

**MINUTES OF THE REGULAR MEETING OF THE CITY COUNCIL OF THE CITY
OF LUFKIN, TEXAS HELD ON THE 18th DAY OF NOVEMBER, 2008**

On the 18th day of November, 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.
Rose Faine Boyd
R. L. Kuykendall
Lynn Torres
Don Langston
Rufus Duncan
Phil Medford
Paul L. Parker
Keith Wright
Renee Thompson
Bob Flournoy
Larry Brazil
Scott Marcotte
Pete Prewitt
Doug Wood
Barbara Thompson
Dorothy Wilson
Steve Floyd
Dale Allred
Jim Wehmeier
Bill Cameron
Mark Strong

Mayor
Mayor Pro Tem
Councilmember, Ward No. 1
Councilmember, Ward No. 3
Councilmember, Ward No. 4
Councilmember, Ward No. 5
Councilmember, Ward No. 6
City Manager
Assistant City Manager
City Secretary
City Attorney
Police Chief
Asst. Police Chief
Fire Chief
Finance Director
Main Street Director
Planning Director
Public Works Director
Inspection Services Director
Economic Development Director
City Webmaster
Scott & Strong Architects

being present, when the following business was transacted:

1. The meeting was opened with prayer by Pastor Randy Brown, Calvary Baptist Church.
2. Mayor Jack Gorden welcomed visitors present.
3. **PRESENTATION OF AWARDS TO DANNY MERRILL AND SHAWN ERICKSON
FROM KYKS RADIO FOR MERITORIOUS SERVICE DURING HURRICANE IKE**

Mayor Jack Gorden stated that the next item was a special presentation. Mayor Gorden then asked Danny Merrill and Shawn Erickson from KYKS Radio, J. P. Heath, Robby Lynn, and Stephen Yates from Yates Broadcasting, Andy Adams from the Lufkin Daily News, and Tina

Alexander from KTRE TV, to go to the front of the Council Chambers. Mayor Gorden stated that the City of Lufkin and the City Council wanted to give special recognition to the media representatives. Mayor Gorden added that the City and Council wanted to thank the media representatives for their special service to the community during Hurricane Ike. Mayor Gorden stated that the City of Lufkin was fortunate to have these representatives to help in times of emergency. Mayor Gorden added that each one (1) went above and beyond the call of duty and that each one (1) had their own special story and way of reporting to the citizens of Lufkin and surrounding area the events that were taking place and what the citizens needed to do or not do during the storm. Mayor Gorden stated that the Council and City were thankful to have each of them in the community. Mayor Gorden then asked Bill Cameron, City of Lufkin Webmaster and Consultant for the City of Lufkin's Government Access Channel KLTX Access 15, to join the group at the front of the Council Chambers. Mayor Gorden stated that the City Council and City of Lufkin wanted to thank each and everyone for the job they did during Hurricane Ike. Mayor Gorden then presented each of the media representatives with a medal of Meritorious Service. Mayor Gorden stated that the media did a great job with communications, not only to the citizens of Lufkin, but also to the ten thousand (10,000+) plus visitors that had evacuated to Lufkin. Mayor Gorden stated that he heard numerous stories about both local people and evacuees listening to and watching the reporting of the media concerning the situations, as they developed, from Hurricane Ike. Mayor Gorden thanked the media again and stated that even though everyone hoped that it wouldn't happen again, he knew the media would be ready if it did.

City Manager Parker stated that on behalf of everyone who worked in the City's Emergency Operation Center, he wanted to express appreciation for everything that the media did during Hurricane Ike. City Manager Parker added that the media made it a lot easier on the Emergency Management Team to get the information out to the citizens and visitors in the Lufkin area. City Manager Parker stated that the course of action was much improved from the past. City Manager Parker added that the media, along with the City's Emergency Management Team and shelters operations, were a great team and were to be commended for everything done during Hurricane Ike.

4. APPROVAL OF MINUTES

Minutes of the Regular Meeting of November 4, 2008, were approved on a motion by Councilmember R. L. Kuykendall, and seconded by Councilmember Lynn Torres. A unanimous affirmative vote was recorded.

