

**MINUTES OF THE REGULAR MEETING OF THE CITY COUNCIL OF THE CITY
OF LUFKIN, TEXAS HELD ON THE 16th DAY OF SEPTEMBER, 2008.**

On the 16th day of September, 2008, 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
Renee Thompson	City Secretary
Bob Flourney	City Attorney
Larry Brazil	Police Chief
Scott Marcotte	Asst. Police Chief
Doug Wood	Finance Director
Steve Floyd	Solid Waste and Recycling Director
Chuck Walker	City Engineer
Barbara Thompson	Main Street Director
Dorothy Wilson	Planning Director
Rhonda McLendon	Animal Control Director
Bill Cameron	City Webmaster

being present, when the following business was transacted:

1. The meeting was opened with prayer by Pastor Brad Cauley, Seventh Day Adventist.
2. Mayor Jack Gorden welcomed visitors present.
3. **APPROVAL OF MINUTES**

Minutes of the Regular Meeting of September 2, 2008 were approved on a motion by Councilmember Rose Faine Boyd, and seconded by Councilmember Lynn Torres. A unanimous affirmative vote was recorded.

Mayor Gorden stated that on September 16, forty (40) years earlier, Police Chief Larry Brazil came to work for the City of Lufkin Police Department. Mayor Gorden thanked Chief Brazil for his service to the City of Lufkin.

Mayor Gorden stated that he wanted to recognize what had occurred in the City during the past week. Mayor Gorden explained that “Hurricane Ike” came to visit and that there was no way that all of the people who had helped could be recognized. Mayor Gorden stated that he wanted to take the time to recognize as many as possible, however. Mayor Gorden added that words could not show the appreciation that the Lufkin community should have for those involved. Mayor Gorden then listed the participating shelters (some of which were still open). Mayor Gorden stated that there were still approximately one thousand three hundred sixty (1360) people remaining in the shelters and that there were approximately four thousand five hundred (4500) evacuees at the highest count. Mayor Gorden added that this was not counting the individual homes and churches that were not on the list. Mayor Gorden then publicly recognized the following shelters: First Christian Church which was the secondary Emergency Operation Center for the City of Lufkin and also housed the families of the City Employees that needed to evacuate, Carpenters Way Baptist Church, First Assembly of God, First Church of the Nazarene, Keltly’s Baptist Church, Southside Baptist Church, Calvary Baptist, Denman Avenue Baptist, Redland Baptist, Clawson Assembly of God, New Life Worship Center, Iglesia Christiana Bautista, Hope Center, First Methodist Church, Harmony Hill Baptist Church, First Presbyterian Church, and Lufkin Independent School District. Mayor Gorden added that Lufkin Independent School District was the only school district in the County that housed evacuees and added that their staff and facilities

went beyond the call of duty to help shelter the evacuees. Mayor Gorden stated that the Texas Baptist Men (and Women) came in full force and had the ability to feed six thousand (6000) people per meal. Mayor Gorden stated that the Texas Baptist Men provided food for the four thousand five hundred (4500) people in the shelters, three (3) times a day. Mayor Gorden added that his understanding was that they were still in the area feeding the one thousand three hundred sixty (1360) remaining evacuees.

Councilmember Lynn Torres stated that on Wednesday, September 17, 2008, the Texas Baptist Men's cooking unit would be open at noon to serve people in the community who were either displaced or staying in hotels or with relatives. Councilmember Torres added that when the Texas Baptist Men could have been gearing down, due to the lower numbers, they were actually telling people that they had the capacity to feed them, and to line up and they would be fed. Councilmember Torres stated that this deserved to be noted. Mayor Gorden stated that the City needed to get the word out to the community.

Mayor Gorden stated that in the City of Huntington, the Huntington First Baptist Church and the First Assembly of God were shelters. Mayor Gorden added that in the City of Diboll, the Diboll Civic Center and the Faith Family Church sheltered people. Mayor Gorden stated that the Lufkin Pitser Garrison Civic Center, once again, served as a "Special Needs" shelter. Mayor Gorden added that the City/County Health District oversaw that facility. Mayor Gorden thanked Woodland Heights and Memorial Hospitals, who went above and beyond the call of duty. Mayor Gorden added that both facilities lost power, as did many citizens of the City. Mayor Gorden stated that the last time he talked to a representative at Oncor, there were still approximately nineteen thousand (19,000) people without electricity, and noted that Oncor had an army of people in the area working night and day to restore power. Mayor Gorden stated that the American Red Cross, along with Glenna Harkness and Jeannie Miles worked twenty-four (24) hours a day keeping the shelters going. Mayor Gorden thanked the Angelina County/City Health District, along with Sharon Shaw for their effort during the event. Mayor Gorden added that the Salvation Army fed the people in the "Special Needs" shelter at the Civic Center. Mayor Gorden added that City Secretary Renee Thompson was at the Civic Center taking care of the "Special Needs" shelter and thanked Mrs. Thompson. Mayor Gorden then thanked a couple of local businesses that fed the City workers were McDonald's and Lufkin Barbeque. Mayor Gorden added that both were really great corporate citizens and small business citizens in the community. Mayor Gorden stated that there was no way that the City could thank all of the people enough, and added that there were untold deeds that were done that no one would ever know about. Mayor Gorden added that it was heart rendering to see "our" people in action, in the City of Lufkin, and the average citizens, and churches. Mayor Gorden stated that he was in and out of the Lufkin City Hall a lot during the event and noted that he would put the City of Lufkin Staff up against any place in the country. Mayor Gorden added that the Lufkin community was so giving, and thanked all that would see or hear the Council Meeting.

