MINUTES OF THE REGULAR MEETING OF THE CITY COUNCIL OF THE CITY OF LUFKIN, TEXAS HELD ON THE 19th DAY OF JUNE, 2007

On the 19th day of June, 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
Doug Wood	Finance Director
Barbara Thompson	Main Street Director
Dorothy Wilson	Planning Director
Jim Wehmeier	Economic Development Director
Gordon Henley	Ellen Trout Zoo
Mike Byrd, Senior Vice President	First Southwest
Boyd London	First Southwest
Larry Williams	CASA
Janet Reeves	CASA

being present when the following business was transacted:

1. The meeting was opened with prayer by Pastor Kevin Poage, Clawson Assembly of God Church.

2. Mayor Jack Gorden welcomed visitors present. Councilmember Lynn Torres stated that no LISD students were present.

3. **APPROVAL OF MINUTES**

Minutes of the Regular Meeting on June 5, 2007 were approved on a motion by Councilmember Rose Faine Boyd, and seconded by Councilmember Lynn Torres. A unanimous affirmative vote was recorded.

OLD BUSINESS :

4. **SECOND READING OF AN ORDINANCE AMENDING THE ZONING ORDINANCE OF THE CITY OF LUFKIN, TEXAS, - APPROVED - BY GRANTING A SPECIAL USE PERMIT FOR AUTOMOBILE SALES WITHIN A LOCAL BUSINESS ZONING DISTRICT ON CERTAIN TRACTS OR PARCELS OF LAND WITHIN THE CORPORATE LIMITS OF THE CITY OF LUFKIN, TEXAS, DESCRIBED AS LOT 1, BLOCK 18 OF THE LUFKIN LAND AND LUMBER COMPANY NUMBER 2 SUBDIVISION AND AUTHORIZING THE CITY PLANNER TO MAKE SUCH CHANGES ON THE OFFICIAL MAP**

Mayor Jack Gorden stated that the next item for consideration was to conduct a Public Hearing and consider on Second Reading an Ordinance amending the Zoning Ordinance of the City of Lufkin, Texas, by granting a Special Use Permit for Automobile Sales within a Local Business Zoning District on certain tracts or parcels of land within the corporate limits of the City of Lufkin, Texas, described as Lot 1, Block 18 of the Lufkin Land and Lumber Company Number 2 Subdivision and authorizing the City Planner to make such changes on the Official Map.

City Manager Paul Parker stated this was an application for All Star Autos for a Special Use Permit to open an auto sales lot and that this item had been unanimously approved by the Planning & Zoning Commission.

Mayor Gorden then opened the Public Hearing at 5:11 p.m. Mayor Gorden asked those attending the Council Meeting if there was anyone who wanted to speak concerning the amendment. There were none. Mayor Gorden then closed the Public Hearing at 5:12 p.m.

Councilmember Don Langston moved to approve the Second Reading of the Ordinance amending the Zoning Ordinance of the City of Lufkin, Texas, by granting a Special Use Permit for Automobile Sales within a Local Business Zoning District on certain tracts or parcels of land within the corporate limits of the City of Lufkin, Texas described as Lot 1, Block 18 of the Lufkin Land and Lumber Company Number 2 Subdivision and authorizing the City Planner to make such changes on the Official Map. Councilmember R. L. Kuykendall seconded the motion. A unanimous affirmative vote was recorded.

5. **SECOND READING OF AN ORDINANCE AMENDING THE ZONING ORDINANCE OF THE CITY OF LUFKIN, TEXAS, - APPROVED - BY GRANTING A SPECIAL USE PERMIT FOR A TELECOMMUNICATION TOWER WITHIN A COMMERCIAL ZONING DISTRICT ON CERTAIN TRACTS OR PARCELS OF LAND WITHIN THE CORPORATE LIMITS OF THE CITY OF LUFKIN, TEXAS, DESCRIBED AS TRACT 66 OF THE J. L. QUINALTY SURVEY, ABSTRACT 40 AND AUTHORIZING THE CITY PLANNER TO MAKE SUCH CHANGES ON THE OFFICIAL MAP**

Mayor Jack Gorden stated that the next item for consideration was to conduct a Public Hearing and consider on Second Reading an Ordinance amending the Zoning Ordinance of the City of Lufkin, Texas, by granting a Special Use Permit for a Telecommunication Tower within a Commercial Zoning District on certain tracts or parcels of land within the corporate limits of the City of Lufkin, Texas, described as Tract 66 of the J. L. Quinalty Survey, Abstract 40 and authorizing the City Planner to make such changes on the Official Map.

