

**MINUTES OF THE REGULAR MEETING OF THE CITY COUNCIL OF THE CITY
OF LUFKIN, TEXAS HELD ON THE 17TH DAY OF JULY, 2007**

On the 17th day of July, 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:

Rose Faine Boyd
R. L. Kuykendall
Don Langston
Rufus Duncan
Phil Medford
Paul L. Parker
Keith Wright
Robert Flourney
Renee Thompson
Larry Brazil
Scott Marcotte
Doug Wood
Barbara Thompson
Dorothy Wilson
Jim Wehmeier
Belinda Southern
Ralph Bean
Dylan Hill
Ray Hill

being present, and

Jack Gorden, Jr.
Lynn Torres

Mayor
Councilmember, Ward No. 3

being absent, when the following business was transacted:

1. The meeting was opened with prayer by Pastor Jacqueline Snarr, Kelty's United Methodist Church.
2. Mayor Pro Tem Rose Faine Boyd welcomed visitors present and recognized Scout Dylan Hill and Scoutmaster Ray Hill from Troop 590. Mayor Pro Tem Boyd stated that Scout Hill was satisfying requirements for the Citizenship and Community Badge and to get his Star Rank.

3. APPROVAL OF MINUTES

Minutes of the Regular Meeting on July 3, 2007 were approved on a motion by Councilmember Rufus Duncan, and seconded by Councilmember Don Langston. A unanimous affirmative vote was recorded.

OLD BUSINESS:

4. **PUBLIC HEARING AND SECOND READING OF AN ORDINANCE AMENDING THE ZONING ORDINANCE AND FUTURE LAND USE PLAN OF THE 2001 COMPREHENSIVE PLAN OF THE CITY OF LUFKIN, TEXAS - APPROVED - BY CHANGING THE ZONING DESIGNATION AND FUTURE LAND USE CLASSIFICATION FOR APPROXIMATELY 1.4 ACRES OF LAND GENERALLY LOCATED ON OLD UNION ROAD**

Mayor Pro Tem Rose Faine Boyd stated that the next item for consideration was a Public Hearing and Second Reading of an Ordinance amending the Zoning Ordinance and Future Land Use Plan of the 2001 Comprehensive Plan of the City of Lufkin, Texas by changing the zoning designation and Future Land Use classification for approximately 1.4 acres of land generally located on Old Union Road.

City Manager Paul Parker stated that the Council had several meetings concerning the property in question, and the rezoning was the last stage of the process on the 1.4 acres that was recently annexed to allow for duplex construction. City Manager Parker added that he would answer any further questions that Council had concerning the rezoning.

Mayor Pro Tem Rose Faine Boyd then opened the Public Hearing at 5:01 p.m. Mayor Pro Tem Boyd asked those attending the Council Meeting if there was anyone who wanted to speak concerning the Ordinance. There were none. Mayor Pro Tem Boyd then closed the Public Hearing at 5:02 p.m.

Councilmember R. L. Kuykendall moved to approve the Second Reading of the Ordinance amending the Zoning Ordinance and Future Land Use Plan of the 2001 Comprehensive Plan of the City of Lufkin, Texas by changing the zoning designation and Future Land Use classification for approximately 1.4 acres of land generally located on Old Union Road. Councilmember Rufus Duncan seconded the motion. A unanimous affirmative vote was recorded.

5. PUBLIC HEARING AND SECOND READING OF AN ORDINANCE AMENDING THE ZONING ORDINANCE AND FUTURE LAND USE PLAN OF THE 2001 COMPREHENSIVE PLAN OF THE CITY OF LUFKIN, TEXAS - APPROVED - BY CHANGING THE ZONING DESIGNATION FROM “RESIDENTIAL MEDIUM” AND “RESIDENTIAL LARGE” TO “APARTMENT” AND GRANTING A “SPECIAL USE PERMIT” FOR A SHELTERED CARE FACILITY ON APPROXIMATELY 10 ACRES OF LAND DESCRIBED AS LOT 1 OF THE WOMEN’S SHELTER OF EAST TEXAS SUBDIVISION AND GENERALLY LOCATED ON DAVISVILLE ROAD. THIS REQUEST WILL ALSO ENCOMPASS A FUTURE LAND USE CHANGE FROM THE CURRENT DESIGNATION OF “LOW DENSITY RESIDENTIAL” TO “HIGH DENSITY RESIDENTIAL”

