

MINUTES OF REGULAR MEETING OF THE CITY COMMISSION OF THE CITY OF LUFKIN, TEXAS, HELD ON THE 20TH DAY OF FEBRUARY, 1990, AT 5:00 P.M.

On the 20th day of February, 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
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
Brian Boudreaux	Asst. City Manager
Robert Flournoy	City Attorney
Ron Wesch	Public Works Director
Atha Stokes	City Secretary

being present, and

Percy Simond, Jr.	Commissioner, Ward No. 1
Danny Roper	Commissioner, Ward No. 3

being absent when the following business was transacted.

1. Meeting was opened with prayer by Rev. Bob Lewis, Minister, Victory Assembly of God Church.

2. Mayor Bronaugh welcomed visitors present.

3. APPROVAL OF MINUTES

Minutes of regular meeting of February 6, 1990 were approved on a motion by Commissioner Don Boyd and seconded by Commissioner Bob Bowman. A unanimous affirmative vote was recorded.

4. PUBLIC HEARING - TAX ABATEMENT - TEXAS SMOKEHOUSE FOODS, INC. IMPROVEMENTS

Mayor Bronaugh opened Public Hearing to consider Tax Abatement for Texas Smokehouse Foods, Inc. improvements.

Gary Dobbs, accountant for Texas Smokehouse Foods, Inc., stated that the firm had taken over a floral warehouse and was in the process of turning it into a meat processing facility. Mr. Dobbs stated that \$710,000 had been invested in renovating the building and \$100,080 in machinery and equipment. Mr. Dobbs stated that only 10% of the property is actually in the corporate limits of the City.

City Manager Westerholm stated that the corporate line does not cover all of the building, and for Mr. Dobbs to make application to the school, college and County, all of the property must be in the Enterprise Zone. The request as submitted is for 4.63 acres and the total property is 11.062 acres. The property is in the Enterprise Zone.

There was no opposition present.

Mayor Bronaugh closed Public Hearing.

5. ORDINANCE - APPROVED - SECOND READING - ZONE CHANGE - ALTON J. MEYER - LUFKIN AVENUE/NORTH MEDFORD DRIVE - RL TO C

Mayor Bronaugh stated that the first item for consideration was Second Reading of Ordinance for Zone Change request by Alton J.

Meyer covering property north of Lufkin Avenue and east of and adjacent to North Medford Drive from Residential Large to Commercial.

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

6. ORDINANCE - APPROVED - SECOND READING - ZONE CHANGE - JOHN R. WINSTON, JR. - 1130 SOUTH FIRST STREET - LB, SU (OFFICE/APARTMENTS) TO NR

Mayor Bronaugh stated that the next item for consideration was Second Reading of Ordinance for Zone Change request by John R. Winston, Jr. covering property located at 1130 South First Street from Local Business, Special use (Office/Apartments) to Neighborhood Retail.

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

7. ORDINANCE - APPROVED - SECOND READING - KENNEL REGULATION

Mayor Bronaugh stated that the next item for consideration was Second Reading of an Ordinance regulating kennels.

In response to question by Commissioner Mayberry, City Attorney Flournoy stated that the Ordinance for licensing of cats and dogs has not been finalized because local veterinarians are concerned about confidential information that is taken for registration of cats and dogs, but he is working with them and will have a proposed Ordinance for consideration at next meeting.

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

8. ORDINANCE - APPROVED - SECOND READING - CITY ELECTION

Mayor Bronaugh stated that the next item for consideration was Second Reading of an Ordinance providing for the calling of a City election, establishing polling places, and setting a date for the election.

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

9. ORDINANCE - APPROVED - FIRST READING - ZONE CHANGE - DOUGLAS A. KARPEN - LARGENT STREET AND WHITE AVENUE - RESIDENTIAL MEDIUM, RESIDENTIAL LARGE TO RESIDENTIAL MEDIUM, RESIDENTIAL LARGE, SPECIAL USE (PARKING FOR 24 SPACES AND STORAGE BUILDING IN ACCORDANCE WITH SITE PLAN AND MINUTES OF JANUARY 22, 1990 PLANNING AND ZONING COMMISSION MINUTES)

Mayor Bronaugh stated that the next item for consideration was First Reading of Ordinance for Zone Change as requested by Douglas A. Karpen covering property at the northwest corner of Largent Street and White Avenue from Residential Medium, Residential Large to Residential Medium, Residential Large, Special Use (Parking for 24 spaces and storage building in accordance with site plan and minutes of January 22, 1990 Planning and Zoning Commission Minutes).

