MINUTES OF REGULAR MEETING OF THE CITY COUNCIL OF THE CITY OF LUFKIN, TEXAS, HELD ON THE 21st DAY OF AUGUST 2001 AT 5:00 P. M.

On the 21st day of August 2001 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
Dennis Robertson	Mayor pro tem
R. L. Kuykendall	Councilmember, Ward No. 1
Lynn Torres	Councilmember, Ward No. 3
Bob Bowman	Councilmember, Ward No. 4
Jack Gorden, Jr.	Councilmember, Ward No. 5
C. G. Maclin	City Manager
James Hager	Asst. City Manager/Finance
Atha Stokes Martin	City Secretary
Bob Flournoy	City Attorney
Keith Wright	City Engineer
Kenneth Williams	Director of Public Works

Being present, and

Don Boyd	Councilmember, Ward No. 2

Being absent when the following business was transacted.

1. Pastor Jacqueline Harmon, Keltys United Methodist Church, opened meeting with prayer.

2. Mayor Bronaugh welcomed visitors present. Mayor Bronaugh recognized Troy Jones, Superintendent of the Water and Sewer Department, who then informed the Council of an act of heroism by a City employee. Mr. Jones told how William Castillo had saved an individual on August 17th who had driven onto the railroad tracks across the street from a City job. Mr. Jones stated that Mr. Castillo called the Police Department. Mr. Jones stated that the undercarriage of the car caught fire and when Mr. Castillo tried to open the door of the car, the door became jammed between the rail and the body of the car. Mr. Jones lifted the door over the rail and freed the occupant of the car. Mr. Castillo called back to the Police Department to inform them of the fire and lifted the occupant out of the car to safety across the street to a nearby yard.

Mayor Bronaugh presented Mr. Castillo with a Certificate of Commendation for this heroic act.

3. **APPROVAL OF MINUTES**

Motion was made by Councilmember Dennis Robertson and seconded by Councilmember R. L. Kuykendall that the minutes of the Regular Meeting of August 7, 2001 and the Budget Workshop meeting of July 30, 2001 be approved as presented. A unanimous affirmative vote was recorded.

4. **STAFF FINANCIAL COMPLETION STATUS OF VARIOUS CIP PROJECTS**

City Manager Maclin stated that on the Council table is a bound copy of the Project Management Update dated today prepared by the City Engineer and the Asst. City Manager.

Keith Wright, City Engineer, stated that this is the same format that staff used the last time they gave Council an update of the City projects. Mr. Wright stated that the first sheet is a spreadsheet, or a table, listing all the projects that the City currently has in process. Mr. Wright stated that this does not necessarily include all of the projects that have been approved for moving forward, but these are the ones that are in process where engineers have been hired and there are engineering contracts on the projects, or that the City staff is working on themselves. Mr. Wright stated that basically the table is self-descriptive telling Council where staff is at with the projects. Mr. Wright stated that currently there are 38 projects on the books in various stages of completion. Mr. Wright stated that supporting documentation for these projects follow the table with each project being numbered. Mr. Wright stated that the documentation would give a listing of all the invoices that have been paid for each project, who they have been paid to and the amounts. Mr. Wright stated that staff would try to keep Council updated every three months with these projects. Mr. Wright stated that in the middle of the book is a blue page separating the sections with more detailed financial information on each fund that Mr. Hager will review.

Mr. Hager stated that there are a couple of revisions that have been made since the last time staff had the opportunity to update Council on the current projects. Mr. Hager stated that in total the City's general obligation bond fund is in a positive position at this point. Mr. Hager stated that the City has approximately $656,000 that is unappropriated and available for use for capital projects with the general obligation bond fund program. Mr. Hager stated that there are several bond funds that will be closed at this year's end, and one of them is the 1996 street bond program, now that the Tulane Street project is complete. Mr. Hager stated that the next one is the 1998 Certificate of Obligation bond program (Fund 303) which has several projects including the Tulane Street paving, Webber Street, Lotus Lane detention pond, and the Old Union Road detention pond which are complete as reflected in the summary sheet that Mr. Wright has. Mr. Hager stated that the other bond fund that will be closed is the 1997 water and sewer improvements (on page 13), Fund 343, which is the two million gallon storage facility.

Mr. Hager stated that he would like to point out a couple of changes that staff has talked to Council about as shown on page 7, and they are being reflected in the 1999 CIP project or bond program. Mr. Hager stated that under General Government the third item is a wireless wide area network that the cost has been revised to $400,000. Mr. Hager stated that under Public Safety he has included the Fire Station No. 4 relocation, which is $250,000 for the purchase of the land. Mr. Hager stated that it is his understanding that the cost will be more like $90-100,000. Mr. Hager stated that the next item is the Police 800 MHz system. Mr. Hager stated that staff and Council have talked about the CDPD for the Police Department and initially when the Capital Improvements Program was developed and Council approved it, the cost was $1.8 million. Mr. Hager stated that partly because of staffs procrastination, and partly because of AT&Ts desire to expand their infrastructure to provide antennas staff is able to buy this system for $600,000, which frees up $1.2 million that will cover the wireless wide area network as well as purchase the fire station property and give a cushion for any overruns the City may experience in the future.

