

MINUTES OF REGULAR MEETING OF THE CITY COMMISSION OF THE CITY OF
LUFKIN, TEXAS, HELD ON THE 1ST DAY OF MAY, 1990, AT 5:00 P.M.

On the 1st day of May, 1990, 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 |
| Bob Bowman | Commissioner, Ward No. 4 |
| Jack Gorden | Commissioner, Ward No. 5 |
| Paul Mayberry | Commissioner, Ward No. 6 |
| Harvey Westerholm | City Manager |
| Robert Flournoy | City Attorney |
| Ron Wesch | Public Works Director |
| Atha Stokes | City Secretary |

being present, and

| | |
|-------------|--------------------------|
| Danny Roper | Commissioner, Ward No. 3 |
|-------------|--------------------------|

being absent when the following business was transacted.

1. Meeting was opened with prayer by Rev. Billy B. Jackson, Minister, Word of Life Church.

2. Mayor Bronaugh welcomed visitors present.

3. APPROVAL OF MINUTES

Minutes of regular meeting of April 17, 1990 were approved on a motion by Commissioner Bob Bowman and seconded by Commissioner Paul Mayberry. A unanimous affirmative vote was recorded.

Minutes of Workshop Meeting of March 12, 1990 were approved on a motion by Commissioner Bob Bowman and seconded by Commissioner Paul Mayberry. A unanimous affirmative vote was recorded.

Minutes of Retreat Workshop of April 18, 1990 were approved on a motion by Commissioner Bob Bowman and seconded by Commissioner Paul Mayberry, with the addition of Municipal Judge John Sloan to those present. A unanimous affirmative vote was recorded.

4. ORDINANCE - APPROVED - SECOND READING - ZONE CHANGE - A. A. HALTMAR (OWNER)/J. DAVID BOYD (LESSOR) - 1401 EAST DENMAN - COMMERCIAL TO COMMERCIAL, SPECIAL USE (DAY CARE CENTER)

Mayor Bronaugh stated that the first item for consideration was a Zone Change request by A. A. Haltmar (Owner) for J. David Boyd (Lessor) covering property located at 1401 East Denman from Commercial to Commercial, Special Use (Day Care Center).

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

5. ORDINANCE - APPROVED - SECOND READING - A. A. HALTMAR (OWNER)/J. DAVID BOYD (LESSOR) - HOWARD STREET AND DENMAN AVENUE - COMMERCIAL TO COMMERCIAL, SPECIAL USE (PLAYGROUND)

Mayor Bronaugh stated that the next item for consideration was Second Reading of an Ordinance for a Zone Change requested by A. A. Haltmar (Owner) for J. David Boyd (Lessor) covering property located north of and adjacent to Howard Street and east of Denman Avenue from Commercial to Commercial, Special Use (Playground).

Motion was made by Commissioner Bob Bowman and seconded by Commissioner Jack Gorden that Ordinance be approved on Second and

Final Reading as presented. A unanimous affirmative vote was recorded.

6. ORDINANCE - APPROVED - SECOND READING - CLASSIFICATION PLAN - POLICE DEPARTMENT

Mayor Bronaugh stated that the next item for consideration was Second Reading of an Ordinance adopting a Classification Plan for the Police Department.

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

7. SEWER RATE STUDY

Mayor Bronaugh stated that the next item for consideration was a recommendation by the City Manager for the Sewer Rate Study.

City Manager Westerholm stated that at the April 3rd meeting a report by Maury Stiver was presented to the City Commission on the City's sewer rates, and it was his recommendation that the rates be altered to more accurately reflect the operating cost of the wastewater treatment plant and the cost at which contributors are sending the material to the treatment plant. City Manager Westerholm stated that Mr. Stiver recommended an "across-the-board" adjustment. City Manager Westerholm stated that since revenues in the Sewer Department are meeting the budget, he would recommend that only the minimum be changed so that all customers of the sewer collection system pay on the basis of a minimum of 2,000 gallons of water consumption and then at the beginning of the new budget year, authorize the balance of Mr. Stiver's recommended rates.

City Manager Westerholm stated that his recommendation is to raise the minimum rate to \$4.35 for 0 to 2,000 gallons.