City Manager Paul Parker explained that this was an application for a Special Use Permit to allow DP Solutions to place a one-hundred ninety (190) foot self supporting tower to enhance communications. City Manager Parker also stated that both the Planning Staff and Planning & Zoning Commission recommended approval.

Mayor Gorden then opened the Public Hearing at 5:14 p.m. Mayor Gorden asked those attending the Council Meeting if there was anyone who wanted to speak concerning the "Special Use" permit. There were none. Mayor Gorden then closed the Public Hearing at 5:15 p.m.

Councilmember Lynn Torres moved to approve the Second Reading of the Ordinance amending the Zoning Ordinance of the City of Lufkin, Texas, by granting a Special Use Permit for a Telecommunication Tower within a Commercial Zoning District on certain tracts or parcels of land within the corporate limits of the City of Lufkin, Texas, described as Tract 66 of the J. L. Quinalty Survey, Abstract 40 and authorizing the City Planner to make such changes on the Official Map. Councilmember R. L. Kuykendall seconded the motion. A unanimous affirmative vote was recorded.

6. **SECOND READING OF AN ORDINANCE AMENDING THE ZONING ORDINANCE AND THE FUTURE LAND USE PLAN OF THE 2001 COMPREHENSIVE PLAN OF THE CITY OF LUFKIN, TEXAS, - APPROVED - BY CHANGING THE ZONING AND FUTURE LAND USE PLAN DESIGNATION ON APPROXIMATELY 3.8 ACRES OF LAND DESCRIBED AS TRACTS 3.4, 3.2.46, 3.2.66 OF THE J. A. BONTON SURVEY, ABSTRACT 5 TO DUPLEX ZONING DISTRICT AND THE FUTURE LAND USE PLAN OF THE 2001 COMPREHENSIVE PLAN TO THE CLASSIFICATION OF MEDIUM DENSITY RESIDENTIAL**

Mayor Jack Gorden stated that the next item for consideration was to conduct a Public Hearing and consider on Second Reading an Ordinance amending the Zoning Ordinance and the Future Land Use Plan of the 2001 Comprehensive Plan of the City of Lufkin, Texas, by changing the Zoning and Future Land Use Plan designation on approximately 3.8 acres of land described as Tracts 3.4, 3.2.46, 3.2.66 of the J. A. Bonton Survey, Abstract 5 to Duplex Zoning District and the Future Land Use Plan of the 2001 Comprehensive Plan to the classification of Medium Density Residential.

City Manager Paul Parker stated that this was an application by Aaron Davis to change the zoning of this property in order to allow the development of duplexes. City Manager Parker stated that there was also an item further in the agenda for the annexation of area adjacent to this property; and that Planning Staff and Planning & Zoning Commission both recommended approval of this item.

Mayor Gorden then opened the Public Hearing at 5:16 p.m. Mayor Gorden asked those attending the Council Meeting if there was anyone who wanted to speak concerning the "Special Use" permit. There were none. Mayor Gorden then closed the Public Hearing at 5:17 p.m.

Councilmember Rufus Duncan moved to approve the Second Reading of the Ordinance amending the Zoning Ordinance and the Future Land Use Plan of the 2001 Comprehensive Plan of the City of Lufkin, Texas, by changing the Zoning and Future Land Use Plan designation on approximately 3.8 acres of land described as Tracts 3.4, 3.2.46, 3.2.66 of the J. A. Bonton Survey, Abstract 5 to Duplex Zoning District and the Future Land Use Plan of the 2001 Comprehensive Plan to the classification of Medium Density Residential. Councilmember R. L. Kuykendall seconded the motion. A unanimous affirmative vote was recorded.