Mayor Pro Tem Rose Faine Boyd stated that the next item for consideration was a Public Hearing and Second Reading of an Ordinance amending the Zoning Ordinance and Future Land Use Plan of the 2001 Comprehensive Plan of the City of Lufkin, Texas by changing the zoning designation from “Residential Medium” and “Residential Large” to “Apartment” and granting a “Special Use Permit” for a Sheltered Care Facility on approximately ten (10) acres of land described as Lot 1 of the Women’s Shelter of East Texas Subdivision and generally located on Davisville Road. Mayor Pro Tem Boyd added that this request would also encompass a Future Land Use change from the current designation of “Low Density Residential” to “High Density Residential”.

City Manager Paul Parker stated that this was the Second Reading of the Zoning Ordinance and was for a thirteen thousand seven hundred twenty-eight (13,728) square feet proposed Women’s Shelter. City Manager Parker added that the Planning and Zoning Commission, by unanimous vote, and the Planning Staff recommended that Council approve the item. City Manager Parker stated that he would answer any questions that the Council had concerning the item.

Councilmember Don Langston asked to be recused from voting on the proposed item.

Mayor Pro Tem Rose Faine Boyd then opened the Public Hearing at 5:04 p.m. Mayor Pro Tem Boyd asked those attending the Council Meeting if there was anyone who wanted to speak concerning the Ordinance. There were none. Mayor Pro Tem Boyd then closed the Public Hearing at 5:05 p.m.

Councilmember Rufus Duncan moved to approve the Second Reading of the Ordinance amending the Zoning Ordinance and Future Land Use Plan of the 2001 Comprehensive Plan of the City of Lufkin, Texas by changing the zoning designation from “Residential Medium” and “Residential Large” to “Apartment” and granting a “Special Use Permit” for a Sheltered Care Facility on approximately 10 acres of land described as Lot 1 of the Women’s Shelter of East Texas Subdivision and generally located on Davisville Road. This request will also encompass a Future Land Use change from the current designation of “Low Density Residential” to “High Density Residential”. Councilmember Phil Medford seconded the motion. A unanimous affirmative vote was recorded.

6. PUBLIC HEARING AND SECOND READING OF AN ORDINANCE TO APPROVE THE CLOSURE OF PORTIONS OF UNDEVELOPED RIGHT-OF-WAY - APPROVED - OF LYNN AVENUE AND ANN STREET

Mayor Pro Tem Rose Faine Boyd stated that the next item for consideration was a Public Hearing and Second Reading of an Ordinance to approve the closure of portions of undeveloped right-of-way of Lynn Avenue and Ann Street.

City Manager Paul Parker stated that this was also a Second Reading, but Council had requested at the First Reading that Staff provide a map showing the floodplain on the property in question. City Manager Parker added that there was some discussion at the last meeting concerning the developable portion of the property that was to be closed. City Manager Parker stated that the map included in the packet illustrated the areas that could be utilized.

Mayor Pro Tem Rose Faine Boyd then opened the Public Hearing at 5:07 p.m. Mayor Pro Tem Boyd asked those attending the Council Meeting if there was anyone who wanted to speak concerning the Ordinance. There were none. Mayor Pro Tem Boyd then closed the Public Hearing at 5:08 p.m.

Councilmember R. L. Kuykendall moved to approve the Second Reading of the Ordinance to approve the closure of portions of undeveloped right-of-way of Lynn Avenue and Ann Street. Councilmember Phil Medford seconded the motion. A unanimous affirmative vote was recorded.

NEW BUSINESS:

7. ACCEPTANCE OF A GIFT OF FROM THE JUNIOR SERVICE LEAGUE OF LUFKIN - APPROVED - IN THE AMOUNT OF \$2,500 TO FUND EXPENSES FOR THE GANG RESISTANCE AND EDUCATION TRAINING (“GREAT”) AT THE MIDDLE SCHOOL

Mayor Pro Tem Rose Faine Boyd stated that the next item for consideration was acceptance of a gift of from the Junior Service League of Lufkin in the amount of \$2,500 to fund expenses for the Gang Resistance and Education Training (“GREAT”) at the Middle School.