Motion was made by Commissioner Paul Mayberry and seconded by Commissioner Jack Gorden to set the minimum residential sewer rate at \$4.35, which is the existing rate for 2,000 gallons. A unanimous affirmative vote was recorded.

City Attorney Flournoy stated that changing the rates will require an Ordinance adopting the rate increase and First Reading of the Ordinance will be scheduled for the next meeting.

8. RECYCLING DEPARTMENT BUDGET - AMENDED

Mayor Bronaugh stated that the next item for consideration was amending the budget for the Recycling Department.

City Manager Westerholm stated that at last meeting the City Commission had requested a report on how the recycling operation will impact the contingency reserve in the General Fund. City Manager Westerholm stated that a report prepared by Mr. Wesch reflects that the General Fund budget will have to be amended by \$6,513.63, which takes into consideration the estimated \$40,000 in sales for recycled materials and the expenses. City Manager Westerholm stated that on page 2 of the report the balance in the contingency reserve fund is \$89,924.17, and \$6,513.63 deducted from that amount leaves a balance of \$83,407.54.

In response to question by Commissioner Gorden, Mr. Wesch stated that the City had received a grant through Angelina Beautiful/Clean in the amount of \$16,000, which is a reimbursable type of grant to be reimbursed on a quarterly basis.

Mr. Wesch stated that the recycling plant has been selling paper for six weeks and the last load was sold at \$52.50 per ton. Mayor Bronaugh pointed out that \$9.16 per ton had been saved by not taking the paper to the landfill.

Motion was made by Commissioner Paul Mayberry and seconded by Commissioner Jack Gorden to revise the budget and increase the estimated income of the General Fund by \$40,000 for the Recycling Department, which are funds from the \$16,000 grant plus the estimated income from the operation of the Recycling Department; deduct an additional \$6,513.63 from the Contingency Fund. A unanimous affirmative vote was recorded.

Mr. Wesch stated that only two quarters of the \$16,000 will be collectable in this budget year.

9. ORDINANCE - APPROVED - FIRST READING - LIBRARY DEPARTMENT

Mayor Bronaugh stated that the next item for consideration was First Reading of an Ordinance creating and establishing a Library Department within the City of Lufkin's governmental framework.

City Manager Westerholm stated for the past six months the City has been working with the Library Board on a method by which employees of the Library could come under a retirement system. City Manager Westerholm stated that the Library Board has suggested the possibility of placing Library employees under the control of the City so that they can participate in the municipal system. City Manager Westerholm stated that the City will not incur any cost and the only reason for developing the Library Department is so that library employees can be under a retirement system.

Representatives from the Kurth Memorial Library and the Library Board were: Walter Borgfeld, Mark Swan, Ola Redd, Ila Heermans, and Helen Mills.

Mr. Borgfeld stated that library employees are already participating in all City benefits except the retirement program.

In response to question by Commissioner Gorden, Mr. Borgfeld stated that total salaries plus FICA for the Library was \$180,000. Mr. Borgfeld stated that the Library is currently receiving \$118,000 from the City of Lufkin.

City Manager Westerholm stated that there are still some details to work out between the City and the library.

Motion was made by Commissioner Don Boyd and seconded by Commissioner Percy Simond that First Reading of Ordinance creating and establishing a Library Department within the City of Lufkin's governmental framework be approved on First Reading as presented. A unanimous affirmative vote was recorded.

10. REQUEST - TABLED - COLLECTION OF CITY OF LUFKIN TAXES - COUNTY TAX ASSESSOR/COLLECTOR - BILL SHANKLIN

Mayor Bronaugh stated that the next item for consideration was a request by County Tax Assessor/Collector Bill Shanklin to collect City of Lufkin taxes.

Mr. Shanklin introduced Mary Thompson, Thelma Sherman, Nell Stevenson and Evelyn Holcomb, who work with him in the Tax Office.

Mr. Shanklin stated that he was present to present the concept of consolidated tax collections, which will eliminate the confusion of where to pay taxes. Mr. Shanklin stated that at the beginning of 1989 Diboll School District and the City of Diboll elected to have the Angelina County Tax Assessor/Collector's office collect their taxes. He stated that as of now 96% of the levy for the School District and 97% of the levy for the City of Diboll has been collected. Mr. Shanklin stated that this year the City of Huntington and the Huntington School District are joining with his office for the collection of their taxes.