7. **SECOND READING OF AN ORDINANCE AMENDING THE ZONING ORDINANCE OF THE CITY OF LUFKIN, TEXAS, - APPROVED - BY CHANGING THE ZONING DESIGNATION OF A CERTAIN TRACT OR PARCEL OF LAND WITHIN THE CORPORATE LIMITS OF THE CITY OF LUFKIN, TEXAS, DESCRIBED AS TRACT 6 OF THE H. H. BROOKSHER SURVEY, ABSTRACT 127 FROM THE ZONING CLASSIFICATION OF RESIDENTIAL MEDIUM TO COMMERCIAL ZONING DISTRICT AND AUTHORIZING THE CITY PLANNER TO MAKE SUCH CHANGES ON THE OFFICIAL MAP**

Mayor Jack Gorden stated that the next item for consideration was to conduct a Public Hearing and consider on Second Reading an Ordinance amending the Zoning Ordinance of the City of Lufkin, Texas, by changing the Zoning designation of a certain tract or parcel of land within the corporate limits of the City of Lufkin, Texas, described as Tract 6 of the H. H. Brooksher Survey, Abstract 127 from the zoning classification of Residential Medium to Commercial Zoning District and authorizing the City Planner to make such changes on the Official Map.

City Manager Paul Parker stated that he had no comments on this item unless Council had specific questions.

Mayor Gorden then opened the Public Hearing at 5:17 p.m. Mayor Gorden asked those attending the Council Meeting if there was anyone who wanted to speak concerning the "Special Use" permit. There were none. Mayor Gorden then closed the Public Hearing at 5:18 p.m.

Councilmember Rose Faine Boyd moved to approve the Second Reading of the Ordinance amending the Zoning Ordinance of the City of Lufkin, Texas, by changing the Zoning designation of a certain tract or parcel of land within the corporate limits of the City of Lufkin, Texas, described as Tract 6 of the H. H. Brooksher Survey, Abstract 127 from the zoning classification of Residential Medium to Commercial Zoning District and authorizing the City Planner to make such changes on the Official Map. Councilmember Phil Medford seconded the motion. A unanimous affirmative vote was recorded.

8. **<u>SECOND READING OF AN ORDINANCE ELECTING FOR THE CITY TO MAKE CURRENT SERVICE AND PRIOR SERVICE CONTRIBUTIONS TO THE CITY'S ACCOUNT IN THE MUNICIPAL ACCUMULATION FUND OF THE TEXAS MUNICIPAL RETIREMENT SYSTEM – APPROVED - AT THE ACTUARIALLY DETERMINED RATE OF TOTAL EMPLOYEE COMPENSATION</u>**

Mayor Jack Gorden stated that the next item for consideration was the Second Reading of an Ordinance electing for the City to make current service and prior service contributions to the City's account in the Municipal Accumulation Fund of the Texas Municipal Retirement System at the actuarially determined rate of total employee compensation.

City Manager Paul Parker stated that he would answer any questions that Council may have on this item, and that this ordinance allowed the City to continue to make contributions at the current rate.

Councilmember Don Langston moved to approve the Second Reading of the Ordinance electing for the City to make current service and prior service contributions to the City's account in the Municipal Accumulation Fund of the Texas Municipal Retirement System at the actuarially determined rate of total employee compensation. Councilmember Rose Faine Boyd seconded the motion. A unanimous affirmative vote was recorded.

<u>NEW BUSINESS:</u>

9. **<u>ALL MATTERS INCIDENT AND RELATED TO THE ISSUANCE AND SALE OF $1,740,000 "CITY OF LUFKIN, TEXAS, - APPROVED - GENERAL OBLIGATION BONDS, SERIES 2007", INCLUDING THE RECEIPT OF BIDS THEREFORE AND THE ADOPTION OF AN ORDINANCE AUTHORIZING THE ISSUANCE OF SUCH BONDS</u>**

Mayor Jack Gorden stated that the next item for consideration was all matters incident and related to the issuance and sale of $1,740,000 "City of Lufkin, Texas, General Obligation Bonds, Series 2007", including the receipt of bids therefore and the adoption of an Ordinance authorizing the issuance of such bonds.

Mayor Gorden then introduced Mr. Mike Byrd, with First Southwest, to present information in regard to this item.