Councilmember Rose Faine Boyd stated that the Council needed to give special kudos to the Emergency Management Team who was at the Lufkin City Hall during the hurricane and noted that the Staff was superb. Councilmember Boyd added that the Staff worked hard and tried to make sure that everyone was comfortable. Councilmember Boyd stated that along with the Staff there were other community members and those who provided food. Councilmember Boyd stated that the Staff worked twelve (12) hour shifts and were superb. Councilmember Boyd stated that she went out and visited three (3) of the shelters and that the shelters were running very smoothly. Councilmember Boyd added that she was surprised and happy that she didn't hear people complaining, like they had in past disasters. Councilmember Boyd stated that this occurred because the City was ready and prepared, and that this was due to the Emergency Management Team having the staff prepared and ready.

City Manager Paul Parker stated that he wanted to take a minute to echo Councilmember Rose Boyd. City Manager Parker added that he didn't think that he or the City Council could be more proud of the employees of the City of Lufkin. City Manager Parker stated that he would hate to estimate how many workers were working before, during and after the hurricane. City Manager Parker stated that the number of workers was probably in excess of four hundred (400), of the four hundred forty-five (445) employees in the City of Lufkin, that had some role in the event. City Manager Parker stated that there were meter readers handing out ice and checking on damage control, municipal court workers and accounting and utility collections employees working the phone banks, and the Planning Director working in the EOC for hours. City Manager Parker added that there was so much that he could say about the three (3) people that had been trained, that Council had allowed the City

to spend the resources necessary for the training, and that they were Keith Wright, who handled the coordination of the Emergency Management, Steve Floyd and Chuck Walker. City Manager Parker then told about Mr. Walker waking him up after City Manager Parker had only had about ten (10) minutes of sleep, and added that everyone still kidded Mr. Walker about the incident. City Manager Parker stated that he didn't know if anyone could really explain what actually went into the preparations, such as employees setting up cots in all of the shelters, the workers that ferried water, ice, and food and moved large generators, that the State provided, during the middle of the night from one (1) shelter to another to make sure people didn't go through the night without power and necessities. City Manager Parker stated that there were Zoo employees working to bag poisonous snakes before the event, to make sure there wouldn't be a problem if the Zoo were hit by the hurricane, and added that there was damage at that area. City Manager Parker added that there were Street and Parks Department employees working at the Zoo to clean up the area afterward, so that it could be reopened. City Manager Parker stated that he did not know of a department or area that did not take part in working the event. City Manager Parker added that there was not a single employee that did not show up for work when requested. City Manager Parker stated that most of the employees had families that stretched throughout the area and that the employees did not know the conditions of their families throughout the event, yet were at work, and added that many slept in the building for many hours. City Manager Parker added that it was truly remarkable what the Staff was able to do and that the City of Lufkin was really blessed. City Manager Parker stated that everyone would have to see their City employees at work, and added that the Street Department and Public Utilities were out even before the winds quit blowing and the rain had stopped. City Manager Parker stated that the Police Department were out during the entire event, patrolling the streets and never came in. City Manager Parker added that the Police Department were out checking on houses where trees had fallen, to make sure that nobody was hurt, and that the Fire Department was responding to emergency calls throughout the process. City Manager Parker stated that none of this could have taken place as smoothly as it did if the Council and Mayor had not provided the funding for the training, the warehouse at Solid Waste, and the Emergency Operation Center (EOC). City Manager Parker added that the Lufkin EOC was above and beyond most centers in the area. City Manager Parker stated that on the Council Agenda that night was an item for the expansion of the Animal Control facility. City Manager Parker explained that Animal Control Director Rhonda McLendon had over three hundred (300) animals ranging from mice, chickens, parrots, dogs, and cats. City Manager Parker added that it was remarkable what the Animal Control employees did. City Manager Parker stated that the public did not see it all, but one could only imagine checking in all of the animals at the High School and then returning them. City Manager Parker stated that the Lufkin Independent School District (LISD) was remarkable and dared to bet that the Lufkin School District sheltered more evacuees, in the State of Texas, than all other school districts combined.

