

**MINUTES OF THE REGULAR MEETING OF THE CITY COUNCIL OF THE CITY
OF LUFKIN, TEXAS HELD ON THE 1ST DAY OF JULY, 2008.**

On the 1st day of July, 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
Bob Flournoy
Renee Thompson
Scott Marcotte
Dorothy Wilson
Barbara Thompson
Jim Wehmeier
Bill Cameron

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 Attorney
City Secretary
Asst. Police Chief
Planning Director
Main Street Director
Economic Development Director
City Webmaster

being present, when the following business was transacted:

1. The meeting was opened with prayer by Pastor Raif Turner, O’Quinn Baptist Church.
2. Mayor Jack Gorden welcomed visitors present.
3. **APPROVAL OF MINUTES**

Minutes of the Regular Meeting of June 17, 2008, were approved on a motion by Councilmember Rose Faine Boyd, and seconded by Councilmember Lynn Torres. A unanimous affirmative vote was recorded.

OLD BUSINESS:

4. **PUBLIC HEARING AND SECOND READING OF AN ORDINANCE AMENDING THE ZONING ORDINANCE OF THE CITY OF LUFKIN, TEXAS, - APPROVED - BEING ORDINANCE NO. 3368, BY AMENDING ARTICLE II – “DISTRICTS AND DISTRICT BOUNDARIES” TO ADD SECTION 3, ENTITLED – “ANNEXATION HOLDING ZONE”; REPEALING CONFLICTING PROVISIONS; AND PROVIDING AN EFFECTIVE DATE**

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, being Ordinance No. 3368, by amending Article II – “Districts and District Boundaries” to add Section 3, entitled – “Annexation Holding Zone”; repealing conflicting provisions; and providing an effective date.

City Manager Paul Parker stated that the Ordinance was simply a new classification where all property that was annexed by the City of Lufkin would be zoned “Agricultural” until the owners apply for different zoning. City Manager Parker added that the Ordinance was merely a holding zone for all newly annexed areas.

Mayor Gorden opened the Public Hearing at 5:07 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 5:08 p.m.

Councilmember Phil Medford moved to approve the Second Reading of the Ordinance amending the Zoning Ordinance of the City of Lufkin, Texas, being Ordinance No. 3368, by amending Article II – “Districts and District Boundaries” to add Section 3, entitled – “Annexation Holding Zone”; repealing conflicting provisions; and providing an effective date. Councilmember R. L. Kuykendall 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 ESTABLISHING THE ZONING DESIGNATION FOR LAND WHICH IS TWENTY (20) ACRES LOCATED ON CHESTNUT DRIVE AND INTERSECTING WITH WHEELER ROAD, ANNEXED BY ORDINANCE AND AUTHORIZING THE CITY PLANNER TO MAKE SUCH CHANGES ON THE OFFICIAL ZONING MAP

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 establishing the zoning designation for land which is twenty (20) acres located on Chestnut Drive and intersecting with Wheeler Road, annexed by Ordinance and authorizing the City Planner to make such changes on the official zoning map.

City Manager Paul Parker stated that Council had recently annexed twenty (20) acres and the applicant was requesting to develop the property as “Residential Large Single Family Dwelling” and “Low Density Residential” Future Land Use map designation.

Mayor Gorden opened the Public Hearing at 5:09 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 5:10 p.m.

Councilmember Don Langston moved to approve the Second Reading of the Ordinance amending the Zoning Ordinance of the City of Lufkin, Texas, by establishing the zoning designation for land which is twenty (20) acres located on Chestnut Drive and intersecting with Wheeler Road, annexed by Ordinance and authorizing the City Planner to make such changes on the official zoning map. Councilmember R. L. Kuykendall seconded the motion. A unanimous affirmative vote was recorded.