Mayor Bronaugh stated that the Planning and Zoning Commission minutes reflect that opposition was present when this request was first heard by Planning and Zoning, however, problems with the neighbors were worked out and the request was passed unanimously on second hearing.

Attorney Don Duran was present in representation of the request.

There was no opposition present.

Motion was made by Commissioner Paul Mayberry and seconded by Commissioner Jack Gorden that Ordinance be approved on First Reading as presented. A unanimous affirmative vote was recorded.

10. TAX ABATEMENT - TABLED - TEXAS SMOKEHOUSE FOODS, INC.

Mayor Bronaugh stated that the next item for consideration was authorization of Tax Abatement for Texas Smokehouse Foods, Inc. improvements.

In response to question by City Attorney Flournoy, City Manager Westerholm stated that Texas Smokehouse Foods, Inc. has not requested annexation.

City Manager Westerholm stated that a possible annexation could include the Lufkin Industrial Foundation, up to the John Winston property, and several houses on Spence Street, which would "square up" with the league line.

City Attorney Flournoy stated that he was concerned about the proposed equestrian park because there would not be any way to provide Police protection if it is not in the City.

City Attorney Flournoy requested that Mr. Dobbs meet with him to consider Texas Smokehouse Foods, Inc. making a request for annexation.

11. INVESTMENT POLICY - DISCUSSED

Mayor Bronaugh stated that the next item for consideration was adoption of a proposed investment policy for the City of Lufkin.

City Manager Westerholm stated the auditors have recommended having an investment policy, and after checking with some other brokerage houses and financial advisors a proposed policy was drafted. (A revised copy of the Policy was passed out prior to the meeting.)

City Manager Westerholm stated that the Policy was written for guidance to the Financial Director and security of the City's investments.

City Manager Westerholm stated that several minor changes to the original proposed Policy were suggested by Dick Long from First Southwest in Longview.

In response to question by Commissioner Gorden, City Manager Westerholm stated that Finance Director Rita Jinkins is the authorized signatory, and has been making investments using the counsel of the City's depository bank, First City Bank.

Commissioner Mayberry questioned who the quarterly and annual report should be submitted to. Commissioner Bowman stated that he would like for these reports to be presented to the City Commission.

In response to question by Commissioner Mayberry, Mrs. Jinkins

stated that she makes daily deposits and investments, but that there is no written policy on this.

Commissioner Gorden stated that the staff is not thinking in terms of the Commission when it comes to finances.

In response to question by Commissioner Gorden, Mrs. Jenkins stated that she keeps copies of all safekeeping receipts for CD's and T-bills.

Mrs. Jenkins stated that the City is not presently buying any bonds.

Commissioner Mayberry stated that where it states "collateral shall be reviewed monthly to assure that the market value of the securities pledged equal or exceed the related bank balance" will take constant review and someone will have to be designated for this purpose because you are looking at changing values.

City Attorney Flournoy stated that changes to the revised document were:

- 1) Page 1 - Definitions of "Yield"
- 2) Page 3 - VI. INVESTMENTS - B
- 3) Page 3 - VI. INVESTMENTS - E
- 4) Page 5 - line 4 - "collateral received" was changed to "investment security"

Mayor Bronaugh requested that this item be rescheduled for next meeting.

12. FINANCIAL REPORT/CONTINGENCY FUND - DISCUSSED

Mayor Bronaugh stated that the next item for consideration was financial report for the first four months operation and status of contingency funds.

City Manager Westerholm stated that Contingency Fund beginning balance was \$131,964.46; budget amendments for improvements to Hwy. 59 and the ambulance purchase brought the balance to \$93,319.17. City Manager Westerholm stated that the Water and Sewer Revenue Fund ending balance for the 1989-90 budget was \$29,582.55; budget amendments for the balance of a truck purchased for the Water Distribution Department, the sewer rate study and restoration of a storage tank in the Water Production Department brought the balance to \$46,324.41.