Mr. Hager stated that the rest of the information covers the depreciation or renewal and replacement funds as well as the construction funds that have been established this past year.

In response to question by Councilmember Gorden, Mr. Wright stated that the final clarifier system pertains to the Wastewater Treatment Plant. Mr. Wright stated that the two million dollar ground storage tank that was recently constructed in the new water plant facilities with the new aeration should increase the detention times, which will give more opportunity to strip the hydrogen sulfite out or oxidize it. Mr. Wright stated that, in his opinion, the odor problem has been impacted somewhat, but it has not been totally eliminated. Mr. Wright stated that any time during the summer when you have the conditions with the temperatures we are experiencing now, particularly hot water heaters, the hydrogen sulfite will reconstitute even though it has been oxidized by chlorine. Mr. Wright stated that there is a problem with the ph of the water that prevents that from working well.

5. <u>ANNEXATION - APPROVED – PROPERTY SOUTH OF CITY OF LUFKIN</u>

Mayor Bronaugh stated that the next item for consideration was the annexation of a section of property south of the City of Lufkin.

City Manager Maclin stated that included in the Council packet is the map of the areas staff has looked at in the past relating to potential annexation related to the request from The Settlement on US 59 South. Mr. Maclin stated that the property has been divided and labeled into areas with Area 1 being the central portion that includes The Settlement property to just south of the Holiday Inn going all the way down to FM 324. Mr. Maclin stated that Area 2 is bounded by Daniel McCall Drive and Southwood (FM 324) with FM 324 being the eastern boundary. Area 3 is the property south of FM 324 and Area 4 is the frontage property south of the Pentecostal Campgrounds. Mr. Maclin stated that Area 4A would be additional property further east of the frontage property on US 59 South that actually abuts the back of Crown Colony near the rear entrance of Crown Colony off of FM 819. Mr. Maclin stated that these are the areas that have previously been discussed of potential for consideration of annexation.

City Manager Maclin stated that staff has looked at Area 3 and there is a ridge that would probably create a need for an additional lift station, which the Engineer's office estimates at between $300-400,000 additional cost. Mr. Maclin stated that staff is looking at $800,000 in addition to what The Settlement is paying for their cost. Mr. Wright stated that part of Area 1 and Area 3 would require the lift station. Mr. Wright stated that over all if you took Areas 1, 2, 3 and 4, not including 4-A, it would be about $1.2-3 million for sewer service. Mr. Wright stated that is assuming that once we have the lines adjacent to the property it has service. Mr. Maclin stated that the City is obligated by State law to provide services within 2 ½ years of annexation.

In response to question by Mayor Bronaugh, Mr. Wright stated that the lift station that they originally intended to construct for The Settlement annexation is on the backside of the northwest corner of Area 2. Mr. Wright stated that basically it operates like a watershed for drainage. Mr. Wright stated that the sewer, being gravity flow, works the same way following the low ground. Mr. Wright stated that Area 3 and the bottom portion of Area 1 would require either another lift station, or we could possibly get in there with gravity flow but it would be a very deep line in sections. Mr. Wright stated that he would prefer to put it in with gravity flow lines. In response to question by Mayor Bronaugh, Mr. Wright stated that we would bore under US 59, but with the new boring technology that would be pretty easy to do.

(Some of the discussion was inaudible while Councilmembers were looking at the map.)

City Manager Maclin stated that even if property owners do not build on the newly annexed property, under the law, if the services are not provided within 2 ½ years they can petition for de-annexation. Mr. Maclin stated that the property owners would be paying property taxes on the property if the City annexes them.

In response to question by Councilmember Robertson as to how the City will finance the utilities, City Manager Maclin stated that it would come from the City's Utility Fund and would be added to the Capital Improvements Program as an expense to the Utility Fund either through reserves or rate increases to balance it out. Mr. Maclin stated that, in his opinion, staff would try to spread the cost out over a couple of fiscal years. Mr. Wright stated that staff would try to do some of the work in house. Mr. Wright stated that when the City annexed Brentwood they saved probably $200,000 by doing the engineering design and the construction in-house. Mr. Wright stated that the $1.3 million is based on all contract work.

Mayor Bronaugh stated that The Settlement has a collection system in place but not a treatment plant.

In response to question by Councilmember Robertson, Mr. Wright stated that staff is looking at doing just one sewer line through The Settlement and that way we could tie on to it and utilize The Settlement's collection system to that discharge point for areas across 59 to the east.