NEW BUSINESS:

6. PUBLIC HEARING AND FIRST READING OF AN ORDINANCE AMENDING THE ZONING ORDINANCE OF THE CITY OF LUFKIN, TEXAS – APPROVED - BY GRANTING A ZONE CHANGE ON A CERTAIN TRACT OR PARCEL OF LAND WITHIN THE CORPORATE LIMITS OF THE CITY OF LUFKIN, TEXAS, DESCRIBED AS BLOCK 8, LOT 2 OF THE WOODLAND HEIGHTS ADDITION, MORE COMMONLY KNOWN AS 618 WEST FRANK AVENUE 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 Zone Change on a certain tract or parcel of land within the corporate limits of the City of Lufkin, Texas, described as Block 8, Lot 2 of the Woodland Heights Addition, more commonly known as 618 West Frank Avenue and authorizing the City Planner to make such changes on the Official Map.

City Manager Paul Parker stated that Marielle Vasquez was requesting a zone change from “Residential Medium Single Family Dwelling” to “Commercial” and that the Future Land Use Plan be changed from “Office”/“Multi-Use” to “Commercial”. City Manager Parker explained that the applicant anticipated building a physician’s office and clinic on this property. City Manager Parker stated that the property was currently surrounded by a mixture of residential and business uses. City Manager Parker added that the Planning and Zoning Commission reviewed the recommendation and unanimously recommended that the Council approve the zone change from “Residential Medium Single Family Dwelling” to “Commercial” and the Future Land Use Map be changed to “Commercial”.

Mayor Gorden opened the Public Hearing at 5:11 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 5:12 p.m.

Mayor Gorden stated that he noticed in the minutes from the Planning and Zoning Commission Meeting that there was some discussion about whether the property should be zoned "Office" or "Commercial". Mayor Gorden added that the Council had previously discussed the issue.

Councilmember Don Langston stated that he recalled that the property located next to this property had previously had a similar request but couldn't remember exactly what zoning they were requesting but it was obviously to build an office. Councilmember Langston added that he wished the City of Lufkin had an "Office" zoning designation as it would solve a lot of problems. Councilmember Langston explained that "Commercial" designation in the middle of some of the other zones didn't seem correct.

City Planning Director Dorothy Wilson stated that the property to the east was zoned "Restrictive Professional Office" and was large enough with its one (1) acre that this zoning was allowed. Ms. Wilson explained that there was not enough property in this request to meet the one (1) acre requirement to zone the property "Restrictive Professional Office". Ms. Wilson added that because the City did not have a "Office Use" zone and the applicant was wanting to put a physician's office on the property, Staff recommended "Commercial" zoning because it would be allowed under the "Commercial" zoning and also because the area was moving to "Commercial" zoning. Ms. Wilson stated that "Local Business" zoning would have also worked and was originally discussed but the applicant had long range plans to not only build a physician's office but an entire clinic complex.

Mayor Gorden asked if the City needed a different zoning designation. Ms. Wilson stated that Staff had looked at the options of creating a new "Office District". Ms. Wilson added that the City could take the "Restrictive Professional Office" District and reducing the requirements for the acreage. Ms. Wilson stated that the "Restrictive Professional Office" District uses up a lot of land on Loop 287 that could be used for commercial business.

Councilmember Langston stated that those people that had been in Lufkin for quite some time remembered the reason behind the "Restrictive Professional Office" designation. Councilmember Langston explained that the designation was to get the opportunity to get a low density development on Loop 287. Councilmember Langston added there had been an outcry several years ago to have a residential zoning backing up to a commercial use. Councilmember Langston stated that an office made a natural transition in a residential area between commercial and a residential area. Councilmember Langston added that he wished the City had that designation and asked Ms. Wilson to look into an Ordinance Amendment that would allow the less restrictive office environment.

Mayor Gorden stated that "Commercial" designation was open ended but asked where would the City be in twenty (20) years.

Councilmember Langston stated that the City would see a lot of areas, such as Frank Street, in a transition, and that the transition from "Residential" to "Commercial" was pretty drastic. Councilmember Langston added that the City would begin to meet with resistance, even though from a practical standpoint it was proper to see that trend continue. Councilmember Langston stated that it would be difficult to get some people to go along with an open ended "Commercial" designation backing up to a "Residential" designated area. Councilmember Langston stated that an eight (8) hour office usage, or even ten to twelve (10-12) hour usage was still low traffic and not as disputable. Councilmember Langston added that he would love to see the City find the ability to find that transition that would protect neighborhood somewhat.

