

MINUTES OF SPECIAL MEETING OF THE CITY COMMISSION OF THE CITY OF LUFKIN, TEXAS, HELD ON THE 23RD DAY OF AUGUST, 1977, AT 5:00 P. M.

On the 23rd day of August, 1977, the City Commission of the City of Lufkin, Texas, convened in special meeting in the Council Room at City Hall with the following members thereof, to-wit:

R. A. Brookshire	Commissioner, Ward No. 1
Pat Foley	Commissioner, Ward No. 2
Jack McMullen	Commissioner, Ward No. 3
E. C. Wareing	Commissioner, Ward No. 4
W. O. Ricks, Jr.	Commissioner at Large, Place A
E. G. Pittman	Commissioner at Large, Place B
Harvey Westerholm	City Manager
Roger G. Johnson	Asst. City Manager

being present, and

Pitser H. Garrison	Mayor
Robert L. Flournoy	City Attorney

being absent, constituting a quorum, when the following business was transacted:

1. Budget Workshop Disc.-Proposed City Budget Fiscal Year 1977-78

Comm. W. O. Ricks, Jr., opened meeting in temporary absence of Mayor Pro Tem E. C. Wareing. Comm. Ricks stated that the purpose of this meeting was to discuss proposed City Budget for Fiscal Year 1977-78, and review various items prepared by City Manager on request by members of City Commission at last regular meeting.

Prior to review of these items, Comm. W. O. Ricks, Jr., relinquished his chair to Mayor Pro Tem Wareing. City Manager Westerholm then reviewed information from last regular meeting requested by members of Commission, to include the following:

- a. Various capital and replacement items in the preliminary budget;
- b. Salary and retirement adjustment information for the preliminary budget;
- c. Comparative Texas Cities under TMRS;
- d. Status report on revenue bond coverage;
- e. Percent rate changes for water and sewer revenues necessary to recapture the anticipated increases in electricity and sewer treatment plant operation expenses in 1977-78;
- f. City of Lufkin revenue bond table;
- g. Capital improvements for 1977-78;
- h. Areas inside City Limits without City sewer and areas annexed since 1973 that were in need of water and sewer lines;
- i. Omitted budget items for 1977-78.

Mayor Pro Tem Wareing first recognized Mr. Gordon Henley, Zoo Director, and Dr. C. D. Dotson, local veterinarian, who were present concerning proposed construction of an animal care building in Ellen Trout Park Zoo. Mr. Henley stated that there was considerable need for construction of an animal care building to relieve crowded conditions in existing kitchen at the zoo facility where food was prepared for animals and animals were also treated. Mr. Henley stated that these two activities within the same area could spread diseases due to their conflicting nature and proposed animal care building would cost approximately \$19,890.00.

Discussion developed with regard to the recent Adopt An Animal program which had created approximately \$2,000 in donations and whether or not this money could be used for construction of proposed facility. Comm. Foley inquired as to whether or not this money could be used to begin construction of the building and expanded as money was available and the Adopt An Animal Program funds were received. Comm. Foley also inquired as to whether or not City Manager Westerholm had checked with local service clubs as to whether or not they would be desirous of sponsoring this program or donating monies for construction of same. Comm. Jack McMullen stated that the Kiwanis Club planned to assist in the Adopt An Animal Program as soon as funds were available.

Comm. E. G. Pittman inquired as to whether or not the City Commission could complete early stages of construction of this building to express its willingness to assist in construction. City Manager Westerholm was requested to contact local civic clubs to determine whether or not they

would be desirous of donating monies for this construction.

Comm. W. O. Ricks, Jr., and Comm. R. A. Brookshire expressed their personal opinion that revenue sharing monies not be disturbed. Comm. Brookshire also stated that he was of the opinion that the present City contribution for TMRS should remain the same.

Members of Commission reviewed City bond status and it was reported that the water and sewer revenues were approximately 18 percent low and first lien bonds could not be issued under present status if bonds were considered in the future, which would cost the City one to one-and-one-half percent difference to provide second lien bonds.

Members of Commission then reviewed in considerable detail proposed percent rate changes for water and sewer revenues necessary to recapture the anticipated increase in electricity and sewer treatment plant operation expenses in 1977-78. Various plans, to include Plans A, B, C and D, were reviewed and it was the unanimous opinion of the Commission to consider approval of Plan B which would provide 3.37 percent increase in water rate and a 4.03 percent increase in sewer rate to offset the increases in electrical rates.

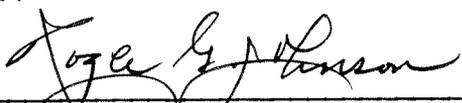
Members of Commission reviewed various City commitments with respect to areas annexed and extension of water and sewer in these areas and it was determined that considerable obligations were pending. Comm. Wareing expressed his opinion that members of Commission consider these obligations prior to making further commitments in the future for newly annexed areas. Comm. Brookshire expressed his opinion that the Commission should remove the \$106,000 from revenue sharing which was available and complete an extension of water and sewer in old areas before completing any new water and sewer line extensions. Comm. Brookshire stated that completing development in the older areas may enhance actual development of these areas for residential and commercial use, which would essentially benefit the City.

Mayor Pro Tem Wareing stated that members of Commission should consider proposed City employee salary increases as a number one priority inasmuch as he was of the personal opinion that the City must keep up with the inflation rate to retain present personnel. Mayor Pro Tem Wareing stated that he was in agreement with Comm. Brookshire on transferring the revenue sharing money for development of old areas annexed by the City, but consideration should also be made for allowance of salary increases. Comm. Wareing stated that he had reviewed recent information regarding salary increases from a minimum of five to a maximum of 11 percent. Various suggestions were submitted by members of Commission regarding proposed amount for salary increases. City Manager Westerholm explained that the City staff was working on a job classification program which would soon be presented to Commission for approval for implementation in the City.

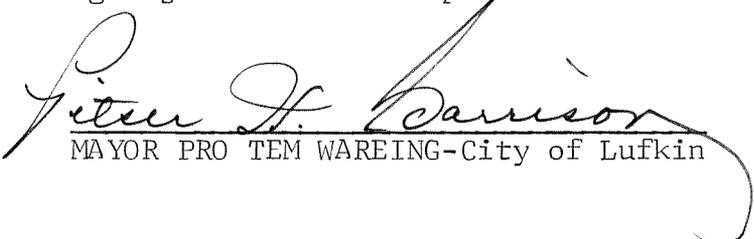
Comm. R. A. Brookshire suggested that the salary increase of six percent be considered and budget be amended to find additional monies in excess of the \$127,000 available without removing same from revenue sharing budget. Comm. Pat Foley stated that the City would need approximately \$48,000 to approve a six percent salary adjustment and it was proposed that Plan B of percent rate changes for water and sewer revenues would create approximately \$58,000, supplying money necessary for same.

It was the unanimous decision of the Commission that proposed budget be amended to provide a six percent salary increase and implementation of Plan B for rate changes in water and sewer revenues necessary to recapture the anticipated increases in electricity and sewer treatment plant operation expenses in 1977-78. Mayor Pro Tem Wareing stated that following the implementation of these items, members of Commission should consider another budget workshop meeting. It was recommended that a budget workshop meeting be set for 5:00 p.m., Wednesday, August 24, 1977, in the City Hall Council Chambers to continue discussion of City budget. All members of Commission were in agreement with above stated date and time for next workshop meeting and meeting adjourned at 7:10 p.m.

ATTEST:



Roger G. Johnson, Asst. City Manager



MAYOR PRO TEM WAREING-City of Lufkin