MINUTES OF THE REGULAR MEETING OF THE CITY COUNCIL OF THE CITY OF LUFKIN, TEXAS HELD ON THE 18TH DAY OF SEPTEMBER, 2007

On the 18th day of September, 2007, 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:

Jack Gorden, Jr.	Mayor
Rose Faine Boyd	Mayor Pro-Tem
R. L. Kuykendall	Councilmember, Ward No. 1
Lynn Torres	Councilmember, Ward No. 3
Don Langston	Councilmember, Ward No. 4
Rufus Duncan	Councilmember, Ward No. 5
Phil Medford	Councilmember, Ward No. 6
Paul L. Parker	City Manager
Keith Wright	Assistant City Manager
Robert Flournoy	City Attorney
Renee Thompson	City Secretary
Larry Brazil	Police Chief
Scott Marcotte	Assistant Police Chief
Pete Prewitt	Fire Chief
David Koonce	Human Resource Director
Barbara Thompson	Main Street Director
Chuck Walker	City Engineer
Dorothy Wilson	Planning Director
Rancy Innerarity	Fleet Maintenance Director
Jim Wehmeier	Economic Development Director
Dale Allred	Inspection Services Director
Steve Poskey	Street Superintendent
Tara Jones	Senior Code Enforcement Officer

being present, when the following business was transacted:

1. The meeting was opened with prayer by Reverend Bettie Kennedy, Collins Chapel CME Church.

2. Mayor Gorden welcomed visitors present. Councilmember Lynn Torres recognized LHS students who were present satisfying their government class requirement.

3. **APPROVAL OF MINUTES**

Minutes of the Regular Meeting of September 4, 2007 were approved on a motion by Councilmember Rose Faine Boyd, and seconded by Councilmember Lynn Torres. A unanimous affirmative vote was recorded.

NEW BUSINESS:

4. **RENEWAL OF BLUE CROSS, BLUE SHIELD INSURANCE – APPROVED - FOR THE CITY OF LUFKIN**

Mayor Jack Gorden stated that the next item for consideration was the renewal of Blue Cross, Blue Shield Insurance for the City of Lufkin.

City Manager Paul Parker stated that the Mayor and Council had recently requested that Staff solicit bids for both a full funded health insurance plan as well as the continuation of the self funded health plan. City Manager Parker added that only one (1) proposal for a full funded health plan was received and was in excess of five hundred thousand dollars ($500,000) above the proposal for continuation of the self funded plan; therefore Staff did not consider the proposal for the full funded plan. City Manager Parker then stated that the City received two (2) proposals for the self funded plan; one (1) from the current Administrative Services provider, Blue Cross Blue Shield, and the other from Texas Municipal League, the City's Administrative Services Provider in previous years. City Manager Parker stated that the Administrative Services Provider was responsible for providing the discount of services that are applied to physician and medical services up front and that Blue Cross Blue Shield proposed a guaranteed discount of 60.01%. City Manager Parker explained that this exceeded the discount from the last year, and that there was also a modest increase in the administrative fee of 3.8%. City Manager Parker stated that Staff recommended that Council renew the relationship with Blue Cross Blue Shield as the City of Lufkin's Health Insurance Administrative Services Provider, renew disability insurance under Standard Life and renew life insurance under Ft. Dearborn Life. City Manager Parker added that the Staff monitored the Health Insurance Fund very closely due to numerous severe health issues with employees and dependents and that the fund had been hit hard in the last two (2) years. City Manager Parker stated that should the recommendation be approved, Staff would discuss with Blue Cross Blue Shield, plan changes and modifications that could affect employees. City Manager Parker added that since expenditures outweighed revenue, changes would be necessary.

Mayor Jack Gorden recognized Blue Cross Blue Shield representatives in attendance and entertained a motion on the item.

Councilmember Rufus Duncan moved to approve the renewal of Blue Cross Blue Shield Insurance for the City of Lufkin. Councilmember R. L. Kuykendall seconded the motion. A unanimous affirmative vote was recorded.