Mayor Gorden stated that he failed to mention that the LISD also sheltered the National Guard and the Texas Guard. City Manager Parker stated that First Christian Church also sheltered approximately fifty (50) Department of Public Safety (DPS) officers. City Manager Parker stated that the entire community had stepped up in many ways, and added that the partnership with LISD, the faith based community, and Red Cross was truly a community effort. City Manager Parker stated that Judge Wes Suiter was present throughout the event and that Angelina County assisted in distributing water. City Manager Parker explained that Judge Suiter sent employees from the Landfill and Volunteer Fire Departments in the county, and added that the endeavor was not just a City of Lufkin effort. City Manager Parker stated that the event was truly a countywide effort and that the City of Lufkin was very blessed. City Manager Parker stated that there were still quite a few evacuees in Lufkin, and that Lufkin would be sheltering individuals for quite some time. City Manager Parker added that remarkably Oncoor had all of the critical facilities up and running, such as Water and Sewer, and added that there were no problems in the City of Lufkin. City Manager Parker explained that this was partly due to the fact that the City had four (4) of its wells on generators that the Council had the foresight to do. City Manager Parker added that the Sewer and Water Plants were both on generators, as well as the Lufkin Pitser Garrison Civic Center, that was the "Special Needs" shelter. City Manager Parker stated that the City of Lufkin was well prepared and commended the Mayor and Council for preparing the City. City Manager Parker stated that there would always be small problems, but that overall, if he wrote a critique, he could not criticize anyone in the community or the City of Lufkin Staff for everything that was done. City Manager Parker added that he couldn't be more proud of the people in Lufkin.

Assistant City Manager Keith Wright stated that he wanted to give special thanks to Assistant Police Chief Scott Marcotte and Assistant Fire Chief Duane Freeman. Assistant City Manager Wright added that Assistant Chief Marcotte and Assistant Chief Freeman assisted him a lot and that he could not have made it without them. Assistant City Manager Wright stated that he also wanted to thank all of the Police Officers and Fire Department Personnel involved. City Manager Parker commented that one knew that they were doing well whenever a Police Officer was ordering a Fireman to do something and that they were all doing it. City Manager Parker added that one knew they had a good team whenever that took place. City Manager Parker stated that also was the case when the Firemen were telling Public Works what to do. City Manager Parker added that truly everyone knew their role and no one refused to work or do anything that was requested of them during the event. City Manager Parker stated that some of the Staff worked many, many hours and added that the City hoped that FEMA would reimburse the overtime bill. City Manager Parker stated again that he wanted to thank all of the City of Lufkin employees.

Mayor Jack Gorden stated that there was no way that everyone could be thanked properly and that hopefully the City would do more toward thanking everyone again in the future.

OLD BUSINESS:

4. **PUBLIC HEARING AND SECOND READING OF AN ORDINANCE AMENDING THE ZONING ORDINANCE OF THE CITY OF LUFKIN, TEXAS, - APPROVED - BY CHANGING THE ZONING DESIGNATION AND AMENDING THE FUTURE LAND USE PLAN DESIGNATION OF A CERTAIN TRACT OR PARCEL OF LAND WITHIN THE CORPORATE LIMITS OF THE CITY OF LUFKIN, TEXAS, DESCRIBED AS BLOCK 7, LOT 2 OF THE TANGLEBRIAR ADDITION, LOCATED ON THE CORNER OF COPELAND AND LOOP 287, KNOWN AS 1401 SOUTH JOHN REDDITT, FROM THE ZONING CLASSIFICATION OF "RESIDENTIAL LARGE SINGLE FAMILY DWELLING" TO A "LOCAL BUSINESS ZONING DISTRICT" AND AMENDING THE FUTURE LAND USE PLAN DESIGNATION FROM "OFFICE/MIXED" USE TO "RETAIL" AND AUTHORIZING THE CITY PLANNER TO MAKE SUCH CHANGES ON THE OFFICIAL MAPS**

Mayor Jack Gorden stated that the next item for consideration was a Public Hearing and Second Reading of an Ordinance amending the Zoning Ordinance of the City of Lufkin, Texas, by changing the zoning designation and amending the Future Land Use Plan designation of a certain tract or parcel of land within the corporate limits of the City of Lufkin, Texas, described as Block 7, Lot 2 of the Tanglebriar Addition, located on the corner of Copeland and Loop 287, known as 1401 South John Redditt, from the zoning classification of "Residential Large Single Family Dwelling" to a "Local Business Zoning District" and amending the Future Land Use Plan designation from "Office/Mixed" use to "Retail" and authorizing the City Planner to make such changes on the official maps.

City Manager Parker stated that since the Council was already familiar with the item, the only addition was that the Planning Staff and the Planning and Zoning Commission recommended that the Council approve the proposed zone change to "Local Business" and the Future Land Use map change to "Retail".

Mayor Gorden opened the Public Hearing at 5:22 p.m. and asked anyone who wished to speak on the item to please step forward. There appearing to be no one who wished to speak, Mayor Gorden closed the Public Hearing at 5:23 p.m.

Councilmember Rufus Duncan moved to approve the Second Reading of the Ordinance amending the Zoning Ordinance of the City of Lufkin, Texas, by changing the zoning designation and amending the Future Land Use Plan designation of a certain tract or parcel of land within the corporate limits of the City of Lufkin, Texas, described as Block 7, Lot 2 of the Tanglebriar Addition, located on the corner of Copeland and Loop 287, known as 1401 South John Redditt, from the zoning classification of "Residential Large Single Family Dwelling" to a "Local Business Zoning District" and amending the Future Land Use Plan designation from "Office/Mixed" use to "Retail" and authorizing the City Planner to make such changes on the official maps. Councilmember Don Langston seconded the motion. A unanimous affirmative vote was recorded.