In response to question by Councilmember Robertson, Mr. Wright stated that there are about 40 plus different tracts and some of them are large tracts and might be subdivided in the future. Mr. Wright stated that some of these tracts have structures on them at this time.

Councilmember Gorden asked if the annexation only took in the people that were there now and the people who would have service, and how long would the payback be on the initial investment. Mr. Wright stated that it would be a long time, but he has not calculated it. Mr. Hager stated that it would not be a financially feasible payback at this point. Mr. Wright stated that you might get the payback in 10 years, and Mr. Hager concurred.

Councilmember Robertson stated that it seems like if the City has to supply the services within 2 ½ years, the City shouldn't be biting off more in terms of annexation than we really should logically be able to afford. Mr. Robertson stated that if there was a decent way to break the property line at the ridge line, he would say it would make sense at that point unless the people on that side of the line down to the highway really would not choose to be annexed.

Councilmember Gorden stated that the residents at The Settlement would be the only people who will pay back the improvements immediately.

Stephen Abraham stated that if the annexation did not go down to the FM 324, his recommendation would be the ridge. Mr. Abraham stated that the ridge is actually the property line and protects the Settlement and is part of the reason we came up with the sewer system. Mr. Abraham stated that once you go past there you go to the FM road and there are no other logical places to stop the annexation. Mr. Abraham stated that the two choices are stopping the annexation at the ridge or at the FM Road.

In response to question by Mayor Bronaugh, Mr. Abraham stated that he was not prepared to give Council a recommendation and this item was on the agenda for discussion purposes only. Mr. Abraham stated that what staff had shown the Council last time was just Area 1 and Area 4, and they threw Area 2, Area 3, Area 4-A in there as a result of some of the various conversations that took place regarding the different scenarios. Mr. Abraham stated that he really wasn't trying to provide a recommendation because he has not looked at it from a standpoint of cost benefit analysis and what's the return on the cost to run the sewer there. Mr. Maclin stated that the City has to have a minimum width of 1,000 feet to be in compliance with State law in annexation.

Mayor Bronaugh asked if the City Manager had a recommendation. Mr. Maclin stated that that would depend upon how much the Council wanted to spend.

In response to statement by Councilmember Bowman, Mr. Maclin stated that for a minimum amount you would go to the ridge in Area 1 and go ahead and take Area 4 and the reason for taking Area 4 is after the South Loop Crossing and the Super Walmart area is developed, that will be the logical progression for retail growth down the US 59 corridor, based on the past 20 years of growth. Mr. Maclin stated that, in his opinion, Area 1 at least down to the ridge and Area 4 make a lot of sense from a development standpoint, and have the greatest potential to bring additional sales tax revenues as well as property tax revenues to the City because that is where the commercial development will be. Mr. Maclin stated that obviously what's prompted this consideration was the request for annexation by The Settlement, which is accomplished by Area 1 down to the ridge.

In response to question by Councilmember Gorden, Mr. Maclin stated that to his knowledge the other property owners, other than The Settlement, have not been notified of the proposed annexation. Mr. Maclin stated that until a notification letter is sent you really can't say that there is thorough knowledge of the consideration.

Councilmember Gorden stated that Areas 1 and 4 are fine with him with the caveat that if the Council received a lot of input from the other property owners outside The Settlement, we would reconsider the rest of the areas. Mr. Wright stated that the City will put a sewer line through the middle of Area 2 and then you will be having to serve areas along the Old Diboll Highway anyway, so what you will end up with is serving one side of the road and not the other side if you don't annex Area 2. Mr. Wright stated that if we cut off Area 1 at the ridge, and cut off the southern tip of Area 2, and take in Area 4 it is about $800,000.

In response to question by Councilmember Robertson, Mr. Maclin stated that the residents of Area 2 would have Public Hearing opportunities to express their opinions pro or con. Mr. Abraham stated that we could always decrease the area.

Mayor Bronaugh asked if a Public Hearing could be held on site of the proposed property for annexation. Mr. Abraham stated that the City is required to have a Public Hearing if so many people request it in that area if there is a suitable location. Mr. Wright stated that the City could conduct a survey, as we have done before.

In response to question by Mayor Bronaugh, Mr. Abraham stated that the City could move forward with annexation of The Settlement should we choose to and he already has a schedule lined out which would start the first presentation of a legal description and a proposed schedule at the September 18th City Council meeting. Mr. Abraham stated that should the Council decide to go forward with whatever area we want to and elicit the views of additional areas, we could do that and pick them up at a later time. Mr. Abraham stated that there are several ways to do that – the City can initiate it, certain amounts of people can file a petition, which initiates the process. Mr. Abraham stated that the 1,000-foot rule doesn't apply if the majority of the owners out there are requesting annexation.

Councilmember Bowman asked if staff could have someone, based on the area that is being talked about, do a cost versus revenue analysis and see what it will cost to service that area and what kind of income we will have and for what period of years until it is all paid back.