NEW BUSINESS:

5. PUBLIC HEARING AND FIRST READING OF AN ORDINANCE AMENDING THE ZONING ORDINANCE OF THE CITY OF LUFKIN, TEXAS, - TABLED - BY GRANTING A SPECIAL USE PERMIT FOR A DRINKING ESTABLISHMENT WITHIN A "HEAVY MANUFACTURING" ZONING DISTRICT ON CERTAIN TRACTS OR PARCELS OF LAND WITHIN THE CORPORATE LIMITS OF THE CITY OF LUFKIN, TEXAS, DESCRIBED AS 10,000 SQUARE FEET IN THE

**SOUTHEAST CORNER OF THE BUILDING LOCATED AT 400 NORTH
TIMBERLAND DRIVE AND AUTHORIZING THE CITY PLANNER TO MAKE
SUCH CHANGES ON THE OFFICIAL MAP**

Mayor Jack Gorden stated that the next item for consideration was a Public Hearing and First Reading of an Ordinance amending the Zoning Ordinance of the City of Lufkin, Texas, by granting a Special Use Permit for a Drinking Establishment within a "Heavy Manufacturing" Zoning District on certain tracts or parcels of land within the corporate limits of the City of Lufkin, Texas, described as 10,000 square feet in the southeast corner of the building located at 400 North Timberland Drive and authorizing the City Planner to make such changes on the Official Map.

City Manager Paul Parker stated that Wanda Willis, owner of Wild Willie's, was requesting a "Special Use Permit". City Manager Parker added that "Manufacturing" zoning classified a night club as a "drinking establishment". City Manager Parker stated that the area was surrounded by commercial and industrial property and the Future Land Use Plan identified a majority of the area as "Commercial" or "Industrial". City Manager Parker stated that the proposed club would not occupy the entire structure, previously known as Sam's Club. City Manager Parker explained that the applicant's lot was approximately one quarter (1/4) of the Sam's facility and would be located in the back right corner of the building, away from the parking lot. City Manager Parker stated that one dilemma of the proposal was the parking lot was located on the other side of the building. City Manager Parker added that the applicant would have to put in a new entrance in the proposed location. City Manager Parker stated that the Planning and Zoning Commission recommended that Council approve the "Special Use Permit".

Mayor Gorden opened the Public Hearing at 5:08 p.m. and asked anyone who wished to speak on the item to please step forward. There appeared to be no one who wished to speak, Mayor Gorden closed the Public Hearing at 5:09 p.m.

Mayor Gorden then asked the Council for questions or comments. Councilmember Rufus Duncan asked about the location of the proposed nightclub. City Manager Parker drew attention to the Council packets where there was a description, maps, and drawings of the proposed facility. City Manager Parker then explained the location of the proposed facility, along with the location of the parking and doorways. Councilmember Duncan stated that his understanding was that parking would be located in front of the building, and then patrons would have to walk down a narrow alley to reach the nightclub. Councilmember Duncan added that it made him a little nervous to have a bar located in a fairly deserted area, on the back of a building, and where people have to park out front and then walk down an alley to reach. City Manager Parker called attention to an aerial photograph of the facility and stated that the photo showed that Councilmember Duncan's understanding was correct. City Manager Parker explained that the parking lot was located at the front of the old Sam's facility and the club would be located at the rear of the Sam's facility. Councilmember Don Langston asked if the intent was to add other parking closer to the club. City Manager Parker

stated that the intent was to use the existing parking lot, and that there was no mention of additional parking.

Councilmember Rose Faine Boyd asked if the owner intended to add more entrances (doorways) in the proposed facility. City Manager Parker stated that entrances were planned for the driveway side of the facility and on the side that faced the wooded area.

Councilmember Langston stated that he also had concerns about the nightclub. Councilmember Langston added that the facility was going to be located in a remote area, and by looking at the aerial photograph the sense was that there was no parking nearby. Councilmember Langston stated that the nearest parking was approximately two hundred fifty feet (250') away. Councilmember Langston added that control could be an issue, because patrons would obviously try to get closer to the door, and that would present an issue with the Fire Department if there was an emergency. Councilmember Langston stated that he was not aware of anything in the Zoning Ordinance that would disallow the zoning use. Councilmember Langston added that the location on the property presented a problem for him, from a safety standpoint.

Mayor Gorden stated that it appeared that there was both opposition and approval from the surrounding property owners.

Councilmember Lynn Torres stated that she wouldn't deny that she held out hope for a different type of business to occupy the old Sam's building, but it didn't appear that was happening. Councilmember Torres added that someone quickly pointed out the current location of the establishment. Councilmember Torres stated that the current nightclub was located nearby and that she was more concerned with the location of the current parking for the nightclub than she was with the location of the proposed parking. Councilmember Torres agreed that there was a very narrow access located on the side of the old Sam's building, leading up to the club. Councilmember Torres pointed out that the nightclub was already in the vicinity of the proposed facility, and that she had some concern for patrons as they exited onto Timberland from the current location.