5. **CONTRACT WITH GOODWIN-LASITER, INC. FOR ENGINEERING SERVICES, WILLIAM J. LYON AND ASSOCIATES, INC. FOR APPRAISAL SERVICES, AND MEDFORD AND MUNLIN NEGOTIATORS FOR PROPERTY NEGOTIATION – APPROVED - FOR THE FLOODPLAIN MITIGATION PROGRAM**

Mayor Jack Gorden stated that the next item for consideration was a contract with Goodwin-Lasiter, Inc. for engineering services, William J. Lyon and Associates, Inc. for appraisal services, and Medford and Munlin Negotiators for property negotiation for the Floodplain Mitigation Program.

City Manager Paul Parker stated that as Council was aware, the City had received a grant in the amount of one million seventy-two thousand six hundred fifty-eight dollars ($1,072,658) with a required twenty-five percent (25%) match of both cash funds and in-kind services. City Manager Parker furthered that the City had already designated two hundred seventy-five thousand dollars ($275,000), with the balance of the match to be completed of in-kind services for the demolition and removal of the residences. City Manager Parker added that the residents of thirteen (13) homes on fourteen (14) properties had been identified as voluntary participants in the program. City Manager Parker explained that under the regulations of the Grant program, the services of an Engineer, Appraiser and Property Negotiator must be engaged, and that Staff recommended that Council approve awarding a contract to Goodwin-Lasiter, Inc. for engineering services, William J. Lyon and Associates, Inc. for appraisal services, and Medford and Munlin Negotiators for property negotiation for the Floodplain Mitigation Program.

Mayor Gorden then asked for comments or motions on the item. Councilmember Don Langston questioned the amount of money that would be spent on professional services. Assistant City Manager Keith Wright then detailed the amounts to be spent on professional services.

Council member Phil Medford asked to be recused from voting on the item.

Councilmember R. L. Kuykendall moved to approve awarding a contract with Goodwin-Lasiter, Inc. for engineering services, William J. Lyon and Associates, Inc. for appraisal services, and Medford and Munlin Negotiators for property negotiation for the Floodplain Mitigation Program. Councilmember Lynn Torres seconded the motion. The motion carried with six (6) affirmative votes.

6. **<u>PUBLIC HEARING AND ORDINANCE AMENDING THE SUBDIVISION ORDINANCE OF THE CITY OF LUFKIN, TEXAS – TABLED - BEING ORDINANCE 3693 OF THE CITY OF LUFKIN AS HERETOFORE AMENDED TO ADD A DEFINITION FOR FLAG LOT AND UNDER CHAPTER III, SUBDIVISION DESIGN STANDARDS, SECTION 2.5 LOTS, PROVIDE AN ADDITION OF 3.5 F. FLAG LOTS; AND PROVIDING AN EFFECTIVE DATE</u>**

Mayor Jack Gorden stated that the next item for consideration was an Ordinance amending the Subdivision Ordinance of the City of Lufkin, Texas being Ordinance 3693 of the City of Lufkin as heretofore amended to add a definition for Flag Lot and under Chapter III, Subdivision Design Standards, Section 2.5 Lots, provide an addition of 3.5 F. Flag Lots; and providing an effective date.

City Manager Paul Parker then requested that Planning Director Dorothy Wilson address the proposed Ordinance.

Planning Director Wilson stated that the issue had been discussed for some time and that approximately one (1) year ago, flag lots had on occasion been a problem in the community. Planning Director Wilson defined a flag lot, illustrated the appropriate use of a flag lot, and highlighted appropriate instances of flag lots. Director Wilson stated that the problem occurring with flag lots was developers were using them for inappropriate uses, and that there were no guidelines to assist developers, and that this Ordinance was designed to alleviate the problem of too many lots being developed with inadequate infrastructure and limited access. Director Wilson stated that the flag lots also caused unregulated traffic. Director Wilson explained that due to State Legislature changes; the City now had the authority to make final decisions on small plats and replats, but this had eliminated public input and flag lot issues were becoming more frequent; hence the need for the proposed Ordinance. Director Wilson then illustrated examples of the appropriate and inappropriate uses of flag lots and stated that Staff recommended the adoption of the proposed Ordinance to help regulate the use of flag lots.