Councilmember Robertson asked if the City is o. k. in meeting the fire response time for the distance out to The Settlement. City Manager Maclin stated that fire protection would be supplied from Station No. 6 on Whitehouse and would be similar in terms of coverage that the City is providing now for Oak Trace Subdivision. Mr. Wright stated that a lot of the lines in some of these areas do not have the size to support fire hydrants and until we slowly upgrade them the Fire Department would have to operate off of tanks in some areas. Mr. Wright stated that The Settlement does not have fire hydrants because the line size is not sufficient to support it.

In response to question by City Manager Maclin, Mr. Abraham stated that if this item is tabled he could still move forward with his schedule for September 18th. Mr. Abraham stated that he and Mr. Wright could lay the prerequisites to have a surveying company at the City's disposal immediately following the next City Council meeting so that a legal description can be drawn and mapped as required by the Law.

Motion was made by Councilmember Bob Bowman and seconded by Councilmember Dennis Robertson that annexation of a section of property south of the City of Lufkin be tabled at this time. A unanimous affirmative vote was recorded.

6. **ORDINANCE – WITHDRAWN – FIRST READING – ZONE CHANGE – LARGE SINGLE FAMILY DWELLING TO APARTMENT – 2015 OLD MILL ROAD – ANGELINA COUNTY CITIZENS CHAMBER**

Mayor Bronaugh stated that the first item for consideration was a request of the Angelina County Citizens Chamber to change the zoning from a "Large Single Family Dwelling" to an "Apartment" zoning classification on approximately 0.85 acres of land described as Tract 585 of the A. Barela Survey (Abstract No. 49) and more commonly known as 2015 Old Mill Road.

City Manager Maclin stated that Council would need to consider tabling this item. Mr. Maclin stated that the Planning & Zoning Commission on the day of the meeting they were scheduled to hear this received a call and request from the applicant to withdraw it for that day. Mr. Maclin stated that the Planning & Zoning Commission had asked the applicant to meet with the Neighborhood Association to try to provide a broader understanding of the project and he had not had an opportunity to do that.

Mr. Abraham stated that the applicant has now withdrawn the item from consideration.

Motion was made by Councilmember Dennis Robertson and seconded by Councilmember Jack Gorden, Jr. to accept the applicants withdrawal of the request of the Angelina County Citizens Chamber to change the zoning from a "Large Single Family Dwelling" to an "Apartment" zoning classification on approximately 0.85 acres of land described as Tract 585 of the A. Barela Survey (Abstract No. 49) and more commonly known as 2015 Old Mill Road. A unanimous affirmative vote was recorded.

7. **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 this is the next step in the budget process. Mr. Maclin stated that the Public Hearing was held two weeks ago and today would be the First Reading of the Ordinance that establishes the tax rate. Mr. Maclin stated that the tax rate would be increased by 2.2 cents as a result of the approval of the Street Bond Election this past May. Mr. Maclin stated that the total for that Street Bond to provide the adequate amortization and debt retirement for the four streets on the bond election is about 6.2 cents which would be spread out over three fiscal years, therefore, this year there would be an additional 2.2 cents added to the tax rate as approved by the voters.

Motion was made by Councilmember Jack Gorden, Jr. and seconded by Councilmember Bob Bowman that First Reading of the Tax Levying Ordinance be approved as presented. A unanimous affirmative vote was recorded.

8. **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 this is the Ordinance that establishes the budget for expenditures for all funds. Mr. Maclin stated that it reflects the information that was presented to Council during the budget draft presentation and the decision packages accordingly.

Motion was made by Councilmember Dennis Robertson and seconded by Councilmember Bob Bowman that the Appropriations Ordinance be approved on First Reading as presented. A unanimous affirmative vote was recorded.

9. **ORDINANCE – APPROVED – FIRST READING – AMENDMENT TO SEWER RATES**

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

City Manager Maclin stated that this is the Ordinance that establishes the City sewer rates for the next 12-month period from October 1 through September 30 of 2002. Mr. Maclin stated that the Ordinance does reflect a 2% increase in rates to meet operational costs and amortization costs.

City Manager Maclin stated that he would point out that the agenda today does not include consideration for water rates and the reason for that is that staff will be bringing that to Council on September 18th. Mr. Maclin stated that staff had a preliminary meeting with the consultants, Reed, Stowe & Yankee, who are doing the rate analysis study that is part of going to Sam Rayburn Lake for the surface water study. Mr. Maclin stated that Phase I of that is to provide Council with an accurate rate analysis of the existing water rates. Mr. Maclin stated that the consultants will have the analysis completed by September 10th and staff will provide Council with a copy as soon as it is available. Mr. Maclin stated that it is staff's intention then to have a called meeting on Tuesday, September 18th at noon to provide adequate time for the consultant to make a presentation and give Council the information and answer any questions from previously receiving the information a few days earlier. Mr. Maclin stated that that afternoon at Council's regular meeting at 5:00 p.m. First Reading of the Water Rate

Ordinance will be presented followed by Second Reading on October 2nd. Mr. Maclin stated that in his opinion this was an important enough issue that it might take significant enough time to have a separate meeting with that being the only item and then Council will still be able to consider a vote on it that afternoon and hopefully get all their questions answered and be voting on a rate increase in water rates based on cost of service.