Mr. Shanklin presented the different forms used in his office for the collection of taxes, and explained how to read each form. Mr. Shanklin stated that one form will be used for notification

that taxes are due, and one form will be used to receipt payments.

Mr. Shanklin passed out letters from Brazos County, Kaufman County and Polk County as testimonials of the success they have experienced through consolidated tax collections.

Mr. Shanklin stated that his office is currently charging twenty-two cents per parcel for collection of taxes. Mr. Shanklin stated that his office could save the City of Lufkin \$25,000 a year for the collection of taxes, with no additional cost by the County.

Commissioner Mayberry stated that he was dedicated to staying within the budget this year and felt that \$25,000 was a significant amount to be saved.

Mr. Shanklin stated that he had requested to be on this particular agenda because the City's contract with the Appraisal District states that the City must notify them prior to May 31st if they intend to move collections of their taxes to Mr. Shanklin's office.

Danny Vines was present representing the Tax Appraisal District. Mr. Vines introduced Kathleen Rogers and Candy Bonar, employees of the Tax Appraisal District and Robert Telford, a member of the Tax Appraisal Review Board. Mr. Vines stated that he has been a member of the Tax Appraisal Review Board for the past five years.

Mr. Vines stated that basically one system in the County is collecting approximately \$17 million in taxes and another system is collecting approximately \$4 million in taxes. Mr. Vines stated that it takes the same amount of dollars to maintain that same hardware at the County level as well as the Appraisal District.

Mr. Vines stated that the Appraisal District's current cost for the collection of taxes is \$1.04 per parcel.

Mr. Vines stated that when there are two entities maintaining the capability of doing one job, when one entity could do it all, is not the best use of funds. Mr. Vines stated that the City should be aware that 1% in collections represents \$29,000 to the City. Mr. Vines stated that last year the Appraisal District had a 98% collection and currently, through April 10th the collection rate is at 94%. Mr. Vines stated that he would like for the City to take into consideration the track record of the Appraisal District in collecting City taxes.

Mr. Vines stated that the Appraisal District has offered to collect taxes for the County for \$25,000, which would be a savings of \$175,000 to the County over the current system. Commissioner Bowman stated that he would like to see both entities get together for the benefit of the tax payers.

Mr. Vines stated that Marvin Hahn is a very reserved person and technically minded, but he has not gone out and sold the services of the Tax Appraisal District.

Mayor Bronaugh stated that there needs to be some discussion between the two entities. Mayor Bronaugh stated that Mr. Hahn has done an excellent job and that Mr. Shanklin has put the tax office in excellent shape in one year.

Robert Telford stated if changing the way taxes are collected for the City doesn't work it will cost money to the taxpayers. Mr. Telford stated that he feels responsible in his position to do what is best for the taxpayers and feels that the Tax Appraisal District has done a good job. Mr. Telford stated that he would like for the City to be sure they have all the facts before they make a decision.

Jack Darnell, representing the Lufkin Independent School District, stated that the school was very pleased with the Tax

Appraisal District, and feels that they have done an outstanding job for Lufkin Independent School District. Mr. Darnell stated that the City needs to approach this decision with a lot of caution, and look at all the figures and all aspects of the proposed system.

Motion was made by Commissioner Percy Simond and seconded by Commissioner Bob Bowman that this item be tabled for further study. A unanimous affirmative vote was recorded.

11. REQUEST - APPROVED - CITY SEWER SERVICE - K. C. PLATT

Mayor Bronaugh stated that the next item for consideration was a request by K. C. Platt for City sewer service.

City Manager Westerholm stated that he had received a letter from Mr. Platt who lives adjacent to a sewer line that serves the Fuller Springs area. City Manager Westerholm stated that Mr. Platt needs approximately 200' of sewer line to attach to the City sewer system or he will have to put in a new septic tank at considerable expense.

Mr. Platt stated that his septic system is outdated and is no longer in compliance with standards set by the County Health Department. Mr. Platt stated that he will pay all the expense involved if he is allowed to connect with the City's sewer system.

In response to question, Mr. Platt stated that at the present time there is a movement by other residents in the area for City sewer service through annexation. Mr. Platt stated that he has no objections to the annexation and has agreed to help the other residents with annexation proceedings, but he will not tie onto the same sewer line and his problem needs immediate attention.