5. **PUBLIC HEARING AND SECOND READING OF AN ORDINANCE AMENDING THE ZONING ORDINANCE OF THE CITY OF LUFKIN, TEXAS, - APPROVED - BY CHANGING THE ZONING DESIGNATION AND AMENDING THE FUTURE LAND USE PLAN DESIGNATION OF A CERTAIN TRACT OR PARCEL OF LAND WITHIN THE CORPORATE LIMITS OF THE CITY OF LUFKIN, TEXAS, DESCRIBED AS BLOCK 1, LOT 2 OF THE GRANT AVENUE ADDITION #2, LOCATED AT 1009 GRANT AVENUE FROM THE ZONING CLASSIFICATION OF "LOCAL BUSINESS" TO A "COMMERCIAL ZONING DISTRICT" AND AMENDING THE FUTURE LAND USE PLAN DESIGNATION FROM "LOW DENSITY RESIDENTIAL" TO "COMMERCIAL" AND AUTHORIZING THE CITY PLANNER TO MAKE SUCH CHANGES ON THE OFFICIAL MAPS**

Mayor Jack Gorden stated that the next item for consideration was a Public Hearing and Second Reading of an Ordinance amending the Zoning Ordinance of the City of Lufkin, Texas, by changing the zoning designation and amending the Future Land Use Plan designation of a certain tract or parcel of land within the corporate limits of the City of Lufkin, Texas, described as Block 1, Lot 2 of the Grant Avenue Addition #2, located at 1009 Grant Avenue from the zoning classification of "Local Business" to a "Commercial Zoning District" and amending the Future Land Use Plan designation from "Low Density Residential" to "Commercial" and authorizing the City Planner to make such changes on the official maps.

City Manager Paul Parker stated that the Planning and Zoning Commission and Planning Staff recommended that Council approve the zone change and Future Land Use designation to "Commercial".

Mayor Gorden opened the Public Hearing at 5:24 p.m. and asked anyone who wished to speak on the item to please step forward. There appearing to be no one who wished to speak, Mayor Gorden closed the Public Hearing at 5:25 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 and amending the Future Land Use Plan designation of a certain tract or parcel of land within the corporate limits of the City of Lufkin, Texas, described as Block 1, Lot 2 of the Grant Avenue Addition #2, located at 1009 Grant Avenue from the zoning classification of "Local Business" to a "Commercial Zoning District" and amending the Future Land Use Plan designation from "Low Density Residential" to "Commercial" and authorizing the City Planner to make such changes on the official maps. Councilmember Phil Medford seconded the motion. A unanimous affirmative vote was recorded.

NEW BUSINESS:

6a. **AUTHORIZATION OF THE CITY MANAGER TO ENTER INTO CONTRACTS FOR DEBRIS REMOVAL AND HURRICANE IKE RELATED ACTIVITIES - APPROVED - IN EXCESS OF THE NORMAL REQUIRED BID AMOUNT OF TWENTY-FIVE THOUSAND DOLLARS (\$25,000)**

Mayor Jack Gorden stated that each of the Council Members had the details of the emergency item that had been added to the Council Meeting Agenda that was related to debris removal.

City Manager Paul Parker stated that Staff was asking the Council to consider the emergency item, authorizing the City Manager to enter into contract for debris removal and Hurricane Ike related activities, in excess of the normal required bid amount of twenty-five thousand dollars (\$25,000). City Manager Parker added that Staff wanted to use private contractors to remove the brush as expediently as possible from City streets, once Staff was given the information and authority from FEMA to go ahead with brush removal. City Manager Parker explained that the City would enter into contracts for the removal and then bring them back to the Council for official approval at the October 7, 2008, Council Meeting. City Manager Parker stated that Staff needed authorization from the Council without the prior approval.

Assistant City Manager Keith Wright stated that the City would send out a request for proposals (RFP) and would take quotes, in accordance to FEMA guidelines, from the

contractors. Assistant City Manager Wright explained that Staff would select a contractor, based on that process.

City Manager Parker added that Staff would most likely consider using multiple contractors, if they could meet the liability and had the equipment to proceed. City Manager Parker stated that the City wanted to get the debris removed from the neighborhoods as quickly as possible.

Mayor Gorden stated that this was a good idea, and that he was amazed at the number of citizens that were cleaning up their own yards. Mayor Gorden added that hopefully by doing this, the City could expedite getting the debris removed.

City Manager Parker stated that one dilemma the City had faced in getting the contracts for the Council was that the State was still in the emergency response mode and was providing fuel and food to the affected areas, and the City of Lufkin was already in the recovery stages. City Manager Parker added that the City of Lufkin was organized and ready to move forward, and the State was not ready to respond to recovery, because they were still responding to the problems that the neighbors on the coast were still dealing with. City Manager Parker explained that as soon as Staff was given the go ahead to proceed, and once the paperwork from FEMA was completed, Staff would begin the debris removal. City Manager Parker added that it would take months for the City to accomplish the task on its own. City Manager stated that on a side note, Staff would more than likely return to the Council for a budget amendment due to the fact that the cost would occur in the current fiscal year, and the reimbursement would not occur until the following fiscal year. City Manager Parker added that the financial matters that had to be taken care of were something that the City could easily overcome, because the Council had made preparations, with the fund surplus, to cover the expenses upfront. City Manager Parker concluded by requesting that Council approve the City to enter into contract, in excess of the twenty-five thousand dollar (\$25,000) limit.