Councilmember Rose Faine Boyd asked if it would require less land if the City were to zone the area "Office Use". Councilmember Langston stated that it could be written so that it did not require as much land. City Manager Parker stated that one of the requirements that made it difficult for the property owner was that there was a large land requirement in the "Office Use" designation. City Manager Parker added that the designation required a minimum of one (1) acre and that many of the developments for an office were often less than an acre. City Manager Parker asked the Council if they wanted Staff to work toward making a more usable zone that could be more of a transitional zone.

Mayor Gorden suggested that the Council go ahead and vote on the item and ask Staff to study the issue and come back to the Council with a recommendation.

Councilmember R. L. Kuykendall moved to approve the First Reading of the Ordinance amending the Zoning Ordinance of the city of Lufkin, Texas by granting a Zone Change on a certain tract or parcel of land within the corporate limits of the City of Lufkin, Texas, described as Block 8, Lot 2 of the Woodland Heights Addition, more commonly known as 618 West Frank Avenue and authorizing the City Planner to make such changes on the Official Map. Councilmember Lynn Torres seconded the motion. A unanimous affirmative vote was recorded.

7. **PUBLIC HEARING AND FIRST READING OF AN ORDINANCE AMENDING THE ZONING ORDINANCE 3368, - APPROVED - ARTICLE XXI SUPPLEMENTAL DEVELOPMENT REGULATIONS FOR SINGLE-FAMILY AND DUPLEX INDUSTRIALIZED HOUSING; REQUIRING SUCH HOUSING TO HAVE A VALUE EQUAL TO OR GREATER THAN THE MEDIAN TAXABLE VALUE OF EACH SINGLE-FAMILY DWELLING LOCATED WITHIN 500 FEET OF THE LOT ON WHICH THE INDUSTRIALIZED HOUSING IS PROPOSED TO BE LOCATED; REQUIRING EXTERIOR SIDING, ROOFING, ROOF PITCH, FOUNDATION, FASCIA AND FENESTRATION COMPATIBLE WITH THE SINGLE FAMILY DWELLINGS LOCATED WITHIN 500 FEET; REQUIRING BUILDING SETBACKS, SIDE AND REAR YARD SETBACKS, SUBDIVISION CONTROLS, SQUARE FOOTAGE, AND OTHER SITE REQUIREMENTS APPLICABLE TO SINGLE FAMILY DWELLINGS AND REQUIRING THAT SAID HOUSING BE SECURELY FIXED TO A PERMANENT FOUNDATION**

Mayor Jack Gorden stated that the next item for consideration was a Public Hearing and First Reading of an Ordinance amending the Zoning Ordinance 3368, Article XXI Supplemental Development Regulations for single-family and duplex industrialized housing; requiring such housing to have a value equal to or greater than the median taxable value of each single-family dwelling located within 500 feet of the lot on which the industrialized housing is proposed to be located; requiring exterior siding, roofing, roof pitch, foundation, fascia and fenestration compatible with the single family dwellings located within 500 feet; requiring building setbacks, side and rear yard setbacks, subdivision controls, square footage, and other site requirements applicable to single family dwellings and requiring that said housing be securely fixed to a permanent foundation.

City Manager Paul Parker stated that it was brought to the attention of Staff, earlier in the year, that the City's Ordinance did not allow industrialized housing in normal "Single-Dwelling Family" areas.

Councilmember Don Langston stated that mobile homes and industrialized housing were built under two different codes. Councilmember Langston explained that the Department of Housing and Urban Development (HUD) code was for mobile homes construction and the International Building Code (IBC) was for industrialized housing construction. Councilmember Rufus Duncan clarified the type housing that they were referring to was not mobile homes. City Manager Parker stated that was correct and that it was industrialized housing and that from a laymen's perspective the home could be moved in. Mayor Gorden asked if a mobile home could become industrialized. City Manager Parker stated that they were two (2) separate forms of housing. Councilmember Langston stated that the only way would be for the home to be constructed under a different code and then the mobile home would have to be set up on a permanent foundation. City Manager Parker explained that the industrialized housing was more what he referred to as "modular" houses.