Commissioner Gorden stated that, in his opinion, the City is setting a bad precedent whenever it allows someone outside the City limits to tie onto the sewer system. Commissioner Gorden stated that people need to be encouraged to build on land that is available inside the City limits where these services are already available.

Commissioner Simond stated that he does not object to possible annexation of this area, but will have a problem with this and any future annexations if the City does not consider the Cedar Grove area.

In response to question by Commissioner Bowman, City Manager Westerholm stated that the City can initiate annexation proceedings, but in the past have preferred that residents of the area make application.

Commissioner Simond stated that while residents of the Cedar Grove area have City water they also have the same problems with their septic systems as the residents who live by Mr. Platt.

Commissioner Bowman stated that if Commissioner Simond will provide a petition to the City Commission signed by residents of Cedar Grove for annexation, he will vote for it.

Motion was made by Commissioner Bob Bowman and seconded by Commissioner Percy Simond to accept K. C. Platt's offer to pay for the connection costs to tie onto the City sewer system and to furnish City of Lufkin sewer service to him. A unanimous affirmative vote was recorded.

12. AMENDMENT - APPROVED - DRUG POLICY - RANDOM DRUG TESTING

Mayor Bronaugh stated that the next item for consideration was an Amendment to the City's drug policy to allow for random drug testing under certain provisions.

City Manager Westerholm stated that basically this Resolution is an Amendment to the City's present Substance Abuse Policy. City

Manager Westerholm stated that at the present time anyone seeking employment with the City is tested as a pre-employment condition, and the Substance Abuse Policy provides for testing for cause.

City Manager Westerholm stated that this Resolution calls for random testing periodically for all City personnel who operate vehicles or any rolling equipment in order to establish a drug-free work place and limit the City's liabilities.

Commissioner Mayberry stated that this testing should be done in a professional and confidential manner.

In response to question by Commissioner Simond, Mayor Bronaugh stated that drug testing for City employees is done by Dr. Royce Read. Chief Collins stated that Memorial Medical Center had recently purchased a \$45,000 piece of equipment for drug testing.

City Manager stated that the staff will be working to develop a policy for random testing that is non-discriminatory, and will come back to the City Commission with several options for consideration.

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

13. CANVASS DATE - MAY 5TH ELECTION

Mayor Bronaugh stated that the next item for consideration was setting a date for the canvass of the May 5th election.

City Manager Westerholm stated that by law the election results must be canvassed not sooner than two days or later than six days after the election.

Motion was made by Commissioner Percy Simond and seconded by Commissioner Bob Bowman that the canvass of the May 5th election be held on Tuesday, May 8, 1990 at 9:00 A.M. A unanimous affirmative vote was recorded.

14. WATER METER DEPOSIT ADJUSTMENT - APPROVED

Mayor Bronaugh stated that the next item for consideration was for an adjustment in the water meter deposit.

City Manager Westerholm stated that at the Retreat Workshop the City Commission requested Drew Squyres do a study on water meter deposits. City Manager Westerholm stated that included in the Commissioner's packet is a comparison of what other cities charge for water meter deposits, and a recommendation by Mr. Squyres.

| | <u>CURRENT INSIDE/ OUTSIDE CITY</u> | <u>PROPOSED INSIDE/ OUTSIDE CITY</u> |
|---|---|--|
| Residential | \$15.00/\$25.00 | \$25.00/\$40.00 |
| Automotive | \$20.00/\$40.00 | \$30.00/\$50.00 |
| Commercial Bakeries | \$15.00/\$25.00 | \$50.00/\$75.00 |
| Commissary | \$40.00/\$80.00 | \$50.00/\$100.00 |
| Dry Cleaners | \$100.00/\$200.00 | \$100.00/\$200.00 |
| Self Service Laundries | \$50.00/\$100.00 | \$50.00/\$100.00 |
| Multi-Unit (Hotels/Motels/Apts.) per unit/per unit | \$2.50/\$5.00 | \$5.00/\$10.00 per unit/per unit (or by estimation of monthly bill if appropriate) |
| Restaurants/Cafeterias | \$40.00/\$80.00 | \$60.00/\$100.00 |
| Commercial not otherwise specified | \$15.00/\$25.00 | \$25.00/\$40.00 |

Churches, LISD, County Offices and yard meters exempt.