Mr. Byrd stated that he was pleased to be in the City of Lufkin and that he appreciated the mutually beneficial relationship with City of Lufkin through the years. Mr. Byrd also stated that the recent Bond Rating that the City received was excellent. Mr. Byrd stated that tonight that if Council so chooses, they will award the bids and approve the sale of both $1,740,000 in General Obligation bonds and $5,870,000 of Certificates of Obligation and this was something that had been done several times in the past. Mr. Byrd continued that the sale of bonds in the amount of $1,740,000 was the third and final installment of voted bonds for street improvements from 2003/2004. Mr. Byrd also noted that this is the final installment of bonds from the 1999 Capital Improvement Program. Mr. Byrd then introduced Mr. Boyd London, also with First Southwest. Mr. Boyd then outlined the package that had been presented to Council. Mr. Boyd stated that bids had been taken on the bonds and that a tabulation of bids was provided behind Tab A of the document. Mr. Boyd stated that the difference in the bids on the two (2) issues is that that the General Obligations were smaller bonds, and the Certificates of Obligation were larger. Mr. Boyd directed the Council's attention to a chart in the document that referenced interest rates through the years. Mr. Boyd further explained that the bond buyer's average last week was slightly higher, which showed that interest rates were increasing. Mr. Boyd then directed Council's agenda to Tab B, which showed the City of Lufkin's bond rating. Mr. Boyd stated that Moody's, one of the bond rating agencies, had upgraded the City's rating from A to A1. Mr. Byrd further stated that the City of Lufkin has been efficiently managed for a number of years. Mr. Byrd explained that Standard and Poor's rating was excellent as well. Mr. Byrd then stated that First Southwest was pleased with bids received on the sale of the bonds and certificates and recommended the received bids for approval. Mr. Byrd stated that he would also be glad to answer any questions.

Mayor Gorden expressed his appreciation to both Mr. Boyd and Mr. Byrd for their hard work in both the bond sale and bond ratings for the City.

Councilmember Rufus Duncan asked if Mr. Boyd knew any of the bond ratings for comparable cities. Mr. Boyd stated that there were no comparable cities that would exceed the bond rating of the City of Lufkin.

Mayor Gorden then entertained motions from the Council.

Councilmember Rufus Duncan moved to approve all matters incident and related to the issuance and sale of $1,740,000 "City of Lufkin, Texas, General Obligation Bonds, Series 2007", including the receipt of bids therefore and the adoption of an Ordinance authorizing the issuance of such bonds and approval of the bid from Morgan Keegan and Co. at the rate of 4.3704%. Councilmember Don Langston seconded the motion. A unanimous affirmative vote was recorded.

10. ALL MATTERS INCIDENT AND RELATED TO THE ISSUANCE AND SALE OF $5,870,000 "CITY OF LUFKIN, TEXAS, - APPROVED - TAX AND WATERWORKS AND SEWER SYSTEM (LIMITED PLEDGE) REVENUE CERTIFICATES OF OBLIGATION, SERIES 2007", INCLUDING THE RECEIPT OF BIDS THEREFORE AND THE ADOPTION OF AN ORDINANCE AUTHORIZING THE ISSUANCE OF SUCH CERTIFICATES OF OBLIGATION

Mayor Jack Gorden stated that the next item for consideration was all matters incident and related to the issuance and sale of $5,870,000 "City of Lufkin, Texas, Tax and Waterworks and Sewer System (Limited Pledge) Revenue Certificates of Obligation, Series 2007", including the receipt of bids therefore and the adoption of an Ordinance authorizing the issuance of such Certificates of Obligation.

Councilmember Rose Faine Boyd moved to approve all matters incident and related to the issuance and sale of $5,870,000 "City of Lufkin, Texas, Tax and Waterworks and Sewer System (Limited Pledge) Revenue Certificates of Obligation, Series 2007", including the receipt of bids therefore and the adoption of an Ordinance authorizing the issuance of such Certificates of Obligation and approval of the bid from J.P. Morgan Securities, Inc. at the rate of 4.2824%. Councilmember R. L. Kuykendall seconded the motion. A unanimous affirmative vote was recorded.