Councilmember R. L. Kuykendall moved to approve the authorization of the City Manager to enter into contracts for debris removal and Hurricane Ike related activities, in excess of the normal required bid amount of twenty-five thousand dollars (\$25,000). Councilmember Lynn Torres seconded the motion. A unanimous affirmative vote was recorded.

6. ORDINANCE AMENDING ORDINANCE 4061; ADDING SECTION 707.717 OF THE TEXAS TRANSPORTATION CODE; - APPROVED - PROVIDING FOR AUTHORIZATION OF THE TEXAS DEPARTMENT OF TRANSPORTATION TO PROVIDE SCOFFLAW SERVICES; REPEALING ALL ORDINANCES IN CONFLICT HEREWITH, AND PROVIDING AN EFFECTIVE DATE

Mayor Jack Gorden stated that the next item for consideration was the First Reading of an Ordinance amending Ordinance 4061; adding Section 707.717 of the Texas Transportation Code; providing for authorization of the Texas Department of Transportation to provide Scofflaw Services; repealing all ordinances in conflict herewith, and providing an effective date.

City Manager Paul Parker stated that the State Legislature had once again added another caveat to the regulations regarding the Scofflaw Services. City Manager Parker added that the previous Ordinance did not make reference to Section 707.017, therefore requiring the City to add it to the Ordinance. City Manager Parker explained that the Scofflaw Services would compel Angelina County to assist the City of Lufkin, by not issuing vehicle registration renewals unless individuals paid all of their outstanding traffic light (red light cameras) enforcement fines. City Manager Parker stated that the City of Lufkin's prior Ordinance did not make reference to 707.017 regulations, and that the County had to have the Ordinance current to enable enforcement. City Manager Parker added that he, Assistant Police Chief Scott Marcotte, and County Judge Wes Suiter had discussed the issue. City Manager Parker stated that County Judge Suiter and Assistant Chief Marcotte would soon talk to the County Tax Assessor Collector, to make sure that all were in full agreement with the arrangement. City Manager Parker explained that the agreement stated that the City and County would enter into a contract, but the agreement was fundamentally an understanding that the County would enforce that fines be paid before vehicles could be registered.

Councilmember Don Langston moved to approve the First Reading of the Ordinance amending Ordinance 4061; adding Section 707.717 of the Texas Transportation Code;

providing for authorization of the Texas Department of Transportation to provide Scofflaw Services; repealing all ordinances in conflict herewith, and providing an effective date. Councilmember R. L. Kuykendall seconded the motion. A unanimous affirmative vote was recorded.

7. RESOLUTION AUTHORIZING AN AMENDMENT TO THE 2007/2008 OPERATING BUDGET (BUDGET AMENDMENT NO. 36), - APPROVED - PROVIDING FOR THE SUPPLEMENTAL APPROPRIATION OF FUNDS IN THE ANIMAL CONTROL- KURTH GRANT FUND; AND PROVIDING AN EFFECTIVE DATE, FOR INCREASED COSTS FOR THE CONSTRUCTION OF THE CITY OF LUFKIN ANIMAL CONTROL HOLDING PENS.

Mayor Jack Gorden stated that the next item for consideration was a Resolution authorizing an amendment to the 2007/2008 Operating Budget (Budget Amendment No. 36)), providing for the supplemental appropriation of funds in the Animal Control- Kurth Grant Fund; and providing an effective date, for increased costs for the construction of the City of Lufkin Animal Control holding pens.

City Manager Paul Parker stated that the intent of the construction was to allow the City to hold animals for a longer period of time, and to keep animals taken in, that were diseased, separated from animals that were in good shape for adoption. City Manager Parker explained that the Council had previously provided funds for the project, but that the estimated cost required an additional thirty-one thousand six hundred fifty-two dollars (\$31,652) for the completion of the facility. City Manager Parker stated that the overall projected cost for the structure was two hundred eleven thousand six hundred fifty-two dollars (\$211,652). City Manager Parker added that Staff requested that the additional funding be taken from the Kurth Fund Balance. City Manager Parker stated that the City of Lufkin was very fortunate that the Kurth Foundation annually assisted in supporting the Animal Control Operations, not only for the City, but also for Angelina County. City Manager Parker added that the City would use funds set aside from the Kurth Foundation to complete the project. City Manager Parker stated that Staff requested that the Council authorize a budget amendment to provide the additional thirty-one thousand six hundred fifty-two dollars (\$31,652) to complete the expansion.