Mayor Gorden then opened the Public Hearing at 5:34 p.m. Speaking on the Ordinance was:

Michael Parker

Mayor Gorden then closed the Public Hearing at 5:40 p.m. and entertained a motion from Council.

Councilmember Don Langston stated that he understood the need for the Ordinance; however, he also had numerous concerns with the Ordinance, one being the lack of consultation with local professionals on the matter. Councilmember Langston then questioned how the Ordinance was created. Director Wilson replied that the Ordinance was created using other cities' Ordinances and input from City Staff. Assistant City Manager Keith Wright added that some of the City's Ordinances had been created and passed without the input of other professionals. Councilmember Langston expressed his concerns with the Ordinance, including the time allowed to investigate the issue. Assistant City Manager Wright stated that this was not an urgent matter and could be postponed in lieu of further study. Both Council Members Rufus Duncan and Phil Medford expressed the need for further study of the Ordinance prior to its approval. Planning Director Wilson stated that should Council direct, Staff would be glad to hold meetings to inform the public, as well as gather more information on the issue.

Councilmember Phil Medford moved to table the Ordinance amending the Subdivision Ordinance of the City of Lufkin, Texas being Ordinance 3693 of the City of Lufkin as heretofore amended to add a definition for Flag Lot and under Chapter III, Subdivision Design Standards, Section 2.5 Lots, provide an addition of 3.5 F. Flag Lots; and providing an effective date until Staff could gather additional information. Councilmember Don Langston seconded the motion. A unanimous affirmative vote was recorded.

7. **<u>RESOLUTION AUTHORIZING AN AMENDMENT TO THE 2006/2007 OPERATING BUDGET (BUDGET AMENDMENT NO. 37), - APPROVED - PROVIDING FOR THE SUPPLEMENTAL APPROPRIATION OF FUNDS IN</u>**

GENERAL, SOLID WASTE/RECYCLING AND WATER/WASTEWATER FUNDS; AND PROVIDING AN EFFECTIVE DATE

Mayor Jack Gorden stated that the next item for consideration was a Resolution authorizing an amendment to the 2006/2007 Operating Budget (Budget Amendment No. 37), providing for the supplemental appropriation of funds in General, Solid Waste/Recycling and Water/Wastewater Funds; and providing an effective date.

City Manager Paul Parker stated that the Budget Amendment was simply a budget item to appropriate the monies received from the recent online auction of City equipment. City Manager Parker added that the total proceeds from the auction were in the amount of two hundred nine thousand eight hundred six dollars and sixty-nine cents ($209,806.69), of which one hundred fifty-two thousand four hundred eighteen dollars ($152,418.00) would be transferred to the Amortization Fund, and the balance, which was comprised of the proceeds from the sale of the recycling baler, would be placed in the Solid Waste Fund. City Manager Parker explained that this Budget Amendment placed the proceeds from the auction in the Amortization Vehicle Fund and that Staff recommended approval.

Councilmember Phil Medford moved to approve the Resolution authorizing an amendment to the 2006/2007 Operating Budget (Budget Amendment No. 37), providing for the supplemental appropriation of funds in General, Solid Waste/Recycling and Water/Wastewater Funds; and providing an effective date. Councilmember Rose Faine Boyd seconded the motion. A unanimous affirmative vote was recorded.