City Manager Paul Parker stated that the City of Lufkin was pleased that the Junior Service League once again came forth with a grant to the Police Department in the amount of two thousand five hundred dollars (\$2,500) to assist with the Gang Resistance and Education Training at the Middle School. City Manager Parker added that the funds would be used for t-shirts, incentives, books and graduation materials for the G.R.E.A.T. Program at the Middle School. City Manager Parker stated that Staff recommended that the Council accept the two thousand five hundred dollar (\$2,500) donation from the Junior Service League of Lufkin with the City’s appreciation and gratitude.

Councilmember Phil Medford moved to approve to accept a gift from the Junior Service League of Lufkin in the amount of \$2,500 to fund expenses for the Gang Resistance and Education Training (“GREAT”) at the Middle School. Councilmember R. L. Kuykendall seconded the motion. A unanimous affirmative vote was recorded.

Mayor Pro Tem Rose Faine Boyd also thanked the Junior Service League for the donation.

8. **FIRST READING OF AN ORDINANCE AMENDING THE SUBDIVISION ORDINANCE OF THE CITY OF LUFKIN, TEXAS, - APPROVED - BEING ORDINANCE NO. 3693, BY AMENDING SECTION 1.17, 31: ENTITLED "MINOR PLAT" TO ADD LANGUAGE; REPEALING CONFLICTING PROVISIONS; AND PROVIDING AN EFFECTIVE DATE**

Mayor Pro Tem Rose Faine Boyd stated that the next item for consideration was the First Reading of an Ordinance amending the Subdivision Ordinance of the City of Lufkin, Texas, being Ordinance No. 3693, by amending Section 1.17, 31: entitled "Minor Plat" to add language; repealing conflicting provisions; and providing an effective date.

City Manager Paul Parker stated that the State law was modified to allow Staff to give administrative approval of "minor plats" involving four (4) or fewer lots fronting on an existing street and not requiring the creation of any new street or the extension of City utilities. City Manager Parker added that it was an effort to speed up development and not burden people with time delays. City Manager Parker stated that with the Council's approval of the Ordinance, City Staff (Dorothy Wilson) would be designated to approve the minor plats as had previously been done with replats.

Councilmember Rufus Duncan moved to approve the First Reading of the Ordinance amending the Subdivision Ordinance of the City of Lufkin, Texas, being Ordinance No. 3693, by amending Section 1.17, 31: entitled "Minor Plat" to add language; repealing conflicting provisions; and providing an effective date. Councilmember Don Langston seconded the motion. A unanimous affirmative vote was recorded.

9. **RESOLUTION AUTHORIZING AN AMENDMENT TO THE 2006/2007 OPERATING BUDGET (BUDGET AMENDMENT NO. 30), - APPROVED - PROVIDING FOR THE SUPPLEMENTAL APPROPRIATION OF FUNDS IN THE GENERAL FUND; AND PROVIDING AN EFFECTIVE DATE**

Mayor Pro Tem Rose Faine Boyd stated that the next item for consideration was a Resolution authorizing an amendment to the 2006/2007 Operating Budget (Budget Amendment No. 30), providing for the supplemental appropriation of funds in the General Fund; and providing an effective date.

City Manager Paul Parker stated that the City had explored the potential of working with local foundations for the purchase and renovation of the old Pines Theater to restore it as a cultural attraction in the Downtown area of Lufkin. City Manager Parker explained that the City recently had the opportunity to purchase the property. City Manager Parker added that with taxes and closing costs the total cost was one hundred twelve thousand eight hundred sixty-one dollars (\$112,861). City Manager Parker stated that Staff anticipated that if Council approved the purchase of the facility, the next step would be to work with architects to get a rendering and a preliminary cost estimate that would allow Staff to continue conversations with several local foundations with the hope of raising private funds for the renovation of the facility. City Manager Parker added that as Council was aware from previous discussions there had been quite a bit of interest in the community from the foundations. City Manager Parker reiterated that Staff felt very strong that many of the foundations would look favorably on the project once the City had a rendering and cost estimates. City Manager Parker stated that in the mean time, Staff was making preliminary plans to solve some of the minor leaking problems to secure the building. City Manager Parker added that a sump pump was currently working to keep the water out. City Manager Parker stated that Staff recommended that Council approve Budget Amendment No. 30.