Councilmember Don Langston asked if all of the funds would come from the Kurth Foundation. City Manager Parker stated that the entire amount came from the Kurth Foundation, and was from the fund balance that the Foundation had donated to the Animal Shelter over past years, as well as current funding. Councilmember Langston inquired if the item was a contractual arrangement or just a budget amendment. City Manager Parker stated that the item was only a budget amendment, but added that the City's goal was to use Beauford Chapman to contract out the project to independent subcontractors. Councilmember Langston asked the about the process being used, and stated that the City had a guideline that had to be followed. City Manager Parker stated that the project consisted mostly of concrete work and fencing. City Manager Parker added that the City would issue a request for proposals (RFP) primarily for local vendors involved in that area. Assistant Police Chief Scott Marcotte stated that the project would be done similar to the project that was recently completed at the Police Department. Assistant Chief Marcotte explained that the project would be broken down into sections, and would then go out for bids. Assistant Chief Marcotte stated that Mr. Chapman was going to be the manager for the project. Councilmember Langston stated that Mr. Chapman was an employee for the City of Lufkin when the Police Department remodeling project began and that he wanted to make sure that the City of Lufkin had a contractual arrangement with Mr. Chapman to follow the guidelines established for the City. City Manager Parker stated that Assistant Chief Marcotte was in charge of the project and would oversee it to make sure that the City regulations were met, bids were taken and would oversee the insurance for the project.

Councilmember Rufus Duncan asked if the project was similar to a "construction management" type arrangement. Councilmember Duncan added that the estimates did not show any fees for Mr. Chapman. Assistant Chief Marcotte stated that the fee for Mr. Chapman was included in the contingency amount listed on the budget estimates. Assistant Chief Marcotte added that Mr. Chapman would act as the contractor for the project, and that the fee had been included in the contingency portion of the budget. Councilmember Duncan asked if the City would know the amounts of his fees whenever the City let the contract. City Manager Parker stated that the breakdown was included in the council packet behind item number seven (7), on the budget estimate page, and that the estimates were what the

City envisioned the different components of the project to cost. Councilmember Duncan asked if the City liked that concept better than using the “construction management” concept. City Manager Parker stated that Staff had found that the City could get a more reasonable price by doing it the other way.

Councilmember Langston stated that his chief concern was that there was a process that should be followed when choosing a construction manager, such as advertising and giving others the option to bid. Councilmember Langston added that the process could be weighted to give one preference over the other, due to experience, and working with the City, but that he wanted to be absolutely certain that the City was following proper guidelines. Councilmember Langston stated that if the contingency was the fee, then it was ten percent (10%) and was certainly normal in the industry.

Councilmember Duncan stated that he understood Staff to say that there was a fee included in the budget estimate under the label “site work”, and that the fee was included in the three thousand dollars (\$3,000) set up for “site work”. Assistant Chief Marcotte stated that included in the contingency fund was the amount that the construction code consultant would receive to act throughout the entire project. Councilmember Duncan stated that he had misunderstood.

Councilmember Langston asked who had designed the plans for the Animal Shelter holding pens/kennel. City Manager Parker stated that the design came from City Engineer Chuck Walker and that it was designed “in house”. City Manager Parker asked if the Council wanted the City to go out for a “turn key” project. City Manager Parker added that Staff had wanted to expedite the project, but would do as the Council wished. Councilmember Langston stated that he like the concept that the City was using, but just wanted to make sure that everyone involved understood the requirements that the City had to follow the guidelines given by the State. Councilmember Langston added that the City was currently building the new facility at Ellen Trout Zoo using the construction management concept, and that it appeared to be working well. Councilmember Langston stated that the City went through a process to choose a construction manager that was in the construction business and wanted to make sure that the City followed whatever the law required on the Animal Shelter project. City Manager Parker stated that the Animal Control project was slightly different than the Zoo project because the City was not hiring Mr. Chapman’s construction company, but was hiring Mr. Chapman as the project superintendent. City Manager Parker explained that the City would bid out the components of the project and that Mr. Chapman would oversee the construction. Assistant Chief Marcotte stated that this was exactly how the Police Department remodeling project was carried out. Assistant Chief Marcotte added that Mr. Chapman had worked on an hourly basis during that project, and that Mr. Chapman had provided detailed invoices outlining his services.

Assistant City Manager Keith Wright stated that Mr. Chapman was acting as more of a consultant. Assistant City Manager Wright added that the Staff could check to make sure that the City was following the law. Councilmember Duncan asked if the entire amount of the contingency was basically the fee for Mr. Chapman. Assistant Chief Marcotte stated that was not correct. Assistant Chief Marcotte explained that part of the contingency fund was for overruns, and part of the fund was for Mr. Chapman’s fee. City Manager Parker stated that Mr. Chapman’s exact fee was not broken down in the contingency fund. Assistant Chief Marcotte stated that it was not, but that when Mr. Chapman invoiced the City, he would break down the fee to an hourly rate. Assistant Chief Marcotte stated that was how Mr. Chapman was paid when the Police Department remodeling had taken place.