City Planning Director Dorothy Wilson stated that the homes were not only built under the IBC but had to be built in a facility that was licensed by the Texas Occupational Codes for manufactured dwellings. Mayor Gorden asked if the codes made the housing more expensive than a mobile home. Ms. Wilson stated that the prices were comparable between a mobile home and industrialized home. Ms. Wilson added that she did not see the difference by just looking at them, but the difference was one had a tag that said it was built to the HUD standards and the other says it was built to the Texas standards for the IBC.

Councilmember Rose Faine Boyd asked if an industrialized home was the same as a manufactured home. Ms. Wilson stated that they were the same. City Manager Parker

explained that the State Legislature passed a law that made it where cities could not exclude the industrialized housing from residential areas. City Manager Parker added that there was however, a provision that you could make the housing be compatible to the residential areas, and be of the same value as other homes in the area. City Manager Parker stated that this would also make the housing more compatible with the existing neighborhood. City Manager Parker added that this prevented them from being eliminated, based on needs. City Manager Parker stated that the bottom line was that the City could no longer prohibit them but can control them to some degree.

Mayor Gorden stated that just because an industrialized home cost seventy thousand dollars (\$70,000) when it was purchased would not mean it would be worth seventy thousand dollars (\$70,000) years later. City Manager Parker stated that his understanding was that if the appraised value of all of the residential area was seventy thousand dollars (\$70,000) and the citizen paid seventy thousand dollars (\$70,000) for the home and the home met the characteristics of the neighborhood then the City would not be allowed to prohibit the industrialized home. Mayor Gorden asked if there could be a proof purchase price. City Manager Parker stated that the City could require a bill of sale.

Councilmember Rufus Duncan stated that the homes were built on a wood flooring system and the City was requiring them to then be attached to a permanent foundation. Councilmember Duncan then asked if a "permanent foundation" was adequately defined. Councilmember Duncan asked if a permanent foundation was a concrete foundation or some other foundation.

City Planning Director Dorothy Wilson stated that the permanent foundation was defined by the State under the Industrialized Housing Code (IHC). Ms. Wilson stated that a person has to be a licensed manufacturer and installer of the IHC units. Ms. Wilson stated that included in the Council's packets was a section that explained the difference between permanent and temporary foundations. Councilmember Langston stated that he could see where there were many areas in the City where the industrialized housing would be a nice addition but could also see many areas where there would be a lot of conflict laid at the feet of employees who were trying to regulate the housing. Councilmember Langston added that it was somewhat ambiguous in who determined if the home had a roof pitch that was compatible to the neighborhood. Councilmember Langston stated that despite the ambiguous nature, the law was passed by the Legislature and the City had to enforce the law. City Manager Parker added that the Council actually had the burden to be the final arbitrator.

Mayor Gorden asked what the process would be if the people in the neighborhood wanted to question an industrialized home being placed in their neighborhood. City Manager Parker stated that the questions or complaints would have to be brought before the Planning and Zoning Commission. City Manager Parker stated that the City had no recourse because it was taken away from the Council by State Law.

City Planning Director Dorothy Wilson stated that there were currently two (2) applicants for the industrialized housing which were going through and that the City had no say about compliance because the City of Lufkin had not adopted the Ordinance. City Manager Parker stated that Staff was not aware of the change in the State Law until we denied an application based on present City Ordinances and the applicant brought it to the attention of Staff that there was a State Law that superseded the City Ordinance. City Manager Parker pointed out that Staff was not always notified of Legislature rulings.

Councilmember Rufus Duncan asked if the City could require brick on the industrialized homes if that was the character of the neighborhood. City Manager Parker stated that if the Ordinance was passed the City could set regulations, but until then, the industrialized housing could go into the neighborhood as it currently was. Councilmember Langston stated that many years ago there was a manufactured housing concern in Lufkin and there were a number of the homes set up in different areas of town. Councilmember Langston added that the homes seemed to flow into compatible areas.

City Manager Parker stated that the City currently had a zone that would allow the industrialized homes but not in all residential zones. City Manager Parker added that the recent law superseded any of the City of Lufkin residential zoned areas. Ms. Wilson stated that currently the only homes that the City was dealing with were HUD tagged.