Councilmember Phil Medford asked about the current location of the facility. Councilmember Torres stated that it was next door to the proposed location, behind the Taqueria Jalisco Seafood Restaurant, adjacent to the hotel. Councilmember Langston stated that the current location was just to the south of the proposed location. Planning Director Dorothy Wilson explained where the current facility was located.

Mayor Gorden stated that there was no parking near the facility, and that it was a long way to the parking area. Mayor Gorden added that he assumed the idea was that the remainder of the building could be used for other purposes.

Councilmember Duncan stated that he thought that having bars on the back of buildings, where people had to walk down an alley to access, was not a good idea. Councilmember Medford stated that he agreed with Councilmember Duncan, except that he didn't see a

material difference to where the facility was currently located. Councilmember Medford added that moving the facility that was near Timberland Drive to a location that was further off Timberland Drive was a positive move. Councilmember Medford stated that he was unsure what the solution would be, concerning the walkway that led to the entrance of the club. Councilmember Medford added that he agreed with the other Council Members' concerns. Councilmember Medford stated that there were also the lighting and safety issues. Mayor Gorden asked Ms. Wilson if this issue came up during the Planning and Zoning Commission Meeting. Ms. Wilson stated that this was not discussed.

Councilmember Langston asked if it would be possible to table the zone change. Councilmember Langston added that the location of the zone change met the City's criteria, but the safety issues presented a concern for the City. City Manager Parker stated that the item could be tabled until another meeting. Councilmember Langston requested the applicant for the zone change to get with the owner of the old Sam's building to look into another possible entrance into the nightclub. Mayor Gorden asked if Planning Director Dorothy Wilson could pursue the issue concerning the entrance to the proposed nightclub, as it related to parking and safety issues. City Manager Parker stated that his understanding was that the real concern of the City Council was access to the location of the proposed nightclub. City Manager Parker added that he assumed that the Council was requesting the applicant to look at using a different portion of the building, or more of the building, to avoid entering the facility through the alley. City Manager Parker added that there was no way for the applicant to use the proposed corner, and still have access close to the parking lot. Councilmember Torres stated that she was not as concerned about the walkway to the door of the facility, as she was about the parking situation. Councilmember Torres explained the nightclub would need a staff member outside, during operating hours, to make sure the alley wasn't blocked by patrons. Councilmember Torres added that the alley would need to remain open for emergency vehicles. Mayor Gorden asked if the proposed nightclub met the City's Fire Code. City Manager Parker stated that the applicant was not required to meet such codes until plans were presented to the City for approval. Councilmember Duncan stated that there was no plot plan for the facility, and that parking could possibly be added, closer to the facility. Mayor Gorden stated that the Council was not totally against the zone change, but needed more information before making a decision. Councilmember Lynn Torres stated that the proposed location was much better than the current location, but that she had concerns about parking and access to the entrances and exits of the facility.

Councilmember Don Langston moved to table the First Reading of the Ordinance amending the Zoning Ordinance of the City of Lufkin, Texas, by granting a Special Use Permit for a Drinking Establishment within a "Heavy Manufacturing" Zoning District on certain tracts or parcels of land within the corporate limits of the City of Lufkin, Texas, described as 10,000 square feet in the southeast corner of the building located at 400 North Timberland Drive and authorizing the City Planner to make such changes on the Official Map, with the stipulation that the tenant get with the owner about relocating to the front of the building, so that parking could be easily accessed, or they could develop parking at the rear of the building that would meet code. Councilmember Langston added that another stipulation was for the applicant to visit with the Inspection Services Department to come to an understanding of what it would

take to bring the building up to code. City Manager Parker stated that Councilmember Langston was requesting that a site plan be submitted for review by Inspection Services and the Fire Department before coming back to the Council. Councilmember Langston agreed that this was correct. Councilmember Rose Faine Boyd seconded the motion. A unanimous affirmative vote was recorded.

Mayor Gorden then asked City Manager Parker if the stipulations could be accomplished in time for the next Council Meeting in two (2) weeks. City Manager Parker stated that the applicant would have to coordinate with Planning Director Dorothy Wilson, and whenever the requirements were met, Staff would place the item on the Council Meeting's agenda.