Councilmember Lynn Torres moved to approve the Resolution authorizing an amendment to the 2007/2008 Operating Budget (Budget Amendment No. 36)), providing for the supplemental appropriation of funds in the Animal Control- Kurth Grant Fund; and providing an effective date, for increased costs for the construction of the City of Lufkin Animal Control holding pens. Councilmember Phil Medford seconded the motion. A unanimous affirmative vote was recorded.

8. **RESOLUTION AUTHORIZING AN AMENDMENT TO THE 2007/2008 OPERATING BUDGET (BUDGET AMENDMENT NO. 37). - APPROVED - PROVIDING FOR THE SUPPLEMENTAL APPROPRIATION OF FUNDS IN THE GENERAL FUND; AND PROVIDING AN EFFECTIVE DATE; FOR THE EXPANSION OF THE CITY OF LUFKIN'S CONTRACT WITH TAC**

Mayor Jack Gorden stated that the next item for consideration was a Resolution authorizing an amendment to the 2007/2008 Operating Budget (Budget Amendment No. 37), providing for the supplemental appropriation of funds in the General Fund; and providing an effective date; for the expansion of the City of Lufkin's contract with TAC.

City Manager Paul Parker stated that as TAC completed the energy efficiency project, which was authorized by the Council earlier in the year, two (2) or three (3) issues came up. City Manager Parker stated that one (1) issue was the area that housed the 911 servers and equipment. City Manager Parker explained that the air conditioning load, that was sufficient to cool all of the sophisticated 911 computer equipment, was freezing the dispatchers because they were all on the same system. City Manager Parker stated that the proposal was simply to separate those two (2) areas so both the dispatch and computer room could be climate controlled. City Manager Parker stated that the second area was in the Fire Administration building. City Manager Parker stated that the building was currently cooled by fifteen (15) tons or two (2) 7.5 ton units of air conditioning that had a return air duct that was inadequate to handle the need. City Manager Parker stated that the solution was to tie the two (2) units together to allow them to operate as a two (2) stage unit on a new return air plenum. City Manager Parker stated that the third area was in the Emergency Operation Center (EOC) in City Hall. City Manager Parker added that whenever the EOC was running at full capacity, the combined heat load on the computer equipment and added personnel caused the room to be really uncomfortable. City Manager Parker stated that Staff recommended that Council approve the Budget Amendment No. 37 in the amount of nineteen thousand two hundred dollars (\$19,200) to complete the project.

Councilmember Don Langston stated that he had been skeptical of the TAC arrangement from the beginning, and thought that the City had a thorough understanding that TAC would survey the buildings. Councilmember Langston explained that nothing had changed, except possibly the EOC, and that he questioned why concerns were coming up now, rather than back then when the City had the issue before them. Councilmember Langston stated that if the Fire Administration building had fifteen (15) tons of air, but only needed 7.5 tons, then obviously the kilowatt usage would go down, which would protect TAC. Councilmember Langston stated that the work probably did need to be done, but did not know how to overcome the issue and that it seemed negligent on the part of TAC. Mayor Gorden asked if it would be out of the question to incorporate the changes into the original agreement. Councilmember Langston stated that it should have been in the original agreement. Mayor Gorden added that he agreed and that this would affect the end result of the contract. City Manager Paul Parker stated that TAC was willing to keep the original agreement without the changes, but that it would not resolve the problems that were occurring in these areas.

Assistant City Manager Keith Wright stated that Staff approached TAC with the changes, and agreed that it was something that should have been caught whenever TAC did their analysis. Assistant City Manager Wright added that after Staff had the control system and the thermostats operating, the issues were identified as problems and that Staff approached TAC for a price to correct the issues. Councilmember Langston stated that the City had to correct the issues, but didn't feel that the City received the full measure from TAC. Mayor Gorden added that it would help TAC meet their obligations of lowering the City's energy costs, but agreed that the issues still needed to be taken care of.

City Engineer Chuck Walker stated that the recent issues were not discussed as part of the contract. Mr. Walker added that the fifteen (15) ton air conditioning unit would be reduced down to a 7.5 ton unit, therefore TAC would see a substantial energy reduction. Assistant City Manager Wright stated that the energy reduction should be added on top of the original savings that TAC projected. Assistant City Manager Wright added that Staff would need to clarify that point with TAC, based on the Council's approval.

Mayor Gorden stated that this was the answer, and asked City Engineer Chuck Walker to discuss the issue with TAC.

Councilmember Rose Faine Boyd moved to approve the Resolution authorizing an amendment to the 2007/2008 Operating Budget (Budget Amendment No. 37), providing for the supplemental appropriation of funds in the General Fund; and providing an effective date; for the expansion of the City of Lufkin's contract with TAC. Councilmember Don Langston seconded the motion. A unanimous affirmative vote was recorded.

9. CITY MANAGER'S REPORT

Mayor Jack Gorden stated that the next item for consideration was a report from City Manager Paul Parker.