Assistant City Manager Keith Wright stated that the City Council might want to consider establishing the City Building Official as the arbitrator of some of the questions such as the roof pitch, etc. and then have an appeals process through the Construction Board of Adjustment and Appeals. Councilmember Langston agreed that it should fall under the Construction Board of Adjustment and Appeals. Ms. Wilson stated that she had looked a several cities and in two (2) of the cities the appeal process went through the Zoning Board of Adjustment and Appeals and two (2) other cities had the appeal process go through the Construction Board of Adjustment and Appeals. Assistant City Manager Wright stated that since the item before the Council was amending the Zoning Ordinance, perhaps the appeal process should go through the Zoning Board of Adjustment and Appeals.

Councilmember Rufus Duncan inquired if the Council could change the appeal process and have it go through the Construction Board of Adjustment and Appeals.

Councilmember Phil Medford asked how the law came to the attention of the City of Lufkin. Councilmember Medford inquired if the applicant had applied for a permit to install the home since it was not site built or were they applying for another type of permit such as water. City Manager Parker stated that the applicant had to have a building permit and was where the issue first came to the attention of the City. City Manager Parker added that the application was initially denied because Staff was unaware of the State Law. City Manager Parker stated that the applicant then brought back a copy of the State Law.

Councilmember Duncan stated that if there were four (4) industrialized homes sold in the area then there must have been a local dealer selling the homes. Ms. Wilson stated that Palm Harbor Homes sells the industrialized homes. Ms. Wilson added that the first unit was actually through a Pennsylvania firm.

Mayor Gorden asked if the homes were on steel frames and wasn't that part of the HUD code. Ms. Wilson stated that she did not know the actual construction design but that the home was required to be built in a facility that was licensed under the Texas Manufacturing IHC standards. Ms. Wilson added that the home also had to be installed by someone who had that license and the installer had to provide the tags stating that the home was IHC certified in Texas.

Mayor Gorden asked where the appeals process would go at this time. Ms. Wilson stated that currently if the City received an appeal it would go to the Zoning Board of Adjustment and Appeals. Councilmember Don Langston stated that an application that was denied because of location was one factor but if it were a code issue it would then bring the Construction Board of Adjustment and Appeals into play. Councilmember Langston added that just because the home was certified did not mean that it would automatically pass inspection. City Manager Parker stated that Inspection Services Director Dale Allred had looked through the process also. City Manager Parker added that Mr. Allred had also talked to the Texas Municipal League attorneys and pointed out that the wiring in the industrialized homes did not meet the City's standards but the City could not prohibit the home based on that finding because the homes meet the Industrialized Development standard. City Manager Parker stated that Staff had specifically asked that question and had already been litigated and it was determined that the City could not turn down an applicant based on those findings. City Manager Parker explained that the industrialized homes did not have to meeting all of the City of Lufkin's Construction Code requirements. Councilmember Duncan stated that he suspected that a mobile would also more than likely not meet the City's Construction Code but the City allowed them to be placed within the City. City Manager Parker agreed but added that the mobile homes were allowed in certain zones and under certain special use permits.

Mayor Gorden suggested that the Council vote on the amendment and be open to modifying the Ordinance at a later date as needed. Ms. Wilson stated that she was certain that if the City adopted the amendment that there would be further discussion in the future that would lead to further evaluation of the applications. Ms. Wilson added that the industrialized homes became part of the City's tax rolls, unlike mobile homes.

Mayor Gorden opened the Public Hearing at 5:34 p.m. and asked anyone who wished to speak on the item to please step forward.

Mike Parker approached the podium. Mr. Parker asked if the subdivision controls would still be outside of the controls of the City of Lufkin. City Manager Parker stated that the subdivision controls would still remain out of the control of the City.

Mr. Parker Mayor Gorden closed the Public Hearing at 5:35 p.m.