Motion was made by Councilmember Lynn Torres and seconded by Councilmember Jack Gorden, Jr. that Ordinance to amend the sewer rates be approved on First Reading as presented. A unanimous affirmative vote was recorded.

10. **ORDINANCE – APPROVED – FIRST READING – ENFORCEMENT OF FINES – FOOD ESTABLISHMENTS**

Mayor Bronaugh stated that the next item for consideration was First Reading of an Ordinance regulating food establishments by providing for enforcement by fines.

City Manager Maclin stated that included in the Council packet is an Ordinance update provided by the City Attorney at the request of the City-County Health District. Mr. Maclin stated that they provide the inspection service for the City by contract for the restaurants in our community. Mr. Maclin stated that the City's Ordinance in the past had a provision for fines but did not specify an amount. Mr. Maclin stated that the purpose of this Ordinance update was to provide the Court with a fine structure if a citation is issued for violation of the Ordinance.

City Manager Maclin stated that Sharon Shaw and Terry Free were present from the City-County Health District, who provides this service for the City.

Mr. Free stated that the City-County Health District is charged by Chapter 12 of the City Code of Ordinances to enforce the health and safety codes as far the regulations of food establishments within the City of Lufkin and within Angelina County. Mr. Free stated that in the past they have been charged with permitting the establishments and the only recourse thus far of continued violations of said rules have been suspension of the permits and closing the establishment down. Mr. Free stated that the view from the Health Department is protecting the safety of citizens of Angelina County and of the City of Lufkin. Mr. Free stated that their job is to keep these establishments open and have them operate under safe standards. Mr. Free stated that in the past their procedure has been pulling their permit and closing them down. Mr. Free stated that their goal is to work with these establishments and keep them open so that the public can visit and patron these establishments. Mr. Free stated that their intention is to get "a little more teeth" into the Ordinance for the continued violators. Mr. Free stated that, in their opinion, by the implementation of a fine assessing process, they will have a little more professionalism and a little more teeth in their inspection process to make sure that these establishments abide by the rules and regulations of the State of Texas.

In response to question by Councilmember Robertson, Mr. Free stated that some establishments would require immediate closure depending upon the severity of the violations, but there are some establishments that they go out on for minor violations and keep returning to that establishment for follow-ups. Mr. Free stated that they do have a policy drafted that will be presented to the Board of Health in their meeting tomorrow that outlines a fine process as far as the number of visits. Mr. Free stated that if they have to go back to an establishment repeatedly then the fine would increase accordingly.

In response to question by Councilmember Robertson, Mr. Free stated that the fine can go as high as $500 but their goal is to just not go out there and fine people. Mr. Free stated that they want to target those repeat violators.

In response to question by Councilmember Robertson, Mr. Free stated that the Health Department is charged by Chapter 12 of the City Ordinance to inspect each food establishment no less than twice a year. Mr. Free stated that the policy they have outlined is allowing each establishment three visits, which include two regular inspections per year and a follow-up and/or complaint inspection. Mr. Free stated that the fine process would not start until after those three inspections have been exceeded.

Mr. Free stated that if an establishment had a high demerit count upon inspection that would invoke immediate closure in order for that establishment to clean up their act and get back within health and safety standards.

In response to question by Councilmember Kuykendall, Mr. Free stated that a high demerit count would be 20 – 30 demerits, but if they were to go in and find a severe infestation of insects and/or rodents, which for the demerit system that would only be four demerits but it would warrant an immediate closure to get the problem taken care of.

Motion was made by Councilmember Dennis Robertson and seconded by Councilmember R. L. Kuykendall that Ordinance regulating food establishments by providing for enforcement by fines be approved on First Reading as presented. A unanimous affirmative vote was recorded.

11. **RESOLUTION – APPROVED – TEXAS COMMUNITY DEVELOPMENT PROGRAM APPLICATION**

Mayor Bronaugh stated that the next item for consideration was a Resolution authorizing the submission of a Texas Community Development Program application.