6. RESOLUTION AUTHORIZING AN AMENDMENT TO THE 2008/2009 OPERATING BUDGET (BUDGET AMENDMENT NO. 5), - APPROVED - PROVIDING FOR THE SUPPLEMENTAL APPROPRIATION OF FUNDS IN THE ANIMAL CONTROL-KURTH GRANT FUND; AND PROVIDING AN EFFECTIVE DATE FOR THE TRANSFER OF FUNDS TO BEGIN THE CONSTRUCTION PROCESS ON THE ANIMAL CONTROL BUILDING

Mayor Jack Gorden stated that the next item for consideration was a Resolution authorizing an amendment to the 2008/2009 Operating Budget (Budget Amendment No. 5), providing for the supplemental appropriation of funds in the Animal Control-Kurth Grant Fund; and providing an effective date for the transfer of funds to begin the construction process on the Animal Control Building.

City Manager Paul Parker stated that items six (6) and seven (7) were two (2) areas that weren't rolled into the "end of year" budget amendment. City Manager Parker added that these items were discovered after that budget amendment had been approved by the Council. City Manager Parker stated that item six (6) was for the money allocated during the last budget year for the Animal Control holding facility. City Manager Parker added that the project was funded through the Kurth Grant Fund and would be to reallocate two hundred eleven thousand six hundred fifty-two dollars (\$211,652) that had previously been approved.

Mayor Gorden asked for questions or comments from the Council.

Councilmember Don Langston moved to approve the Resolution authorizing an amendment to the 2008/2009 Operating Budget (Budget Amendment No. 5), providing for the supplemental appropriation of funds in the Animal Control-Kurth Grant Fund; and providing an effective date for the transfer of funds to begin the construction process on the Animal Control Building. Councilmember Lynn Torres seconded the motion. A unanimous affirmative vote was recorded.

7. RESOLUTION AUTHORIZING AN AMENDMENT TO THE 2008/2009 OPERATING BUDGET (BUDGET AMENDMENT NO. 6), - APPROVED - PROVIDING FOR THE SUPPLEMENTAL APPROPRIATION OF FUNDS IN THE

HOTEL/MOTEL TAX AND WATER/WASTEWATER FUNDS; AND PROVIDING AN EFFECTIVE DATE

Mayor Jack Gorden stated that the next item for consideration was a Resolution authorizing an amendment to the 2008/2009 Operating Budget (Budget Amendment No. 6), providing for the supplemental appropriation of funds in the Hotel/Motel Tax and Water/Wastewater Funds; and providing an effective date.

City Manager Paul Parker stated that the City of Lufkin received a grant from the Office of Rural and Community Affairs (ORCA) after Hurricane Rita, to assist with future emergency preparations. City Manager Parker added that this came in handy during Hurricane Ike, because the City was able to add two (2) 600 KW generators with automatic transfer switches to two (2) water wells, giving the City a total of four (4) wells with generators. City Manager Parker stated that also added was a 500 KW generator for the Civic Center, which was utilized as the Special Needs Shelter during Hurricane Ike. City Manager Parker stated that the benefits had already been proven. City Manager Parker stated that the grant had a balance of fourteen thousand nine hundred fifteen dollars (\$14,915). City Manager Parker added that Staff was requesting to work with ORCA to approve two (2) additional items to utilize the remaining funds. City Manager Parker stated that the first project was to purchase disconnects for the generators, which would allow City Staff to better test and maintain the generators. City Manager Parker added that the second project would allow the City to receive reimbursement for the diesel required to fill the generators upon initial start up. City Manager Parker stated that Staff was requesting to carry over the necessary funds that would allow Staff to expend the remaining funds, in the amount of fourteen thousand nine hundred fifteen dollars (\$14,915).

Mayor Gorden asked for questions or comments from the Council.

Councilmember Phil Medford moved to approve the Resolution authorizing an amendment to the 2008/2009 Operating Budget (Budget Amendment No. 6), providing for the supplemental appropriation of funds in the Hotel/Motel Tax and Water/Wastewater Funds; and providing an effective date. Councilmember Don Langston seconded the motion. A unanimous affirmative vote was recorded.

8. PRESENTATION ON EXTERIOR RENOVATIONS OF THE PINES THEATRE

Mayor Jack Gorden stated that the next item for consideration was a presentation on exterior renovations of the Pines Theatre. Mayor Gorden stated that Mark Strong, with Scott and Strong Architects, and Assistant City Manager Keith Wright would give the presentation.