Mayor Bronaugh stated a Workshop will be held on March 12th for further discussion, and that the City Commission will meet on a quarterly basis thereafter.

13. EQUIPMENT PURCHASE - APPROVED - PUBLIC WORKS DEPARTMENT

Mayor Bronaugh stated that the next item for consideration was a request from Public Works Director Ron Wesch for equipment purchase.

City Manager Westerholm stated that in this year's budget the Public Works Department was authorized to purchase a backhoe in the amount of \$35,000 and to have two other backhoes in the Water and Sewer Department re-conditioned for \$24,000. City Manager Westerholm stated that local backhoe manufacturer representatives have suggested purchasing three new machines and utilizing the three older machines as trade-ins at a cost within funds budgeted. City Manager Westerholm stated that Mr. Wesch is requesting authorization to bid the purchase of three new backhoes utilizing three older backhoes for trade-ins.

Motion was made by Commissioner Bob Bowman and seconded by Commissioner Don Boyd authorizing the Public Works Director to go out for bids on three new backhoes utilizing three trade-ins. A unanimous affirmative vote was recorded.

14. PINEYWOODS FOUNDATION GRANT - APPROVED - "ARE YOU OK?" COMPUTER PROGRAM

Mayor Bronaugh stated that the next item for consideration was a request from the Pineywoods Foundation and LPD to institute the "Are You OK?" computer program for the elderly and handicapped.

Mayor Bronaugh recognized members of the Pineywoods Foundation, who were present - Rod Pittman, Jack McMullen, Commissioner Bob Bowman and John Anderson, Chairman.

Mr. Anderson stated that this is a computerized automatic system that contacts, on a daily basis from the Police Department, those elderly people who live alone in this area and automatically calls back if there is no answer. An alarm is triggered if there is no answer after three calls and the Police Department then goes out and checks on that person. Mr. Anderson stated that the title of the system is, "Are You OK?"

Chief Collins stated that he had talked with the Police Department in Texas City, where this program is being used, and received good reports. Chief Collins stated that since the newspaper reported that consideration of this program would be on tonight's agenda, he has received a number of calls inquiring about the program.

Chief Collins stated that the City will need to pick up the cost for the telephone line after the first year and possibly the maintenance of the equipment after the warranty expires.

In response to question, Chief Collins stated that the system could be operational within 60 days after approval.

Motion was made by Commissioner Paul Mayberry and seconded by Commissioner Don Boyd to accept the grant from the Pineywoods Foundation for the Lufkin Police Department to institute the "Are You OK?" computer program for the elderly and handicapped. A unanimous affirmative vote was recorded.

Commissioner Mayberry requested that a letter be sent to the Pineywoods Foundation thanking them for the grant.

15a. BID - APPROVED - USED FORK LIFT - RECYCLING DEPARTMENT - MUSTANG TRACTOR

Mayor Bronaugh stated that the next item for consideration was bids for a used fork lift with bale clamps to be used in the Recycling Department.

City Manager Westerholm stated that Purchasing Agent David Cochran was recommending the bid of Mustang Tractor in the amount of \$14,450 with a 36-month lease purchase for \$485 per month.

In response to question, City Manager Westerholm stated that this was not a budgeted item.

Mr. Wesch stated that no income has been received from the recycling program because the baler has not been shipped. Mr. Wesch stated that the Recycling Department will be in production about the middle of March.

City Attorney Flournoy stated that if the equipment is paid out in a period longer than 12 months, or longer than the fiscal

year, it has to be on a lease agreement arrangement where it can be cancelled at the end of any fiscal year. In response to question by Commissioner Mayberry, Mr. Flournoy stated that a contract has not been submitted to him yet. Mr. Flournoy stated that if funds are not appropriated the contract is cancelled.

Commissioner Mayberry stated he noticed a new account had been set up in the budget for the recycling department, and he would like to know where the money for this equipment would come from. City Manager Westerholm stated that \$2,800 has already been spent in this account, and this item will incur about \$3,395 in this budget year (\$485 per month for 7 months).