11. PRESENTATION FROM COURT APPOINTED SPECIAL ADVOCATES (CASA) TO THE MAYOR AND CITY COUNCIL

Mayor Jack Gorden stated that the next item for consideration was a presentation from Court Appointed Special Advocates (CASA) to the Mayor and City Council.

Mayor Gorden stated that Mr. Larry Williams was present to make a presentation on behalf of CASA. Mr. Williams thanked Council and Staff for the opportunity to speak. Mr. Williams then stated that CASA had been in the Lufkin Area for eleven (11) years and that the first office was opened in 1995 in the Angelina County Courthouse. Mr. Williams explained that the reasoning for the presentation included helping to recruit volunteers, and raise awareness and funding for the program. Mr. Williams then introduced the CASA board and staff. Mr. Williams stated that funding and volunteers were two (2) of the most important needs of CASA. Mr. Williams then introduced Janet Reeves. Ms. Reeves then explained the role of CASA and its volunteers in the protection of children in the judicial system and the challenges they face in caring for these abused and neglected children. Ms. Reeves and Mr. Williams again thanked Council for the opportunity to speak.

12. FIRST READING OF AN ORDINANCE ANNEXING THE HEREINAFTER DESCRIBED TERRITORY TO THE CITY OF LUFKIN, TEXAS, - APPROVED - AND EXTENDING THE BOUNDARIES OF SAID CITY SO AS TO INCLUDE SAID HEREINAFTER DESCRIBED PROPERTY WITHIN THE CITY LIMITS, AND GRANTING TO SAID TERRITORY AND TO ALL FUTURE INHABITANTS OF SAID PROPERTY ALL OF THE RIGHTS AND PRIVILEGES OF OTHER CITIZENS AND BINDING SAID FUTURE INHABITANTS BY ALL OF THE ACTS AND ORDINANCES OF THE SAID CITY

Mayor Jack Gorden stated that the next item for consideration was the First Reading of an Ordinance annexing the hereinafter described territory to the City of Lufkin, Texas, and extending the boundaries of said city so as to include said hereinafter described property within the city limits, and granting to said territory and to all future inhabitants of said property all of the rights and privileges of other citizens and binding said future inhabitants by all of the acts and Ordinances of the said city.

City Manager Paul Parker stated that this was the annexation item in relation to Item No. six (6) on the agenda, and would allow the applicant to have full municipal services and allow the applicant to fully develop the property.

Dorothy Wilson, Planning Director, stated that this area would also have the zoning designation of "Duplex", the same as the property rezoned in Item No. six (6) of the agenda.

Mayor Gorden then opened the Public Hearing at 5:42 p.m. Mayor Gorden asked those attending the Council Meeting if there was anyone who wanted to speak concerning the amendment. There were none. Mayor Gorden then closed the Public Hearing at 5:43 p.m.

Councilmember Lynn Torres moved to approve the First Reading of an Ordinance annexing the hereinafter described territory to the City of Lufkin, Texas, and extending the boundaries of said city so as to include said hereinafter described property within the city limits, and granting to said territory and to all future inhabitants of said property all of the rights and privileges of other citizens and binding said future inhabitants by all of the acts and Ordinances of the said city. Councilmember R. L. Kuykendall seconded the motion. A unanimous affirmative vote was recorded.

13 <u>RESOLUTION AUTHORIZING AN AMENDMENT TO THE 2006/2007 OPERATING BUDGET (BUDGET AMENDMENT NO. 26), - APPROVED - PROVIDING FOR THE SUPPLEMENTAL APPROPRIATION OF FUNDS IN THE GENERAL, HOTEL/MOTEL TAX, SPECIAL RECREATION, ZOO BUILDING, COURT SECURITY/TECHNOLOGY, ANIMAL CONTROL-KURTH GRANT, ANIMAL ATTIC GIFT SHOP, ECONOMIC DEVELOPMENT, GENERAL DEBT SERVICE, WATER/WASTEWATER AND SOLID WASTE AND RECYCLING FUNDS; AND PROVIDING AN EFFECTIVE DATE.</u>

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. 26), providing for the supplemental appropriation of funds in the General, Hotel/Motel Tax, Special Recreation, Zoo Building, Court Security/Technology, Animal Control-Kurth Grant, Animal Attic Gift Shop, Economic Development, General Debt Service, Water/Wastewater and Solid Waste and Recycling Funds; and providing an effective date.