8. **BID FOR THE PURCHASE OF FIVE (5) 2008 PETERBILT 320 SIDE LOADER TRUCKS – TABLED - FOR THE SOLID WASTE DEPARTMENT TO TEXAS LOCAL GOVERNMENT PURCHASING COOPERATIVE (HGAC)**

Mayor Jack Gorden stated that the next item for consideration was the bid for the purchase of five (5) 2008 Peterbilt 320 Side Loader Trucks for the Solid Waste Department to Texas Local Government Purchasing Cooperative (HGAC).

City Manager Parker stated that an opportunity for a trade-in on the purchase of these vehicles had become available and that Staff recommended the item be tabled.

Councilmember Don Langston moved to table the purchase of five (5) 2008 Peterbilt 320 Side Loader Trucks for the Solid Waste Department. Councilmember R. L. Kuykendall seconded the motion. A unanimous affirmative vote was recorded.

9. **CITY MANAGER'S REPORT:**

Mayor Gorden stated that the next item on the agenda was the City Manager's report.

A. FINANCIAL STATUS REPORT

City Manager Parker stated that the end of the fiscal year was nearing and that General Fund revenue should be well in excess of revenue estimates and that General Fund expenditures were in line and should be under budget. City Manager Parker stated that the Water and Sewer Fund had not fared as well, due to the unusually wet weather which resulted in revenue being lower than estimated; and that revenue projections would not be met for the fiscal year, and that expenditures would exceed revenue. City Manager Parker added that the Solid Waste Fund was in good shape in both revenue and expenditures and that the Hotel/Motel Occupancy Tax revenue had increased and notice had been sent to the recipients of these funds detailing amounts and payment schedules for the coming fiscal year. City Manager Parker then highlighted other City funds, including the health insurance fund and reiterated that the City would end the fiscal year in good financial shape.

B. PROJECTS STATUS REPORT

City Manager Parker highlighted several projects including the street work on Ellis Street, and the Highway 59 Utility Relocation Project. Assistant City Manager Keith Wright stated that materials had been delivered and construction should begin that week on the Highway 59

Project. City Engineer Chuck Walker stated that the Lotus Lane Project was moving forward, sewer lines had been installed and boring was underway, but the recent wet weather had caused some delays. City Engineer Walker stated that the sheetrock, plumbing and brick were completed on the new fire station and completion was anticipated in October. City Engineer Walker added that the foundation had been poured on Building B at the new Solid Waste Campus, and work was progressing.

10. Mayor Jack Gorden recessed the Regular Session at 5:57 p.m. to enter into Executive Session.

EXECUTIVE SESSION: In accordance with the Texas Government Code Section 551.071 (2) Consultation with City Attorney on any Regular Session Agenda item requiring confidential, attorney/client advices necessitated by the deliberation or discussion of said items (as needed), and real estate, demolition of buildings, or appointments to boards and personnel may be discussed

Mayor Jack Gorden reconvened the Regular Session at 7:40 p.m.

11. DEMOLITION OF HOUSES – APPROVED

Mayor Jack Gorden stated that the next item for consideration was demolition of buildings.

Councilmember Lynn Torres moved to approve the demolition of buildings at 1950 Wilson Alley, 1017 Wilson Street, 2013 Cairo Street, 1203 Jane for the outlying structure only, 732 Clingman Street, and to table the discussion concerning the structure at 2009 Cairo Street. Councilmember Rose Faine Boyd seconded the motion. A unanimous affirmative vote was recorded.

12. CALENDAR NOTATIONS FROM MAYOR, COUNCIL MEMBERS, AND CITY MANAGER

City Manager Paul Parker reminded the Council that the Texas State Forest Festival would begin on Wednesday, September 19 and continue through Sunday, September 23, 2007. Councilmember Rose Faine Boyd reminded the Council that the DETCOG Board Meeting, would be Thursday, September 20, 2007 in Woodville.

13. There being no further business for consideration, the meeting adjourned at 7:44 p.m.

Jack Gorden

Jack Gorden, Mayor

Renee Thompson

Renee Thompson – City Secretary