City Manager Paul Parker stated that he would highlight part of the reports. City Manager Parker added that the new Sales Tax report had been sent to the Council the previous week, and that the report was the worst the City had seen in quite some time. City Manager Parker stated that Staff did some research on the subject and that about one half (1/2) of the amount was a rebate to one (1) company, therefore was not as bad as the report indicated. City Manager Parker stated that the sales tax was below the previous year, even when removing the rebate amount from the equation. City Manager Parker stated that the report was for the July sales, and probably had a lot to do with the Whitehouse Bridge being under heavy construction. City Manager Parker added that the City saw some of the effect that had been a concern to the Council and Staff. City Manager Parker stated that the City had gone past the worst stage of that area, but still had the Tulane Bridge area to contend with. City Manager Parker added that this was the reason that Staff was conservative in the overall budgeting. City Manager Parker stated that the City was still above last year's overall budget and were in good shape from that standpoint. City Manager Parker added that he thought that sales tax would be up next month. City Manager Parker stated that the City was looking into authorizing Finance Director Doug Wood to be able to go in as the City's representative to look at underpayments in the future. City Manager Parker stated that the report showed where the City stood on most of its revenues. City Manager Parker added that the General Fund revenues were in fairly good shape. City Manager Parker stated that the expenditures were below original estimates and the City should leave the year with a positive cash flow, but that each year the City got tighter and tighter on the revenues and expenditures at the end of the year.

City Manager Parker stated that the Water revenue was not as good of a picture. City Manager Parker explained that the City had another wet summer with moderate heat. City Manager Parker stated that timeliness and size of the rainfalls effected the summer watering program, which a lot of the City's water sales came from. City Manager Parker added that also Con Agra closed down during the year and that they were major water users. City Manager Parker stated that hopefully the replacement company would open soon and take up some of the industrial slack back up. City Manager Parker added that Pilgrim's Pride also discontinued a line during the year and hoped that they could add it back. City Manager Parker stated that there were many variables, but that the Water and Sewer revenue would most likely run short. City Manager Parker stated that there was still a good fund reserve to handle unmet needs, but that this was an area that needed to be watched closely during the coming year.

City Manager Parker stated that the Solid Waste was slightly below budget but that there had been quite a bit of estimating in the area, due to the volume of roll-offs.

City Manager Parker stated that the Hotel/Motel Tax would be above the budget estimates and that the Council could go over the remainder of the smaller funds in their packets. City Manager Parker added that one (1) fund that the Council would be considering again was the Health and Insurance Fund. City Manager Parker added that the Health Fund would be very close to breaking even, if it did not go over. City Manager Parker stated that each year there was an eight to twelve percent (8-12%) projected increase for health insurance, so that was another area that Staff and the Council would have to consider to try to address the coming year and even possibly the current year. City Manager Parker stated that concluded the Financial Report, unless the Council had questions.

City Manager Parker stated that the only thing to highlight on the Project Status Report was that Whitehouse Road probably would have been completed if Hurricane Ike had not impacted Lufkin and the surrounding areas. City Manager Parker added that the Council might have driven on Whitehouse during the last few days, because the City temporarily opened it during the hurricane. City Manager Parker stated that Staff planned to keep Whitehouse open until the hurricane issues were resolved, because the traffic flow had been really impacted in the area. City Manager Parker stated that the area would remain open to alleviate the traffic flow and once the event had ended, the road would be closed. City Manager Parker added that the road should be opened for good, about two (2) weeks after it was closed. City Manager Parker stated that the road had been very useful during the hurricane and added that the bridge at Whitehouse was targeted to be completed by the first

of November. City Manager Parker stated that the Council had all of the Project Reports and that he would answer questions from the Council.

10. Mayor Jack Gorden recessed the Regular Session at 5:55 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 advice 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.

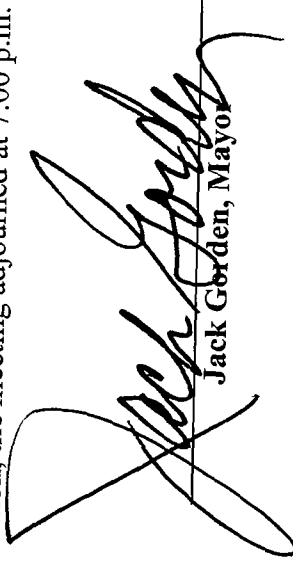
Mayor Jack Gorden reconvened the Regular Session at 6:55 p.m.

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

Mayor Jack Gorden stated that the next item for consideration was the Calendar Notations from the Mayor, Council Members, and City Council. Mayor Gorden asked if the City had gotten a reply from the Library Board. City Manager Parker stated that the Library Board had a meeting, but hadn't gotten back with the City. Mayor Gorden reminded the Council of the upcoming DETCOG Board Meeting on Thursday, September 25, 2008. City Manager Parker stated that the Planning and Zoning Commission might have a member resigning and asked the Council to begin considering an appointment to that Board. Mayor Gorden stated that City Secretary Renee Thompson had given the Council additional information concerning the upcoming TML Annual Meeting. Ms. Thompson stated that she had been able to confirm rooms at the Marriott Rivercenter Hotel for October 28 – 31, 2008. City Manager Parker stated that he would be at the International City Managers Meeting in Richmond during the following week but would be available by cell phone.

12. There being no further business for consideration, the meeting adjourned at 7:00 p.m.


Renee Thompson – City Secretary


Jack Gorden, Mayor