City Manager Paul Parker stated that Budget Amendment No. 26 was to align revenues and expenditures in the current budget; decreasing expenditures and increasing revenue projection.

Councilmember Don Langston questioned whether or not these were one time adjustments or could they be expected in coming years, especially in the Police and Fire department. City Manager Parker explained that the larger figures in the Police and Fire department were due to employee vacancies. Councilmember Langston then asked what the variance for the Animal Control Department was. City Manager Parker explained that it was also due to an employee vacancy. Councilmember Langston also questioned the overage in expenditures on the Parks & Recreation Department. City Manager Parker answered by stating that the expenditure overage was due to the funding for the pool at the Boys & Girls Club. Councilmember Langston confirmed the reasoning for the overage in the Hotel/Motel Fund.

Mayor Gorden then entertained any other questions, comments and/or motions.

Councilmember Don Langston moved to approve the Resolution authorizing an amendment to the 2006/2007 Operating Budget (Budget Amendment No. 26), providing for the supplemental appropriation of funds in the General, Hotel/Motel Tax, Special Recreation, Zoo Building, Court Security/Technology, Animal Control-Kurth Grant, Animal Attic Gift

Shop, Economic Development, General Debt Service, Water/Wastewater and Solid Waste and Recycling Funds; and providing an effective date. Councilmember Rufus Duncan seconded the motion. A unanimous affirmative vote was recorded.

14. AUTHORIZE THE FIRE DEPARTMENT TO APPLY FOR THE TEXAS DEPARTMENT OF STATE HEALTH SERVICES (DSHS) GRANT IN THE AMOUNT OF $30,000 – APPROVED - TO GO TOWARD THE PURCHASE OF AN AMBULANCE REMOUNT FROM FRAZER

Mayor Jack Gorden stated that the next item for consideration was authorizing the Fire Department to apply for the Texas Department of State Health Services (DSHS) grant in the amount of $30,000 to go toward the purchase of an ambulance remount from Frazer.

City Manager Parker stated that this was an opportunity to obtain funding for an ambulance remount through the Texas Department of State Health Services (DSHS) and that the remount is budgeted in the next fiscal year amortization schedule and that this grant, if received, would assist in the payment of this remount.

Mayor Gorden then entertained and questions and/or motions.

Councilmember Lynn Torres moved to approve authorizing the Fire Department to apply for the Texas Department of State Health Services (DSHS) grant in the amount of $30,000 to go toward the purchase of an ambulance remount from Frazer. Councilmember R. L. Kuykendall seconded the motion. A unanimous affirmative vote was recorded.

15. RESOLUTION AUTHORIZING AN AMENDMENT TO THE 2006/2007 OPERATING BUDGET (BUDGET AMENDMENT NO. 27), - APPROVED - PROVIDING FOR THE SUPPLEMENTAL APPROPRIATION OF FUNDS IN THE WATER/WASTEWATER FUND, AND PROVIDING AN EFFECTIVE DATE AND AWARD OF THE CONTRACT TO CLAUNCH AND MILLER IN THE AMOUNT OF $576,695 FOR THE COMPLETION OF PHASES 4 AND 5 OF THE SANITARY SEWER INFILTRATION AND INFLOW STUDY.

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. 27), providing for the supplemental appropriation of funds in the Water/Wastewater Fund, and providing an effective date and award of the contract to Claunch and Miller in the amount of $576,695 for the completion of Phases 4 and 5 of the Sanitary Sewer Infiltration and Inflow Study.

City Manager Paul Parker stated that several documents had been distributed to Council in regard to this item, and that if approved, this item would approve a budget amendment in the amount $576,695 and award the contract to Claunch & Miller for the completion of Phases 4 and 5 of the infiltration and inflow study which is required by TCEQ (Texas Commission of Environmental Quality). City Manager Parker then requested that Assistant City Manager Keith Wright give a detailed explanation of this item.