Assistant City Manager Keith Wright stated that he and Mark Strong would give a presentation that had been previously given to the Construction Committee that would outline the proposal. Assistant City Manager Wright stated that the first part of the presentation would cover the area that Mr. Strong had been working on. Assistant City Manager Wright added that the area was the marquee area of the Pines Theatre. Assistant

City Manager Wright added that City Engineer Chuck Walker was the Project Manager, but was sick and unable to attend the Council Meeting. Assistant City Manager Wright stated that the City was also working with Construction Co-Consultants on the remainder of the exterior of the building.

Mark Strong stated that he would give a rundown of what was included in the restoration of the façade of the Pines Theatre. Mr. Strong then went through a slide show. Mr. Strong stated that the first slide showed the artist's rendering of what the restored façade would look like. Mr. Strong pointed out some changes that would be made to the current structure. Mr. Strong stated that the sidewalk, in front of the theatre, would be extended out in a "V" shape and would have cast iron, lighted bollards along the edge. Mr. Strong stated that the reason for doing this was two-fold. Mr. Strong added that the first reason was to provide a little more gathering space directly in front of the theatre, and that the curb and walk that jutted out would provide additional protection for the marquee. Mr. Strong stated that the bollards were approximately forty-two inches (42") tall and matched the existing tall light standards that were located on the sidewalks downtown. Mr. Strong added that they were from the same manufacturer and were the same style and were lighted at the top. Mr. Strong stated that the bollards would also provide some level of protection for people in front of the theater, and for the marquee itself. Mr. Strong stated that the façade represented the period of the theatre that most citizens in Lufkin remember, which was from the fifty's (50s). Mr. Strong added that there was an earlier period from the twenty's (20s) that had a different look, but the fifty's period of restoration was chosen because it was what most people in the community remembered about the Pines Theatre. Mr. Strong then showed the damaged view of the marquee. Mr. Strong stated that when the marquee was restored, one (1) thing that would be done was the marquee would be a monochromatic message board. Mr. Strong added that this was chosen because they felt a colored message board would be competing with theatre façade itself. Mr. Strong added that the black and white message board would advertise the events, but wouldn't detract from the theatre façade.

Councilmember Lynn Torres asked if it would be possible to see the monochromatic message board before the City moved ahead. Councilmember Torres explained that this was because she did not want the project to look like "Times Square". Councilmember Torres added that she also wanted to make sure it maintained the historical integrity. Mr. Strong stated that he could get with the sign manufacturer and ask them to submit some photos, and that the Council could look at some facilities close by to get a better idea of how it would look.

Mr. Strong stated that the size of the marquee was four feet four inches (4'4") tall and twelve feet (12') long. Mr. Strong stated that the entrance doors would be replaced with new store front aluminum doors that replicated the exact style and pattern in the photograph of the Pines Theatre. Mr. Strong added that the goal was to bring the façade back to its original grandeur, as it was in the fifty's (50s) and would involve the marquee, the tall vertical sign that said Pines Theatre, and the green curly cue designs on each side. Mr. Strong explained that all of the metal would be refurbished and restored, and all of the neon would be checked out and replaced in areas that were damaged. Mr. Strong added that the neon would be

brought up to National Electrical Code standards. Mr. Strong stated that behind the green curly cues was a white plaster surface. Mr. Strong stated that the plaster areas would be patched, cleaned and restored, as well. Mr. Strong stated that the curved, tan panels that were on either side of the Pines sign, were metal and would be restored and refurbished, as well. Mr. Strong stated that the area underneath the marquee would have lighted bulbs that would trail the entire perimeter of the marquee, and porch lighting under the marquee to light the entrance. Mr. Strong added that all of the brick below the plaster would be cleaned and restored. Mr. Strong stated that the areas where the movie posters went would be refurbished. Mr. Strong explained that everything related to the façade would be refurbished, cleaned and brought back to new life. Mr. Strong then went through a few slides showing the current view of the theatre.

Councilmember Rufus Duncan stated that he wasn't sure if it was included in the scope of the project, but one thing that he liked was the history of things. Councilmember Duncan asked how hard it would be to include a metal plaque with information about the early history of the Pines Theatre. Councilmember Duncan added that he understood that the Kurth Family was heavily involved in bringing the theatre to Lufkin. Councilmember Duncan stated that whenever projects such as this occurred, it was always a good idea to celebrate the past. Councilmember Duncan added that the facility could be restored to its former look, but the City also needed to celebrate the people and history of the building at the same time.