Councilmember Don Langston stated that it was a wonderful opportunity to continue the revitalization of the Downtown area.

Councilmember Don Langston moved to approve the Resolution authorizing an amendment to the 2006/2007 Operating Budget (Budget Amendment No. 30), providing for the supplemental appropriation of funds in the General Fund; and providing an effective date. Councilmember R. L. Kuykendall seconded the motion. A unanimous affirmative vote was recorded.

10. PRESENTATION OF FISCAL YEAR 2007/2008 BUDGET DRAFT.

Mayor Pro Tem Rose Faine Boyd stated that the next item for consideration was the presentation of fiscal year 2007/2008 Budget Draft.

Mayor Pro Tem Rose Faine Boyd stated that a Public Hearing on the 2007/2008 Operating Budget would be held on Tuesday, August 7, 2007 at 5:00 p.m. in Room 102 (Council Chambers) in the Lufkin City Hall.

City Manager Paul Parker stated that he would not go through the Budget in detail given that the Council had recently been through it in more than one (1) meeting. City Manager Parker stated that the Budget reflected the last Budget Retreat where the numbers were discussed in detail. City Manager Parker added that one (1) item had been added. City Manager Parker explained that the difference between revenues and expenditures in the General Fund had been increased due to four hundred ninety-eight six hundred eighteen dollars (\$498,618) of revenues below the expenditures. City Manager Parker added that Staff still considered it to be a balanced budget due to a conservative estimate of the revenue funds. City Manager Parker explained that one hundred twenty thousand dollars (\$120,000) was the addition of Ellis Street in the Street Overlay Program. City Manager Parker stated that the remainder of the Budget reflected the raise percentage that had been recently discussed by Council for the Fire Department salary increase. City Manager Parker stated that Staff requested the Council hold the two (2) required Public Hearings with the first being on Tuesday, August 7, 2007. City Manager Parker added that the Mayor, Council and Staff would go through the Budget and include any additions or updates as the final ad valorem tax was decided.

Councilmember Don Langston stated that one of the projects that were moved into the next budget year was the Ellis Street and Gaslight intersection. Councilmember Langston inquired if it would be appropriate to request the Staff to bring it before the Council as a Budget Amendment for the current budget. City Manager Parker stated that it could easily be done by pulling it out of the 2007/2008 Budget and adding it as another Budget Amendment to the current budget. City Manager Parker added that Assistant City Manager Keith Wright informed Staff that the City could be ready within the following two (2) weeks to obtain a firm price and a plan for the August 7, 2007 meeting. City Manager Parker added that there would be a lot of sub-base work that needed to be done in the project. City Manager Parker stated that traditionally August and September were the driest months to allow for that type of construction. City Manager Parker added the construction, with the exception of curb and gutter, would be done with City of Lufkin Street Department personnel. City Manager Parker stated that the Ellis and Gaslight intersection could be done during the summer and then complete the street overlay. City Manager Parker stated that the project would be brought before Council in August.

11. CITY MANAGER'S REPORT

Mayor Pro Tem Rose Faine Boyd stated that the next item for consideration was the presentation of the City Manager's report.

City Manager Paul Parker stated that Council had before them the Water and Wastewater Rate Study. City Manager Parker added that the Study reflected the changes that had taken place since the Council Budget Retreat. City Manager Parker explained that the only change was the Study reflected the wholesale rate. City Manager Parker added that the Study reflected the increase that was built into the 2007/2008 Budget. City Manager Parker added that it was the final draft of the Study done by Freese and Nichols, Inc.

