisions to Section V to include a reserve account in the amount of \$900,000 and in Section VIII a reserve account in the amount of \$385,000. A unanimous affirmative vote was recorded.

4. TAX LEVYING ORDINANCE - APPROVED - FIRST READING

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

City Manager Maclin stated that on the Council table is an updated copy of the Tax Levying Ordinance. Asst. City Manager Mayfield stated that the City had received two interest payments, one in February and one in August that totalled \$287,500. Mr. Mayfield stated that after Council approved the bonds Tuesday, Mr. Byrd sent him an updated format for debt service payments and the interest payments dropped to \$284,000. Mr. Mayfield stated that the debt service payments were adjusted for February and August, 1995, which also had a corresponding relationship to the amount of tax, instead of being 3.32 it dropped to 3.17September 1, 1994September 1, 1994

Motion was made by Councilman Tucker Weems and seconded by Councilman Percy Simond that Ordinance be approved on First Reading as presented. A unanimous affirmative vote was recorded.

5. ORDINANCE - APPROVED - FIRST READING - RESIDENTIAL AND COMMERCIAL WATER RATES REVISED

Mayor Bronaugh stated that the next item for consideration was First Reading of an Ordinance to revise the residential and commercial water rates.

City Manager Maclin stated that the commercial water rate in the Ordinance had been adjusted since there had been an increase in the over 500,000 gallon category more than what had been indicated previously, and it has now been lowered back to the level that the City committed to.

Motion was made by Councilman Don Boyd and seconded by Councilman Larry Kegler that Ordinance be approved on First Reading as presented. A unanimous affirmative vote was recorded.

6. ORDINANCE - APPROVED - FIRST READING - SEWER RATES REVISED

Mayor Bronaugh stated that the next item for consideration was First Reading of an Ordinance to revise the sewer rates.

City Manager Maclin stated that these are the rates that were presented to Council at Tuesday's meeting, and no changes had been made.

Motion was made by Councilman Larry Kegler and seconded by Councilman Don Boyd that Ordinance be approved on First Reading as presented. A unanimous affirmative vote was recorded.

7. ORDINANCE - APPROVED - FIRST READING - SOLID WASTE RATES REVISED

Mayor Bronaugh stated that the next item for consideration was First Reading of an Ordinance to revise the solid waste rates.

City Manager Maclin stated that these are the rates that were presented to Council at Tuesday's meeting, and no changes had been made.

Motion was made by Councilman Don Boyd and seconded by Councilman Larry Kegler that Ordinance be approved on First Reading as presented. A unanimous affirmative vote was recorded.

8. EXECUTIVE SESSION

Mayor Bronaugh recessed Regular Session at 12:55 p.m. to enter into Executive Session. Regular Session reconvened at 1:23 p.m. and Mayor Bronaugh announced that Council had discussed personnel and legal matters. No decisions were made.

9. COMMENTS

Councilman Kegler complimented City Manager Maclin and Asst. City Manager Ron Wesch on their appearance on television explaining the asbestos situation. Councilman Kegler stated that both men were very knowledgeable about the subject, which shows how efficient local City government is.

City Manager Maclin stated that the engineers for the filtration system brought in their plans for review today. Contracts have been signed, and the filters were ordered this morning. City Manager Maclin stated that Mr. Walden of the TNRCC assured him of a 24-hour turn around on the plan review and documents. City Manager Maclin stated that Gary Traylor, grant consultant, had been contacted and the preliminary application has been filled out by Mr. Wesch for the emergency

grant funds from the Community Development Block Grant.

10. There being no further business for consideration, meeting adjourned at 1:25 p.m.


Mayor Louis A. Bronaugh

ATTEST:


Atha Stokes - City Secretary