Mr. Strong stated that this would be easy to do, and a plaque was not a major expense and could be researched to get the appropriate information. City Manager Parker asked if they would put the plaque on the exterior or interior of the facility. Councilmember Don Langston stated that the new sidewalk area would be a logical location to place a post and a plaque. Mayor Gorden stated that Main Street Director Barbara Thompson was working on other areas downtown and maybe she could undertake that project for the City. Councilmember Duncan added that some of the Kurth heirs had a perspective on the theatre also. City Manager Parker stated that there was currently a small plaque from the "Walking Tour" located in front of the theatre, and asked if the Council wanted something a little more permanent and detailed. The Mayor and Council agreed that the plaque should be more detailed and permanent. City Manager Parker stated that he would have Main Street Director Barbara Thompson work on the history, and then send it to the Council to review. Mayor Gorden added that the Kurth Family needed to be contacted to track down the history of the Pines Theatre.

Assistant City Manager Keith Wright then showed a slide of the store front beside the Pines Theater. Assistant City Manager Wright stated that the awning was gone, due to Hurricane Ike. Assistant City Manager Wright added that the window and door would be replaced. Assistant City Manager Wright stated that the door would be the same white aluminum as the new front doors, and would have the paneled look. Assistant City Manager Wright stated that the poster area would be done as well. Assistant City Manager Wright showed the slide of the entrance to the balcony area of the theatre, and noted that the door would also be redone. Assistant City Manager Wright stated that the door would not have any glass, but

would have the paneled look. Assistant City Manager Wright explained that currently the door was deeply inset, but would be pulled back out, to give it more character and to match the other doors.

Assistant City Manager Wright showed a slide of the upper story, lower story and the alley beside the theatre. Assistant City Manager Wright stated that the lower door and window would be replaced and all of the upper windows would be replaced. Assistant City Manager Wright stated that on the right hand side there two (2) additional windows that would be closed off and bricked in. Assistant City Manager Wright stated that the door where the old fire escape was would be replaced. Assistant City Manager Wright added that there were a couple of double doors that were no longer functional, and would be bricked up. Assistant City Manager Wright stated that all of the wire and other things hanging off of the building would be taken off and the downspouts would be replaced.

Assistant City Manager Wright stated that there was clay tile coping on the parapet that went all around the building and that many were missing or broken. Assistant City Manager Wright stated that one side of the coping would be kept and tiles off of the other sides would be salvaged. Assistant City Manager Wright explained that the side that was exposed would have the clay coping and the other sides would have matching aluminum, when the roof was redone.

Assistant City Manager Wright stated that there was a lot of damage to the roof structure and the scenery fly area would take some interior structure work. Assistant City Manager Wright stated that there were two (2) openings in the middle of the roof. Assistant City Manager Wright explained that it was decided that they were exhaust vents and would require some structure work and would therefore be part of the project, as well.

Assistant City Manager Wright showed a slide of the rear of the building, where the dressing rooms were, and explained that the windows would be closed up and bricked in, to keep the vandalism down. Assistant City Manager Wright stated that the metal on the ticket booth would be refurbished and redone, and the glass would be replaced, with a Plexiglas type material. Assistant City Manager Wright added that the ticket distributor would be left and would be cleaned and painted.

Assistant City Manager Wright stated that the foyer area was carpeted at one time, and glue remained where the carpet had been removed. Assistant City Manager Wright stated that this area would be ground down and stained, to give it more of a terrazzo look. Assistant City Manager Wright added that the fluorescent lighting would be replaced with can lighting.

Assistant City Manager Wright stated that budget for the concrete sidewalk work was four thousand six hundred seventy-five dollars (\$4,675) and demolition and brick repairs was forty-four thousand six hundred eighty dollars (\$44,680). Assistant City Manager Wright added that the remainder of the budget figures was in the Council packets. Assistant City Manager Wright stated that the roof was the major item and was eighty-eight thousand five hundred dollars (\$88,500), and the marquee was estimated at eighty-five thousand dollars

(\$85,000), but they were waiting on a cost estimate for a larger monochrome screen and found out that it would be approximately sixty-six thousand dollars (\$66,000).