Mr. Wright stated that 1998 / 1999 the EPA (Environmental Protection Agency) issued a threat of enforcement to the City of Lufkin due to the sanitary sewer overflows, and through negotiations with the EPA, the City of Lufkin agreed to a study of the sewer system to minimize and eliminate these overflows as much as possible. Mr. Wright further explained that the process began in 2000, with the selection of Claunch & Miller as the engineering firm. Mr. Wright stated that since then, Claunch & Miller had completed the first three (3) phases of the study. Mr. Wright then explained that the issue with the study was that TCEQ (Texas Commission on Environmental Quality), under delegation from the EPA, had issued a five (5) year timeline for this study to be completed, and that the City was currently in the seventh (7th) year of this study, with TCEQ strongly encouraging that this study be completed. Mr. Wright stated that the study was a very data intensive process and he would try to explain the process. Mr. Wright explained the process of the study, including identifying watershed areas, monitoring flow rates and rainfall, which when compiled, gives an indication of problems with overflow and infiltration. Mr. Wright also stated that GIS mapping is also completed during this study; showing location and elevation of all manholes and the location of all pipes in the sanitary sewer system. Mr. Wright further commented that data collection is a small part of the process, with the evaluation of all data collected being an enormous task. Mr. Wright stated that once all data was collected and evaluated, a computer model of the sanitary sewer system would be created which would show overflows and other problems. Mr. Wright continued to highlight areas in the proposal, including the repair and rehabilitation of lines and manholes. Mr. Wright stated that City staff played a large role in this project including data collection. Mr. Wright then stated he would be glad to answer any questions.

Councilmember Don Langston asked what had changed from the previous contract with Claunch & Miller. Mr. Wright responded that this contract provided day to day supervision of the project to keep it on track and moving forward. Councilmember Langston then questioned why the City could not purchase additional services on the initial contract rather than negotiating a new contract with Claunch & Miller. City Manager Parker stated that each Phase of the project was a separate contract and not a continuation of the initial contract. Mr. Wright also added that the time frame was also a reason for a separate contract for each Phase. Councilmember Langston also questioned what other costs were associated with this project.

Councilmember Rufus Duncan asked for clarification on the cost associated with the project. Mr. Wright stated that the cost for these final phases was actually less than previous three (3) phases.

Councilmember Rose Faine Boyd asked whether or not the City had a choice to do this study. Mr. Wright replied that it had to be completed, regardless of how it was accomplished.

Discussion continued among Council members and staff in relation to the project, its costs and completion time line.

Councilmember Don Langston moved to approve the Resolution authorizing an amendment to the 2006/2007 Operating Budget (Budget Amendment No. 27), providing for the supplemental appropriation of funds in the Water/Wastewater Fund, and providing an effective date and award of the contract to Claunch and Miller in the amount of $576,695 for the completion of Phases 4 and 5 of the Sanitary Sewer Infiltration and Inflow Study. Councilmember Lynn Torres seconded the motion. A unanimous affirmative vote was recorded.

16. <u>RESOLUTION FOR THE ADVANCED FUNDING AGREEMENT – APPROVED - FOR THE SAFE ROUTES TO SCHOOL PROJECT</u>

Mayor Jack Gorden stated that the next item for consideration was a Resolution for the Advanced Funding Agreement for the Safe Routes to School Project.

City Manager Paul Parker stated that the City of Lufkin had previously participated in this project; and if approved, the City would receive a maximum of $750,000 for the construction and completion of sidewalks for the Coston, Garrett, Kurth and Slack Elementary Schools with no match required by the City.

Councilmember Lynn Torres asked for clarification on the maps provided showing the location of the current and proposed sidewalks. Assistant City Manager Keith Wright provided clarification on the maps. Councilmember Lynn Torres also asked about the placement of sidewalks around Kurth Drive and whether projects that the school had planned would affect the sidewalk placement. Mr. Wright stated that there should not be an issue with school projects.

Councilmember R. L. Kuykendall moved to approve the Resolution for the Advanced Funding Agreement for the Safe Routes to School Project. Councilmember Rose Faine Boyd seconded the motion. A unanimous affirmative vote was recorded.