City Manager Maclin stated that included in the Council packet is a Resolution in support of this application. Mr. Maclin stated that on the Council table is an executive summary from the Executive Director Doug Dowler. Mr. Maclin stated that this is a project that was submitted to the Texas Department of Housing and Community Affairs almost three years ago and at that time the City was given serious consideration for approval, however, the Pineywoods Home Team did not have as lengthy of a track record in terms of number of homes completed than it does now. Mr. Maclin stated that it is staff's opinion that with Pineywoods Home Team's track record of completion of homes now the City would be given more serious consideration for funding. Mr. Maclin stated that this application basically represents a replication of the application the City submitted three years ago. Mr. Maclin stated that the only commitment on the part of the City is to waive the water and sewer tap fees as an in-kind contribution. Mr. Maclin stated that the infrastructure grant will provide the funding to do drainage and flood improvements, street improvements, and water and sewer facility additions. Mr. Maclin stated that it is his opinion that this would be an opportunity for Pineywoods Home Team to be able to use the remainder of their property on Myrna Street, or in that vicinity. Mr. Maclin stated that there are several homes that have been built along existing street right-of-way, and this would allow for an affordable housing opportunity for 23 more 50x100' lots for the Pineywoods Home Team to develop.

Councilmember Lynn Torres stated that this is a tremendous benefit to Ward 3.

Motion was made by Councilmember Lynn Torres and seconded by Councilmember R. L. Kuykendall that Resolution authorizing the submission of a Texas Community Development Program application be approved as presented. A unanimous affirmative vote was recorded.

12. **BUDGET AMENDMENT #3**

Mayor Bronaugh stated that the next item for consideration was Budget Amendment #3.

City Manager Maclin stated that item #12 on the Agenda is a memorandum from the Asst. City Manager where he has documented budget amendments in the General Fund, Water/Wastewater Fund, and the Water/Wastewater Renewal and Replacement Fund (Depreciation Fund). Mr. Maclin stated that most of these items have been discussed in previous Council meetings and some of these are housekeeping items in order to provide the appropriate documentation for the audit process. Mr. Maclin stated that they also reflect substantial revenue adjustments because of grant funds that the City received that were not previously anticipated or previously budgeted for. Mr. Maclin stated that overall there is a listing of items that will assist staff in providing a proper documentation for audit, which will begin in a few weeks.

Motion was made by Councilmember Lynn Torres and seconded by Councilmember R. L. Kuykendall that Budget Amendment #3 be approved as presented. A unanimous affirmative vote was recorded.

13. **GRANT FUNDS – APPROVED – ABITIBI – ENVIRONMENTAL EDUCATION**

Mayor Bronaugh stated that the next item for consideration was receipt of grant funds from Abitibi for environmental education.

City Manager Maclin stated that included in the Council packet is a letter from Abitibi Consolidated that is actually an agreement between the City and Abitibi. Mr. Maclin stated that staff is seeking Council consideration for authorization for approval to allow the City Manager to enter into this grant receipt agreement. Mr. Maclin stated that Keith Wright, City Engineer, will show Council some plans that have been prepared on a preliminary basis for this project. Mr. Maclin stated that the history of this project is two-fold: It began when the City Council approved several months ago the utilization of the 65-acre detention pond on Lotus Lane, and we also had an issue with South Park off of FM 819 where this morning there will be a ground breaking ceremony with Blue Bell for their new Distribution Center. Mr. Maclin stated that staff ran into a problem with some wetlands issues on that total 65-acre industrial park and as a part of the mitigation agreement to be able to use that property on FM 819 for industrial development purposes the City had to mitigate with additional property in which Council agreed to do inside the detention pond because we had a commitment of that total 65-acres towards detention facilities for perpetuity sake. Mr. Maclin stated that the City was going to set aside five to seven acres inside the detention pond to be used for wetlands mitigation. Mr. Maclin stated that as a part of that wetlands mitigation, the partnership then was faced with the responsibility of the cost for about 200-300 trees and shrubs that were required by the Corps of Engineers, TNRCC and the US Game and Fish Commission. Mr. Maclin stated that staff was struggling where they were going to come up with the money for the 200-300 5 to 10 gallon bucket water oak trees, and other wetland species, and about that time staff received a call from Abitibi saying that as a part of their agreement with the EPA and their permit request they were going to set aside from funds for environmental projects and asked if the City had a project that we might need some funds for. Mr. Maclin stated that the City Engineer, City Arborist, City Parks & Recreation Director, and others went out to the site and began to brainstorm about an environmental outdoor education facility where we could take our wetlands mitigation and move it to another level of environmental outdoor education and also find a funding source for the trees that were needed to meet the mitigation requirements of the Corps of Engineers permit. Mr. Maclin stated that the plans reflect the construction of a parking lot that would come off of the MHMR parking facility on Lotus Lane, provides for a trail to get you up to the dam itself, and would provide for a viewing facility that would be like a "duck blind" for viewing wildlife and birds and would also include the purchase of the trees and additional plants for a wetland area and the proper nomenclature to identify those trees and plants that would be used for educational purposes. Mr. Maclin stated that the City Arborist would work with the Stephen F. Austin University and Angelina College, particularly with SFA where they have a teacher that trains teachers in biology and environmental science, to help design this facility. Mr. Maclin stated that they would hopefully provide additional training to our area educators on how to get the full utilization from this environmental outdoor classroom. Mr. Maclin stated that in his opinion this provides a unique opportunity to raise the level from what would have just been the purchase of trees for mitigation and requirements with the Corps of Engineers permit to a bona fide, outdoor environmental education facility that would be somewhat unique to the area and provide an excellent opportunity for our teachers and educators to take advantage touse it for a teaching tool for Angelina County.