Assistant City Manager Wright stated that this completed the presentation and asked for questions from the Council. Assistant City Manager Wright stated that the original budget for the theatre façade restoration was five hundred thousand dollars (\$500,000) and were looking at the project costing approximately three hundred thousand dollars (\$300,000), based on this project less whatever was saved on the marquee. Councilmember Torres asked Assistant City Manager Wright if he would touch on the other things that would be done during the restoration. Assistant City Manager Wright stated that City forces would assist in removing the seating and would then put the seats up for auction. Assistant City Manager Wright added that they had looked at the cost of refurbishing the chairs and that the expense of refurbishing them was more expensive than purchasing new chairs. Assistant City Manager Wright stated that the seating would also have to be repositioned. Assistant City Manager Wright added that the foyer area would have to be enlarged, due to ADA. Assistant City Manager Wright stated that the stage would also be removed and demolished using City forces. Assistant City Manager Wright added that once the inside of the facility was gutted out, the interior work could be started.

City Manager Parker stated that unless the Council had concerns other than the one (1) Councilmember Torres had on the marquee; Staff would go forth with the renovations. City Manager Parker added that the work would make the exterior of the building sound, and that there would still be a lot of work to be done on the interior. City Manager Parker stated that the entire scope of the usage had not been finalized, but the exterior damage needed to be repaired and the exterior appearance restored.

Mayor Gorden stated that he appreciated Mr. Strong and Assistant City Manager Wright for finding a way to make the project more affordable and that it was going to be a great addition to downtown.

Mayor Gorden then stated that he needed to take a moment to note an extra special occasion. Mayor Gorden explained that on Wednesday, November 19, 2008, City Attorney Robert (Bob) Flournoy would be with the City of Lufkin for forty (40) years. Mayor Gorden thanked Mr. Flournoy for those forty (40) years of service to the City of Lufkin. City Attorney Bob Flournoy pointed out that he was originally hired as the City Judge and served approximately six (6) months, and then became the City Attorney for the City of Lufkin. Mayor Gorden stated that he and the Council congratulated Mr. Flournoy, and thanked him on behalf of the citizens of Lufkin.

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 included in the Council packets were the end of year Financial Reports. City Manager Parker added that the numbers were not audited, but Finance Director Doug Wood was usually very close to the final audited numbers. City Manager Parker stated that the report showed how the City of Lufkin did overall on its funding. City Manager Parker stated that the General Fund was in a good position, but the report was a little misleading because Intergovernmental Revenue Note 1 showed a deficit of six hundred forty-five thousand two hundred ninety-one dollars (-\$645,291) and an ending Fund Balance of one hundred seventy-five thousand eight hundred three dollars (-\$175,803). City Manager Parker explained that this was because the City had not been reimbursed by FEMA for the outstanding funds. City Manager Parker stated that once the City received the FEMA reimbursement, the ending Fund Balance would not be negative, but would be roughly five hundred thousand dollars (\$500,000) positive. City Manager Parker stated that the expenses occurred in September and were booked in that year, but the revenue had not been received. City Manager Parker stated that the expenditures were in line and that Council could tell by the budgets that Staff was getting good at getting the budgets close and were getting closer on the revenue estimates each year. City Manager Parker added that the revenue and expenditures were getting closer each year.

City Manager Parker stated that the Water/Wastewater Fund was a little under budget, which wasn't bad, considering how wet the year was. City Manager Parker added that Lufkin had a pretty wet summer, and that a lot of the water revenues were usually gained during that time. City Manager Parker stated that the fund was overall in good shape.

City Manager Parker stated that the Solid Waste Fund was very close to projections. City Manager Parker stated that this fund was at ninety-eight percent (98%) of projected revenues on the residential collections and at one hundred one percent (101%) of projected revenues on the commercial collections. City Manager Parker added that the overall projected revenues were at one hundred two percent (102%). City Manager Parker stated that expenditures were slightly below the revenue in the Solid Waste Fund. City Manager Parker stated that Solid Waste was getting closer to breaking even each year, even though the City was still transferring in from the other funds in Solid Waste a little each year to supplement the operations.

City Manager Parker stated that the Hotel/Motel Tax Fund exceeded the Staff's estimates. City Manager Parker added that the City was at one hundred nineteen percent (119%) of the projected revenues. City Manager Parker stated that the recipients of the Hotel/Motel Fund received a percentage of the fund, and would get more money than they had originally anticipated. City Manager Parker pointed out that the recipients were the Museum of East Texas, Lufkin Convention and Visitors Bureau, Texas Forestry Museum, and the Exposition Center.