City Manager Parker stated that the Sales Tax information had been sent out to the Council the previous week and the City was continuing to have an increase in Sales Tax. City Manager Parker added that the City would end the year with the General Fund revenues above expenditures, if the trend held true to form. City Manager Parker stated that the expenditures were being held in line with no area of concern regarding expenditures and the General Fund remained healthy. City Manager Parker added that the Water/Wastewater Fund ran about six (6) weeks behind due to the billing cycle and would not show a decrease in revenue during the current period, but would show a decrease in the next reporting period due to the unusually wet year Lufkin was having. City Manager Parker added that he anticipated by the end of the year that the City would not meet the projected revenue, unless it became extremely hot and dry. City Manager Parker stated that the Solid Waste Fund was on budget. City Manager Parker added that the Hotel/Motel Tax Fund was below budget but was skewed due to reporting irregularities. City Manager Parker stated that he would answer any questions on the other City funds. City Manager Parker added that none of the other funds were having any financial problems at that time. City Manager Parker stated that overall the financial picture of the City of Lufkin remained very healthy. City Manager Parker added that the City had a good fund balance but would continually be monitoring the Group Health Insurance Fund.

City Manager Parker stated that he would highlight one project in the Project Status Report with that being Whitehouse Phase III. City Manager Parker explained that Staff had received information that TXDOT had received all plans and had approved them. City Manager Parker added that hopefully the plans could be signed in the following week and the City could go to bid in August, open bids at the first of September, and begin construction on Whitehouse Phase III which was Daniel McCall over to FM 819. City Manager Parker stated that he would answer any questions from the Mayor Pro Tem or Council on the Project Status Report.

12. City Manager Parker requested that Councilmember Don Langston give a report from the Financial Committee.

Councilmember Langston stated that the Financial Committee met earlier that day with Dick Long, Financial Consultant with Valley View Consulting. Councilmember Langston added that the Committee met quarterly. Councilmember Langston stated that in the presentation Mr. Long indicated that the City was continuing to see a level trend in interest rates and that the Feds had not acted vicariously by either lowering or raising the rates. Councilmember Langston stated that the City was invested at approximately forty-five million dollars (\$45,000,000) at an average yield of approximately 5.2% which met well within the City's guidelines that had been established for the investments. Councilmember Langston stated that the year to date budgeted interest was seven hundred eighty-one thousand three hundred dollars (\$781,300) and the actual earnings to date were one million two hundred sixty-nine thousand six hundred fifty dollars (\$1,269,650) or one hundred six percent (106%) of budget. Councilmember Langston added that gave a good indication that things were going well in the investment activity for the City of Lufkin.

12. Mayor Pro Tem Rose Faine Boyd recessed the Regular Session at 5:25 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 Pro Tem Rose Faine Boyd reconvened the Regular Session at 5:40 p.m.

13. APPOINTMENT TO BOARDS AND COMMITTEES

Mayor Pro Tem Rose Faine Boyd stated that the next item for consideration was to consider Appointments to Boards and Committees.

Councilmember Phil Medford moved that the following people be appointed to the following committees:

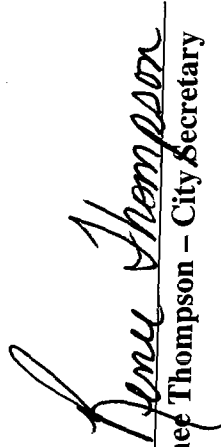
- A. Parks and Recreation Advisory Board – Jeff Taylor
- B. Taxi Cab Committee – Ronald Davis

Councilmember Rufus Duncan seconded the motion. A unanimous affirmative vote was recorded.

14. CALENDAR NOTATIONS FROM MAYOR PRO TEM, COUNCIL MEMBERS, AND CITY MANAGER

City Manager Paul Parker stated that the Council had the calendar before them and wanted to highlight that on Thursday, July 19th, 2007 would be “Business after Five” at Al Meyer Ford. City Manager Parker added that the Firemen’s Pension Board would meet on Tuesday, July 24, 2007 at 9:00 a.m. at the Lufkin City Hall. City Manager Parker stated that the DETCOG Board Meeting would be held on Thursday, July 26, 2007 in Hemphill, Concerned Black Men would meet on Wednesday, August 1, 2007 at 5:30 p.m. at the Lufkin City Hall and the Parks and Recreation Advisory Board would meet on Monday, August 6, 2007 at 4:30 p.m. at the Lufkin City Hall.

15. There being no further business for consideration, the meeting adjourned at 5:42 p.m.


Renee Thompson – City Secretary


Rose Faine Boyd, Mayor Pro Tem