

MINUTES OF THE REGULAR MEETING OF THE CITY COUNCIL OF THE CITY OF
LUFKIN, TEXAS HELD ON THE 3RD DAY OF MAY, 2005

On the 3rd day of May 2005, 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 Bronaugh	Mayor
Rose Faine Boyd	Mayor pro tem
R. L. Kuykendall	Councilmember, Ward No. 1
Lynn Torres	Councilmember, Ward No. 3
Don Langston	Councilmember, Ward No. 4
Jack Gorden, Jr.	Councilmember, Ward No. 5
Dennis Robertson	Councilmember, Ward No. 6
Paul L. Parker	City Manager
Renee Thompson	City Secretary
Robert Flournoy	City Attorney
Keith Wright	City Engineer
Kenneth Williams	Public Works Director
David Koonce	Director of Human Resources
Larry Brazil	Police Chief
Don Hannabas	Parks and Leisure Services Director
Beauford Chapman	Director of Inspection Services
Scott Marcotte	Asst. Police Chief
Doug Wood	Director of Accounting
Dorothy Wilson	Director of Planning

being present, when the following business was transacted:

1. The meeting was opened with prayer by Reverend Carol Turner, First United Methodist Church.
2. Mayor Louis Bronaugh welcomed visitors present. Councilmember Lynn Torres recognized LHS students who were present satisfying their government class requirement.
3. **APPROVAL OF MINUTES**

Minutes of the Regular Meeting on April 19, 2005 was approved on a motion by Councilmember Lynn Torres, and seconded by Councilmember Rose Faine Boyd. A unanimous affirmative vote was recorded.

NEW BUSINESS:

4. **PRESENTATION BY R. W. BECK, INC. OF AUSTIN, TEXAS CONCERNING FINDINGS FROM THE ANALYSIS OF THE CITY OF LUFKIN'S SOLID WASTE DISPOSAL OPTIONS AND MATERIAL RECOVERY FACILITY**

Mayor Louis Bronaugh stated that the next item was a presentation by R. W. Beck, Inc. of Austin, Texas concerning findings from the analysis of the City of Lufkin's Solid Waste Disposal Options and Material Recovery Facility. City Manager Paul Parker stated that earlier in the year the City of Lufkin employed the services of R. W. Beck, Inc. to look at the City's recycling program, automation needs, the landfill costs, and alternatives for the work program throughout the Solid Waste Department. City Manager Parker stated that a copy of the report was in the Council's packets and added that Scott Pasternak, Manager for R. W. Beck, Inc. would highlight the report and answer questions that Council might have concerning the report.

Scott Pasternak stated that R. W. Beck, Inc. appreciated the opportunity to be able to present to the Mayor and Councilmembers the analysis and key findings from the review of the landfill disposal rates alternative study and the review of the material recovery facility where the City's recyclable materials are processed. Mr. Pasternak stated that he would be happy to answer any questions that Council had concerning the presentation.

Mr. Pasternak stated their primary tasks or three main sections of the report that was provided to the City of Lufkin. Mr. Pasternak explained that the first section was the analysis of alternative disposal options, the second would be the material recovery facility operations review, and the third was to look at a commercial recycling analysis. Mr. Pasternak stated that the first section for discussion would be the analysis of alternative disposal options. Mr. Pasternak explained that the primary effort was to look at the costs the City is currently paying with regard to the disposal costs at the Angelina County Landfill and to compare it to several different alternatives. Mr. Pasternak stated that the first two options involved the construction and operation of a transfer station and then hauling the solid waste to one of two landfills outside of the City. Mr. Pasternak stated that the next two options involved direct

hauling materials using the City's trucks to the landfills outside the City. Mr. Pasternak added that the last option would be the haul the collection vehicles to a transfer station that would be located in the City of Lufkin and would be operated under some form of a public/private partnership with a private company. Mr. Pasternak stated that R. W. Beck, Inc. looked at calculating the total cost of each of these options.

Mr. Pasternak then went through a slide presentation explaining the costs involved in each option presented. Mr. Pasternak explained that the way R.W. Beck, Inc. calculated the costs was based on three different costs. Mr. Pasternak stated that the first would be the what it would cost the City to collect the waste in the City's collection vehicles, second would be what it would cost to transfer the materials via transfer station, and third would be the cost of disposal of materials.

Councilmember Dennis Robertson asked Mr. Pasternak if the cost of transportation was included in the cost evaluation. Mr. Pasternak explained that the transportation costs are accounted for in two categories. Mr. Pasternak stated that the costs are accounted for in both the collections category and the transfer category.