City Manager Parker commented that he would not go through the remainder of the funds, but did want to highlight the Zoo Building Fund. City Manager Parker stated that the Zoo Building Fund exceeded projected revenues. City Manager Parker stated that the Court

Security Fund was in good shape, as well as Animal Control, etc. City Manager Parker stated that there were no concerns in any area of the budget.

City Manager Parker stated that the current year's budget had started out with three (3) months of flat or deficit funding on sales tax. City Manager Parker stated that Staff was concerned with the overall economic picture, sales tax, and what might happen with the current year's revenue. City Manager Parker added that the City had a Fund Balance that could cover shortfalls. City Manager Parker stated that overall the City was in good condition. City Manager Parker explained that the Solid Waste Fund Revenue was about even, the Water/Wastewater Fund Revenue was down, and with Sales Tax being the largest contributor of revenue, the General Fund Revenue could be borderline. City Manager Parker stated that even though the City was running slightly under budget, the City was only one (1) month into the fiscal year.

Mayor Gorden asked what base the Staff used for fuel. City Manager Parker stated that during the budget preparations fuel was at its maximum rate. City Manager Parker added that Staff budgeted four dollars (\$4) per gallon for regular gas and four dollars fifty cents (\$4.50) per gallon for diesel. City Manager Parker stated that fuel prices were currently quite lower, and was good news for the City. City Manager Parker added that the line items for fuel were frozen so that Staff could not transfer the extra funds into another account. City Manager Parker stated that whatever was not spent on fuel would truly be a savings for the City. City Manager Parker reiterated that from a budget standpoint, the money saved on fuel should be a real savings and added that the City had budgeted approximately one million five hundred thousand dollars (\$1,500,000) to one million six hundred thousand dollars (\$1,600,000) for fuel charges in the budget. City Manager Parker stated that currently fuel cost was about half ($\frac{1}{2}$) the amount that was budgeted. City Manager Parker added that a lot of the fuel cost was in Police and Fire, as they were the heaviest users in the City.

City Manager Parker stated that the Council was aware that Whitehouse Road had been opened. City Manager Parker explained that there were still a few minor things to be done, but basically the street was finished. City Manager Parker added that the same was true of Lotus Lane. Assistant City Manager Keith Wright stated that the only items left to do on Lotus Lane were some guardrails and driveways. City Manager Parker stated that both of these street projects had been going for a long time, and that Staff was happy to have the projects completed.

City Manager Parker stated that the Administration/Educational Building at Ellen Trout Zoo was nearing completion. City Manager Parker stated that Zoo personnel were in the process of purchasing the furnishings, and soon as they get moved in the City would host an Open House for the City Council and Friends of the Zoo. City Manager Parker stated that the Crown Colony Water Project was also nearing completion. City Manager Parker added that crews were on the last road of that project.

City Manager Parker stated that included in the Council packets was a letter from Cody Sewell concerning the Fire Association. City Manager Parker added that he wanted to bring that to the attention of the Council.

Mayor Jack Gorden recessed the Regular Session at 5:55 p.m. to enter into Executive Session.

- 10. 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.

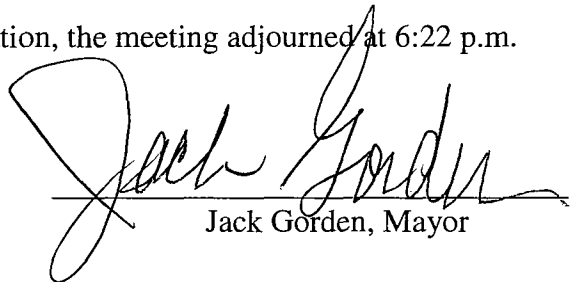
Mayor Jack Gorden reconvened the Regular Session at 6:14 p.m.

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 Manager. Mayor Gorden stated that the Council had a copy of the calendar for the upcoming events. Mayor Gorden added that Lufkin Day was in a few months, and reminded the Council to mark their calendars for February 11, 2009. City Manager Parker reminded the Council about the Christmas Parade that was scheduled for December 2, 2008. City Manager Parker added that since the parade was on a Council day, Staff would try to have a short agenda for the meeting. Mayor Gorden stated that on Monday, December 1, 2008, the Chamber of Commerce was hosting a Reception for Elected Officials in Lufkin and Angelina County. Mayor Gorden added that the event would be held at the Lufkin Pitser Garrison Civic Center at 5:30 p.m., and encouraged the City Council to attend.

- 12.** There being no further business for consideration, the meeting adjourned at 6:22 p.m.


Renee Thompson – City Secretary


Jack Gorden, Mayor