Commissioner Mayberry that since a new department has been set up some estimates for revenue and expenses need to be established. City Manager Westerholm stated that this was done when the City Commission authorized entering into a lease agreement for the building at no rent for 6 months if the City cleaned up the building and site. City Manager Westerholm stated that \$2,800 had been spent on doors for the building and other miscellaneous items to get it ready for operation.

Commissioner Mayberry stated that Mr. Wesch needs to refine the expected revenue and expenses since a Recycling Department has been established. Mr. Wesch stated that it will be easier to refine the expenses now that he knows how much the baler and fork lift will cost. Mr. Wesch stated that he is now at a point where he knows what the expenses will be on a monthly basis.

Commissioner Mayberry suggested setting up a clearing account where all revenue and expense would be balanced out quarterly and adjusted.

In response to question by Commissioner Mayberry, Mr. Wesch stated that the Recycling Department will eventually have 5 employees.

In response to question by Commissioner Gorden, Mr. Wesch stated that if the baler is delivered on the 28th as promised, it will be 10 days late.

Motion was made by Commissioner Don Boyd and seconded by Commissioner Paul Mayberry that bid of Mustang Tractor for a used fork lift in the amount \$14,450 with a 36-month lease purchase for \$485 per month be accepted as presented; that the budget be amended to include a Recycling Department, and that the funds for this item be taken from the Contingency Fund temporarily until the budget is amended to include the Recycling Department. A unanimous affirmative vote was recorded.

15b. BID - APPROVED - PORTABLE RADIOS - NARCOTICS DIVISION -
JOHNSTON ELECTRONICS

Mayor Bronaugh stated that the next item for consideration was bids for portable radios for the Narcotics Division of the Police Department.

City Manager Westerholm stated that the low bid had been received from Johnston Electronics in the amount of \$4,255.

City Manager Westerholm stated that the radios were included in the Narcotics Taskforce Budget and was approved as a package at the Budget Workshop.

Chief Collins stated that he would like to inform the Commissioners that because of the emergency purchase of a base station his 90-11 account would be over budget. Chief Collins stated

that the County has been billed for 50% of the cost of the base station but the City has not been reimbursed this amount.

Commissioner Gorden requested a copy of the budget where \$230,000 was allocated for the Narcotics Taskforce.

Motion was made by Commissioner Don Boyd and seconded by Commissioner Jack Gorden that bid of Johnston Electronics for five portable radios in the amount of \$4,255 be accepted as the lowest and best bid. A unanimous affirmative vote was recorded.

16. APPOINTMENTS - APPROVED - LUFKIN BOARD OF DEVELOPMENT

Mayor Bronaugh stated that the next item for consideration was appointments to the Lufkin Board of Development.

Mayor Bronaugh stated that on July 19, 1989 the City Board of Development disbanded because of legislation which went into effect last September. Mayor Bronaugh stated that a new Lufkin Board of Development has been created with a seven-member commission: two (2) members nominated by the Chamber of Commerce, two (2) members nominated by the Hotel/Motel Association and three (3) members nominated by the City.

The following members were nominated for rotating terms:

Chamber:	Ted Lankford	- one (1) year
	Trey Henderson	- two (2) years
Hotel/Motel Association:	Kathy Crain	- two (2) years
	Elender Sellman	- three (3) years
City:	Jim Haley	- three (3) years
	Tom Brewer	- three (3) years
	Stanley New	- two (2) years

Mayor Bronaugh stated that the Board will meet on a quarterly basis and will be responsible for monitoring collection and usage of hotel/motel tax funds.

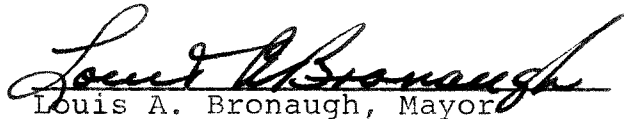
Motion was made by Commissioner Bob Bowman and seconded by Commissioner Don Boyd that the seven-member Lufkin Board of Development be approved as presented. A unanimous affirmative vote was recorded.

17. COMMENTS

Commissioner Bowman stated that he has received a number of calls from neighbors on Chestnut/FM 58 concerning a trash problem created by independent trash haulers going to the County landfill.

City Manager Westerholm stated that the Police Department can make a more concentrated effort in policing this area.

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


Louis A. Bronaugh, Mayor

ATTEST:


Atha Stokes, City Secretary