Mr. Pasternak stated that the City is currently paying a higher amount at the Angelina County Landfill than would be paid at the other landfills in the study. Mr. Pasternak then pointed out that the City would be paying significant transportation cost to haul to the landfills outside of the City. Mr. Pasternak explained that the best option represented would be to look to some form of a public/private partnership through the development of a transfer station with a private facility. Mr. Pasternak explained that the reason this could potentially offer the best option, rather than the City developing a transfer station, is because a private operator would have the ability to bring in additional waste to provide the opportunity to decrease the cost.

Mr. Pasternak stated that the figures are based on the current rates and the projected rates. Mr. Pasternak added that R. W. Beck, Inc. had preliminary discussions with the other landfills in the study to get general understanding of what their rates could be.

Councilmember Dennis Robertson stated that his understanding is that R. W. Beck, Inc. is recommending the City go to weight as opposed to volume. Councilmember Robertson explained that he thinks that the landfills would be more concerned about volume as opposed to weight. Councilmember Robertson asked Mr. Pasternak what the landfill's position would be on this issue. Mr. Pasternak stated that his opinion is that the landfills would prefer volume.

Councilmember Robertson asked Mr. Pasternak if R. W. Beck, Inc. analyzed the percentage of the City of Lufkin trucks that are going to the landfill that are not filled to capacity. Mr. Pasternak stated that R. W. Beck, Inc. did not do a quantitative analysis of that and explained that the City has started weighing part of their trucks, but there was no existing data that would provide historical information along those lines.

Mr. Pasternak stated that other landfills offer more competitive rates but the City would face additional transportation costs to get the materials to the landfills. Mr. Pasternak added that they are specifically recommending that the City recognize the best option is to look to negotiating a more competitive disposal rate with Angelina County. Mr. Pasternak stated that the disposal rate should be based on weight rather than volume and outside of the negotiations with the Angelina County Landfill the City should investigate the possibility of a public/private partnership for the operation of a transfer station and may be the next best alternative. Mr. Pasternak added that the last recommendation would be that if Angelina County is not open to negotiating rates, then the City should consider issuing a request for proposal to explore disposal alternatives.

Councilmember Don Langston asked Mr. Pasternak to explain in percentages or dollars concerning other landfills offering more competitive rates. Mr. Pasternak stated that the disposal rate of the City's operation with the proposed increase will be approximately \$26 per ton. Mr. Pasternak added that Royal Oaks was in the range of approximately \$16 per ton and Polk County was approximately \$18 per ton. Councilmember Langston asked Mr. Pasternak what would constitute a "long-term" contract. Mr. Pasternak explained that the typical contract would be from three (3) to five (5) years. City Manager Parker added that he was thinking the contract would be approximately ten (10) to fifteen (15) years. Mr. Pasternak stated that R. W. Beck, Inc. would recommend the bid proposal be for five (5) years, ten (10) years, and fifteen (15) years and prices could be assessed by the length of contract.

Councilmember Jack Gorden asked if the analysis looked at areas outside the immediate Lufkin area. Mr. Pasternak explained that other areas were not specifically factored into this proposal, but that R. W. Beck, Inc. has a good understanding of what those numbers are in Texas in particular. Councilmember Gorden asked if it would be totally out of the question for Lufkin to get its own site licensed. Mr. Pasternak stated that the quantity of waste would probably not merit it and while the

amount the City of Lufkin generates is somewhat significant, it would still not be enough to merit the City acquiring its own facility.

Councilmember Jack Gorden wanted to review the rate structure as it was proposed by the County. Chris Fitzgerald, with the Angelina County Landfill stated that the proposed increase would be approximately ten percent (10%) next year and in future years by the cost of living increase, which could range from one percent to three percent (1% to 3%) in future years. Public Works Director Kenneth Williams stated that the increase was eleven point two percent (11.2%) last year.