Motion was made by Commissioner Percy Simond and seconded by Commissioner Jack Gorden that the recommendation by City Staff

for adjustments in water meter deposits be accepted as presented. A unanimous affirmative vote was recorded.

15. LIABILITY INSURANCE

Mayor Bronaugh stated that the next item for consideration was the purchase of liability insurance by the City of Lufkin.

City Manager Westerholm stated that two years ago the City purchased a three-year policy for liability insurance. City Manager Westerholm stated that there have been increases to the premium in this third year due to the experience modifier and the City's increased fleet of cars. City Manager Westerholm stated that authorization was needed to amend the budget by \$13,440.55. City Manager Westerholm stated that the cost on the City's vehicles had increased from \$43,000 to \$68,000.

In response to question by Commissioner Bowman, City Manager Westerholm stated that the City carries a \$500,000 liability policy on elected officials. City Manager Westerholm stated that he would find out how much it would cost to increase the limits and report this information at next meeting.

Mr. Cochran stated that the present policy expired at the end of April.

Motion was made by Commissioner Bob Bowman and seconded by Commissioner Percy Simond that the City continue with the existing policy and be given the option of increasing liability coverage for City Commission members. A unanimous affirmative vote was recorded.

Commissioner Gorden stated that he would like for the City Commission to be given more advance notice of policy renewal dates. Commissioner Gorden stated that the total insurance package for the City is \$1 million, and deserves as much attention as the City Commission can give it.

City Manager Westerholm stated that the City Commission might want to consider going out for bids between July and September so it will be closer to the new budget year.

Commissioner Mayberry stated that he had proposed to the City Manager that the balance of \$54,000 in Personal Property Finance Obligations be transferred into the General Operating Fund to utilize this money to try and overcome a large deficit.

Mayor Bronaugh stated that this item would be placed on the agenda for the next meeting.

16a. BID - APPROVED - FUEL AND LUBRICANTS - POLK OIL COMPANY

Mayor Bronaugh stated that the next item for consideration was bids for fuel and lubricants.

City Manager Westerholm stated that the low bid had been received from Lacey-Hollis (Texaco) but the bid did not meet the specifications that called for three separate locations within the City with twenty-four (24) hour refueling capabilities. City Manager Westerholm stated that there is a difference of \$2,500 in the two bids.

In response to question, Rita Jenkins, Finance Director, stated that some departments are over on their gasoline budget.

Motion was made by Commissioner Bob Bowman and seconded by Commissioner Don Boyd that the bid of Polk Oil be accepted as presented. A unanimous affirmative vote was recorded.

16b. BID - APPROVED - RADIOS - PUBLIC WORKS DEPARTMENT - JOHNSTON ELECTRONICS

Mayor Bronaugh stated that the next item for consideration was

bids for radios to be used in various departments of Public Works.

City Manager Westerholm stated that two bids were received for fourteen radios and David Cochran, Purchasing Agent, is recommending the second lowest bid, which is approximately \$400 higher than the low bid. City Manager Westerholm stated that the recommendation is based on the difference of a one-year and two-year warranty.

Motion was made by Commissioner Paul Mayberry and seconded by Commissioner Don Boyd that bid of Johnston Electronics be accepted as presented. A unanimous affirmative vote was recorded.

17. COMMENTS

Commissioner Simond stated that he would like for the City Commission to start considering some more of the dilapidated houses for demolition.

Commissioner Bowman stated that construction on Highway 59 has caused motorists to detour to Whitehouse Drive, which has created some problems for residents. Commissioner Bowman requested that the Public Works Director and Police Chief provide signs regulating traffic and for protection of children in the area.


City Manager Westerholm stated that he had passed out a copy of the Fire Code for each Commissioner to review in advance of it's being placed on a future agenda for discussion and possible adoption.

City Manager Westerholm stated that the booklets on "Litter Laws: Local and State" had been provided by AB/C.

Mayor Bronaugh stated that City Commissioners are invited to attend the Water Association meeting May 10th at 7:00 P.M. at the Lufkin Inn.

Commissioner Simond stated that he had noticed that railroad crews are now working on the crossings on the north side of town.

18. There being no further business for consideration, meeting adjourned at 7:40 p.m.


Louis A. Bronaugh, Mayor

ATTEST:


Atha Stokes, City Secretary