17. <u>CONSTRUCTION MANAGEMENT CONTRACT WITH TIMBERLINE CONSTRUCTORS - APPROVED - FOR THE ZOO EDUCATION/ ADMINISTRATION BUILDING</u>

Mayor Jack Gorden stated that the next item for consideration was a construction management contract with Timberline Constructors for the Zoo Education/Administration Building.

City Manager Paul Parker stated that this was the first time that the City had entered into a construction management contract and that the construction manager would ensure that the project was completed on time and within the allotted budget. City Manager Parker further explained that a review committee composed of himself, Mayor Gorden, Council members Duncan and Langston along with staff members Keith Wright and Gorden Henley interviewed four (4) out of the five (5) bids, and though the committee was pleased with all applicants, they recommended Timberline Constructors be awarded the bid. City Manager Parker also stated that additional documentation had been provided to Council to clarify wording in the contracts and that information should be included in the approval. City Manager Parker continued that Staff recommended that Council enter into the contract with Timberline Constructors for construction management of the Zoo Education/Administration Building. City Manager Parker stated that the projected budget for this project was $1.7 million dollars.

Councilmember Lynn Torres requested to recuse herself from any action on this item.

Councilmember R. L. Kuykendall moved to approve the construction management contract with Timberline Constructors for the Zoo Education/Administration Building. Councilmember Rose Faine Boyd seconded the motion. Six (6) affirmative votes were recorded with Councilmember Torres recusing herself from action. Motion carried.

18. RESOLUTION AUTHORIZING AN AMENDMENT TO THE 2006/2007 OPERATING BUDGET (BUDGET AMENDMENT NO. 28), - APPROVED - PROVIDING FOR THE SUPPLEMENTAL APPROPRIATION OF FUNDS IN THE GENERAL FUND, AND PROVIDING AN EFFECTIVE DATE, WHICH WILL PROVIDE $150,000 FOR THE PURCHASE OF APPROXIMATELY 16.51 ACRES TO ALLOW FOR THE FUTURE EXPANSION OF ELLEN TROUT ZOO

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. 28), providing for the supplemental appropriation of funds in the General Fund, and providing an effective date, which will provide $150,000 for the purchase of approximately 16.51 acres to allow for the future expansion of Ellen Trout Zoo.

City Manager Paul Parker stated that as Council was aware, Staff has been in the process of purchasing approximately 16.51 acres from several different property owners across the lake and that Budget Amendment No. 28 in the amount of $150,000 includes not only the purchase of the property but all associated fees as well. City Manager Parker also stated that this property purchase will allow for further expansion of the Zoo and that Staff recommended approval of this item.

Councilmember Lynn Torres moved to approve the Resolution authorizing an amendment to the 2006/2007 Operating Budget (Budget Amendment No. 28), providing for the supplemental appropriation of funds in the General Fund, and providing an effective date, which will provide $150,000 for the purchase of approximately 16.51 acres to allow for the future expansion of Ellen Trout Zoo. Councilmember R. L. Kuykendall seconded the motion. A unanimous affirmative vote was recorded.

19. CITY MANAGER'S REPORT

Mayor Jack Gorden stated that the next item for consideration was the presentation of the City Manager's report.

City Manager Paul Parker stated that there were no major issues with the financial report at the present and that a detailed report would be given at the upcoming budget retreat. City Manager Parker highlighted the Whitehouse expansion and the TxDOT Highway 59 project. Assistant City Manager Keith Wright stated that the City would bid out the Whitehouse project in August, and but it would not be finished when TxDOT begins their work, but should be completed shortly after TxDOT begins.

20. Mayor Jack Gorden recessed the Regular Session at 6:30 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 7:35 p.m.

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

City Manager Parker reminded Council that both he and Assistant City Manager Keith Wright would be out of town the remainder of the week attending the Texas City Manager's Association meeting and that in their absence, Chief Larry Brazil would be in charge.

City Manager Parker also reminded Council of the upcoming Budget Retreat scheduled for Wednesday, June 27th at the Red Barn, beginning at 9:00 am, with breakfast being served prior to the meeting.

Mayor Gorden also reminded Council that the DETCOG meeting was scheduled for Thursday, June 28th at noon at the Fredonia Hotel in Nacogdoches.

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

Jack Gorden

Jack Gorden – Mayor

Renee Thompson

Renee Thompson – City Secretary