City Manager Maclin stated that basically what Council has in their packet is a letter asking the City to agree to accept the money and provide the facility as noted on the plans.

Keith Wright stated that we would probably end up using some City personnel and equipment to offset some of the cost. Mr. Wright stated that as far as the pond itself, there is going to be two pool areas that will hold water predominantly 100% of the time and the rest of it will be a shallow flooding area that will dry up during the summer months. Mr. Wright stated that there would be viewing areas for birds and other areas to get down to the water areas where you can access the wetland plants.

In response to question from Councilmember Bowman, Mr. Wright stated that staff originally estimated the cost to be $220,000, but if the City forces move most of the dirt the cost would come down to the $185,000, and if not, the City can apply for some additional grant funds from other sources.

In response to question from Councilmember Robertson, Mr. Wright stated that there is approximately $60,000 worth of dirt work.

Councilmember Robertson asked if Abitibi is interested in providing any guidance in terms of the kinds of things that they might be studying in this particular location that would relate to their paper mill operations. Mr. Maclin stated that, in his opinion, Abitibi did not have any specifics in that regard, but have pretty much left it up to the City. Mr. Maclin stated that what the City does in the way of plans and specifications will be reviewed not only by Abitibi but also by the EPA officials. Mr. Maclin stated that Gregg Cook in the Regional Office in Dallas is the one who helped design some of these projects to be included in the permit process. Mr. Maclin stated that they are not requesting anything related to the paper mill but it is strictly environmental outdoor education. Mr. Maclin stated that staff will continue to work with the professor at SFA to be sure we get his input so that we have a facility that is usable by educators.

Councilmember Gorden stated that the Central School System has a very similar program that they have been operating for about four years. Mr. Gorden stated that he wanted to commend the City Manager for doing the trade off on the wetlands mitigation because it solved a problem, but it also freed up that property for more economic development that might not have otherwise been done there. Mr. Gorden stated that he hoped that the City could make the Lufkin School system fully aware of what is being done here and hopefully they can integrate a program to take advantage of it. Mr. Gorden stated that he hoped that the City could find some money somehow to put some kind of structure out there so that if a class goes and it is inclement weather it would provide shelter. Mr. Wright stated that one of the ideas is a gazebo type area similar to what was put in at the Zoo for viewing of the Rhino and Giraffe areas. Mr. Gorden stated that he would like to ask that City staff get with the staff at Central School and get their thoughts on where they started and where they are now. Mr. Maclin stated that City staff will try and bring the Central School staff into the planning process if Council approves this request. Mr. Gorden stated that in pursuing other grant funds he would also like to see some funds solicited for a teacher for the program.

Councilmember Robertson stated that he agreed with Mr. Gorden that this is a tremendous opportunity to have an environmental education program connected with the schools on City property. Councilmember Robertson stated that that is one of the things he wanted to emphasis when the City started doing the detention ponds, is looking for other compatible uses and opportunities with that, and this fits right into the concept real well and should provide a lot of folks with some good information as well.

Motion was made by Councilmember Bob Bowman and seconded by Councilmember R. L. Kuykendall that receipt of grant funds from Abitibi for environmental education be approved as presented. A unanimous affirmative vote was recorded.

14. <u>ADOPTION OF 1999 NATIONAL ELECTRICAL CODE</u>

Mayor Bronaugh stated that the next item for consideration was the adoption of the 1999 National Electrical Code.

City Manager Maclin stated that included in the Council packet is a memorandum from the Director of Inspection Services that indicates that this has gone through the Construction Board of Adjustment and Appeals to get their review. Mr. Maclin stated that staff is ready to go ahead and update to the 1999 National Electrical Code. Mr. Maclin stated that the Inspection Services Director could provide a copy of the Code to any of the Councilmembers who are interested in reviewing it.

Motion was made by Councilmember Dennis Robertson and seconded by Councilmember Jack Gorden, Jr. that the 1999 National Electrical Code be adopted by the City of Lufkin as recommended by the Director of Inspection Services. A unanimous affirmative vote was recorded.

15. **PURCHASE OF COMPUTER SOFTWARE/HARDWARE – APPROVED – POLICE DEPARTMENT**

Mayor Bronaugh stated that the next item for consideration was authorization to purchase computer software and hardware for the Police Department.