Mr. Pasternak stated that the next element that was analyzed by R. W. Beck, Inc. was the material recovery facility. Mr. Pasternak stated that the City of Lufkin Recycling Center is a single stream MRF and added that R. W. Beck, Inc. focused on the facility and equipment and added that it would make sense to look at greater automation, staffing and management of the facility, as well as material flow and operations. Mr. Pasternak stated that R. W. Beck, Inc. found the facility is adequately staffed and managed. Mr. Pasternak stated that they found that the number of trustees from the Duncan Unit is both adequate and cost effective, but there is a need of better communication between supervisors and laborers to increase efficiency. Mr. Pasternak stated that inbound and outbound loads should be weighed to get a better understanding of MRF performance. Mr. Pasternak added that job descriptions should be accurate and used to measure job performance. Mr. Pasternak stated that the relatively small amount of material processed does not warrant investment in costly mechanized equipment. Mr. Pasternak added that currently, the sorting line processes approximately four (4) tons per day. Mr. Pasternak explained that the smallest disc screen would process approximately fifteen (15) tons per hour and added that the automated equipment is not geared toward the smaller type of facility that Lufkin has. Councilmember Lynn Torres asked if the City processes all that that is receipted in one day or would the four (4) tons be all that the staff would be able to process. Mr. Pasternak explained that the four (4) tons represents an average of what Lufkin receives in a day. Mr. Pasternak stated that R. W. Beck, Inc. recommends that the City of Lufkin switch to the same day collection of refuse as well as recyclables. Mr. Pasternak added that the next recommendation would be to take steps to reduce contamination. Mr. Pasternak stated that the next recommendation would be to weigh all inbound as well as outbound materials. Mr. Pasternak added that the fourth recommendation would be to increase efficiency and productivity of the sorting line. Mr. Pasternak stated the next recommendation would be to improve the existing baler efficiency and the last recommendation would be to develop better data and record keeping processes.

Mr. Pasternak stated that the City could increase incoming material by approximately fifteen (15) tons per day with the existing equipment but transportation costs would make it extremely difficult and would limit the City's ability to get other business outside of the City.

Mr. Pasternak stated that the last element focuses on commercial recycling. Mr. Pasternak stated that what the City of Lufkin is currently doing with regard to paper and cardboard is a good program that is working very effectively. Mr. Pasternak stated that R. W. Beck, Inc. is recommending that the City of Lufkin set rates for commercial recycling to recover costs and to account for potential commodity price fluctuations. Mr. Pasternak stated that they recommend that customers with small containers that are serviced multiple times per week be transitioned to larger containers to make collection operations more efficient. Mr. Pasternak also recommended changing the rate structure where charges are based on actual costs of service but not related to size of dumpster.

Mr. Pasternak stated that another recommendation would be to assign the task of increasing the number of customers to one staff person within the City of Lufkin. Mr. Pasternak added that an additional recommendation would be to have drivers monitor levels of fiber in commercial dumpsters. Mr. Pasternak stated that the last recommendation would be to proactively market the service to potential customers.

Councilmember Dennis Robertson expressed the concern about contamination in the blue cans. Mr. Pasternak commented that the City of Lufkin is not alone in the contamination problem and the previous suggestions from R. W. Beck, Inc. would help to reduce the contamination. Mr. Pasternak also suggested that the City may consider providing a larger container for regular refuse. Mr. Pasternak also suggested a separate person to monitor the containers for contamination in place of the drivers.

Councilmember Don Langston stated that he noticed that part of R. W. Beck, Inc.'s recommendation was to look at a higher rate structure for the commercial customers and wondered if that would serve as a deterrent for businesses to recycle. Mr. Pasternak explained that there would be a rate decrease instead of an increase. Councilmember Langston asked if the City knows what recycling is costing per

yard for compacted recyclables. Mr. Pasternak explained that this was not evaluated as part of this study.

Public Works Director Kenneth Williams stated that the City actually makes approximately \$12.98 per ton. Councilmember Langston stated that the City only receives revenue of approximately \$180,000 per year for sold recyclables and thinks that the City has more than that in capital and operating expenses. Public Works Director Williams stated that one of the reasons for this study would be to determine the total costs to the City.

Councilmember Dennis Robertson asked if the City determined to go to another landfill, would it affect the costs to other residents in the County. Mr. Pasternak stated that if the City of Lufkin decided to take its business to another landfill it would have a negative affect on the Angelina County Landfill and its customers. City Manager Parker asked what percentage the City makes up of the quantity going into the Angelina County Landfill. Chris Fitzgerald stated that the City makes up approximately 53% of the total business.

5. BID FOR DUMP TRUCK – APPROVED – FOR WASTE WATER TREATMENT DEPARTMENT

Mayor Louis Bronaugh stated that the next item was to consider the bid for a dump truck for Waste Water Treatment Department. City Manager Paul Parker stated that Council had before them the bid from the BuyBoard for a dump truck for the Waste Water Treatment Plant in the amount of \$78,746. City Manager Parker added that there was \$70,000 originally budgeted for the 14 yard dump truck. City Manager Parker explained that there would be no need for additional funding however, due to previous purchases coming in under budget allowing an accumulated Fund Balance that is sufficient to cover the additional cost. City Manager Parker stated that Staff recommended that Council authorize the purchase of a 14 yard dump truck for the Waste Water Treatment Plant from Freightliner of Austin in the amount of \$78,746.