City Manager Maclin stated that included in the Council packet is a memo from the Director of Purchasing about the mobile data projects specifically for the software purchase from HTE, which is the same company the City has the majority of the AS400 software with for all other departments. Mr. Maclin stated that also included in the packet information is a memorandum showing a budget of estimated cost. Mr. Maclin stated that these items would be purchased through GSA or government contract so that they would be in compliance with the purchasing laws. Mr. Maclin stated that the prices are listed and enumerated. Mr. Maclin stated that there are a couple of issues that we would have to finish negotiation on and staff is asking to be allowed to finish that for the budget estimate maximum of $600,000, recognizing that this is within the Capital Improvements Program funds that were previously set by Council. Mr. Maclin stated that those costs would be reduced to whatever extent we can through competitive shopping through government contracts.

Motion was made by Councilmember Lynn Torres and seconded by Councilmember Dennis Robertson that staff be authorized to purchase computer software/hardware from HTE in the amount of $179,500 to be used in the Police Department. A unanimous affirmative vote was recorded.

16. **INSTALLATION OF TURN LANE – APPROVED – DEANS WAY**

Mayor Bronaugh stated that the next item for consideration was bids for the installation of a turn lane on Gaslight at Deans Way.

City Manager Maclin stated that attached are the bids for this dirt work, which basically is site prep, and then any paving would be done by City force account. Mr. Maclin stated that this is to increase the size of the median break area known as Deans Way, which is the street that comes out of Gaslight Plaza. Mr. Maclin stated that there is a new automotive parts store that went in on the corner of Gaslight and Frank and this would provide a turning lane into Deans Way to provide less congestion and a safer exit off of Gaslight onto Deans Way to access the Gaslight Shopping Center. Mr. Maclin stated that it would also provide some additional space in the median that right now is very difficult for two cars to cross if you are coming from a northbound direction to turn west onto Deans Way. Mr. Maclin stated that this would be a combination of increasing that opening and reducing the length of the median and also creating a right turn lane off of Gaslight onto Deans Way.

Motion was made by Councilmember Dennis Robertson and seconded by Councilmember Bob Bowman that bid of B & J Excavating, Inc. in the amount of $12,426 for the installation of a turn lane on Gaslight at Deans Way be approved as submitted. A unanimous affirmative vote was recorded.

17. **BID – APPROVED – HVAC – CIVIC CENTER – WOOD AIR CONDITIONING**

Mayor Bronaugh stated that the next item for consideration was the HVAC bid for the Civic Center.

City Manager Maclin stated that included in the Council packet is a bid tabulation on this project and this was something that was included in the budget process for the Civic Center to replace the units that are going on 17 years old. Mr. Maclin stated that staff is recommending the low bid of Wood Air Conditioning in the amount of $147,700, which is within the engineer's estimate.

Motion was made by Councilmember Lynn Torres and seconded by Councilmember Dennis Robertson that the bid of Wood Air Conditioning in the amount of $147,700 for the HVAC system at the Civic Center be approved as submitted. A unanimous affirmative vote was recorded.

18. **CALENDAR NOTATIONS FROM MAYOR, COUNCILMEMBERS AND CITY MANAGER**

City Manager Maclin stated that the DETCOG meeting in Trinity County would be on August 23rd, and at 5:30 p.m. that same day would be the Comprehensive Plan update Public Hearing at Dunbar School followed by the same Public Hearing opportunity on Friday morning, August 24th here at City Hall at 9:30 a.m.

City Manager Maclin stated that Monday, September 3rd is a City holiday in observance of Labor Day and City Hall will be closed. Garbage routes on Monday will be moved to Tuesday and the Tuesday collection route will be moved to Wednesday.

On Monday, September 10th at 11:00 a.m. there will be joint meeting of the City Council and the full board of the Economic Development Partnership to discuss future financing and funding of the partnership.

On Tuesday, September 18th there will be a Called Meeting at noon for the water consultant study to be presented to Council and provide some documentation on our cost of service for water and look at our commercial, industrial and residential rates and consider some options of planning for the future to adjust those rates in accordance with the study. Mr. Maclin stated that staff would also provide some documentation from other cities and what they charge for similar services.

City Manager Maclin passed out a report on Municipal Court fines which reflect some changes in State law that go into effect September 1st. Mr. Maclin stated that under tab 1 are the current fines and the proposed fines and this is to reflect the increase in State fees. Mr. Maclin stated that this is just a pass thru of State mandates that the Municipal Court will be required to charge. Mr. Maclin stated that in addition to that Municipal Court has provided Council with a survey of actual copies of fee/fine schedules from other cities. Mr. Maclin stated that if Council has any questions about these fines, staff would put this on the agenda for future discussion.

19. There being no further business for consideration, meeting adjourned at 6:30 p.m.

Louis Bronaugh
Mayor

ATTEST:

Atha Martin

Atha Stokes Martin - City Secretary