Councilmember Don Langston asked if the Council had just recently purchased a dump truck for another department. City Manager Parker stated that the City had recently purchased a dump truck for the Street Department. Councilmember Langston asked if that dump truck was considerably less in cost than this one. City Engineer Keith Wright stated that the dump truck was in fact more expensive than this one. Councilmember Langston reminded Staff that he would like a copy of the "Vehicle Replacement Policy". City Manager Parker stated that Staff is redefining the present policy and would present the new policy to Council in the near future.

Councilmember Rose Faine Boyd moved to approve the bid for a dump truck for Waste Water Treatment Department. Councilmember Dennis Robertson seconded the motion. A unanimous affirmative vote was recorded.

6. BID FOR A-C WATERLINE REPLACEMENT PROJECTS 9 & 14 - APPROVED

Mayor Louis Bronaugh stated that the next item for consideration was a bid for the A-C Waterline Replacement Projects 9 & 14. City Manager Parker stated that Council had a map depicting the areas that would be encompassed in the water line replacement for these two projects. City Manager Parker explained that the areas would be primarily Fuller Springs, Whitehouse, and Whisper Creek Areas. City Manager Parker added that the specific streets would be Whitehouse Drive from Oak Hollow to Forest Creek, Kentwood Drive, Summerset Drive, Darlington Street, Rosedale Drive, Forest Creek, Hickory Hill, Bartmess Drive, Fuller Springs Drive, Oakwood Drive, Garrison Road, and Benton Drive. City Manager Parker stated that the original budget for this project was \$1,460,000, and the bid received was \$1,286,412.55. City Manager Parker added that Staff recommends the award of contract on the A-C Waterline Replacement Projects 9 & 14 to Duplichain Contractors Inc. in the amount of \$1,286,412.55.

Councilmember Dennis Robertson asked if the work on Whitehouse would be coordinated with this project. City Manager Parker stated that the City would coordinate both projects to avoid any complications.

Councilmember Lynn Torres moved to approve the bid for the A-C Waterline Replacement Projects 9 & 14. Councilmember Jack Gorden seconded the motion. A unanimous affirmative vote was recorded.

7. Mayor Louis Bronaugh recessed the Regular Session at 6:10 p.m. to enter into Executive Session.

EXECUTIVE SESSION: In accordance with the Texas Government Code Section 551.087 (discussions regarding economic development) and Texas Government Code Section 551.071 (2) Consultation with City Attorney on any Regular Session Agenda item requiring confidential, attorney/client advices necessitated by the deliberation or discussion of said items (as needed), and demolition of buildings may be discussed.

Mayor Louis Bronaugh reconvened the Regular Session at 7:12 p.m.

8. City Attorney Bob Flournoy stated that during Executive Session the Council discussed demolition of buildings and that Staff would continue to work on these proposals and would make no recommendations at this time.
9. City Manager Paul Parker stated that a letter had been written to the Lufkin Board of Development concerning the dissolving of that board and added that Council will be hearing from the entities that receive monies from the Civic Center Fund during the Budget Process. City Manager Parker stated that City Secretary Renee Thompson would be contacting Council to set a date for these hearings.

City Manager Parker added that the Council Planning Retreat would be held on Wednesday, May 11, 2005 at Kurth Lake. City Manager Parker added that if Council had any particular concerns that needed to be addressed to please get the items to City Secretary Renee Thompson as Council packets would be going out soon.

City Manager Parker also asked Council if they would like to follow up on the report from R. W. Beck that had been presented earlier in the Council Meeting at the upcoming retreat. Councilmember Lynn Torres stated that she thought that Council would like to see a plan of action. City Manager Parker stated that he would add this item to the other items to be discussed at the retreat.

Mayor Louis Bronaugh then reminded Council that the National Day of Prayer would be held at the City Hall on Thursday, May 5, 2005 at 12:00 noon. Mayor Bronaugh added that the Tire Reclamation Day would be on Saturday, May 7, 2005 at 8:00 a.m. at the Exposition Center.

City Manager Parker added that the Chamber First Friday Event would be Friday, May 6, 2005 and asked Council to let City Secretary Renee Thompson know if they planned to attend.

10. There being no further business for consideration, the meeting adjourned at 7:19 p.m.


Louis A. Bronaugh – Mayor

ATTEST:


Renee Thompson – City Secretary