Councilmember Phil Medford stated that in the late 1970's Doug Thompson had a mobile home dealership. Councilmember Medford added that Mr. Thompson approached the market with modular homes and placed them at Idlewood. Councilmember Medford stated that there was section set aside in Idlewood for the modular homes. Councilmember Medford added that the homes came in on a flatbed trailer and then were placed on a foundation. Councilmember Medford stated that the spirit of the issue currently before the Council was ultimately accomplished by placing the modular homes in the Idlewood Subdivision. Councilmember Medford added that if the Council were to drive by the area it would be rather hard to determine when you left another section of housing into the modular home area and the homes were compatible with the neighborhood. Councilmember Medford stated that the City however, was facing a different issue because the homes in Idlewood were set aside in a particular section only and the City would have to allow the industrialized homes in any subdivision in the City as long as the home met the requirements for square footage, and any other predetermined conditions. Councilmember Medford added that the difficulty before the City would be to determine if the home was compatible to the neighborhood and any other issues that could be very subjective, but he didn't see where the City had any choice in the matter. Councilmember Medford furthered that if the City of Lufkin didn't adopt the amendment, anyone requesting to put an industrialized home in a subdivision would have to be allowed and the City would have no say. Mayor Gorden suggested that the City of Lufkin should stay aware of what was occurring in other cities and that someone might plow new ground with the issue and find a new way to approach the matter.

Councilmember Langston stated that he was not opposed to the industrialized housing but could see the possible problems and difficulties ahead for City Staff in certain neighborhoods. Councilmember Langston added that some neighborhoods would not be happy even though Staff's hands were tied. Mayor Gorden stated that the issue might be as simple as permitting the industrialized home after the City's standards were met unless someone within five hundred (500) feet protested. City Manager Parker stated that the dilemma was that property owners within the five hundred (500) foot area would be unaware of the homes construction and whenever they became aware it would be too late for a protest because the City would have already permitted the home. City Manager Parker explained that Staff would have to make that judgement before the other property owners were aware of the application. City Manager Parker added that once the home was permitted the City could not go back and revoke the permit. Councilmember Langston stated that in the past the previous Planning Director would automatically deny all applications for industrialized homes and then send the application to the Board of Adjustment and Appeals and then that board would hear the request and make the determination. Councilmember Langston added that handling the applications in that manner would make for a busy appeals board.

Councilmember Don Langston moved to approve the First Reading of the Ordinance amending the Zoning Ordinance 3368, Article XXI Supplemental Development Regulations for single-family and duplex industrialized housing; requiring such housing to have a value equal to or greater than the median taxable value of each single-family dwelling located within 500 feet of the lot on which the industrialized housing is proposed to be located; requiring exterior siding, roofing, roof pitch, foundation, fascia and fenestration compatible with the single family dwellings located within 500 feet; requiring building setbacks, side and rear yard setbacks, subdivision controls, square footage, and other site requirements applicable to single family dwellings and requiring that said housing be securely fixed to a permanent foundation. Councilmember R. L. Kuykendall seconded the motion. A unanimous affirmative vote was recorded.

Councilmember Duncan stated that he would like for City Staff to send out an email to the Council whenever the City had one of the industrialized homes set.

8. RESOLUTION BY THE CITY COUNCIL OF THE CITY OF LUFKIN, TEXAS - APPROVED - APPOINTING MAYOR, CITY MANAGER AND CITY SECRETARY AS THE AUTHORIZED SIGNATORIES FOR PAYMENT REQUESTS TO THE OFFICE OF RURAL COMMUNITY AFFAIRS

Mayor Jack Gorden stated that the next item for consideration was a Resolution by the City Council of the City of Lufkin, Texas appointing Mayor, City Manager and City Secretary as the authorized signatories for payment requests to the Office of Rural Community Affairs.

City Manager Paul Parker stated that the Resolution was for the water and sewer grant if the City were to receive the grant. City Manager Parker added that the Resolution would appoint the Mayor, City Manager, and City Secretary as signatories for the appropriate forms.

Councilmember Rufus Duncan moved to approve the Resolution by the City Council of the City of Lufkin, Texas appointing Mayor, City Manager and City Secretary as the authorized signatories for payment requests to the Office of Rural Community Affairs. Councilmember Lynn Torres seconded the motion. A unanimous affirmative vote was recorded.

9. ACCEPTANCE OF A LOAN BID – APPROVED - FOR THE INDUSTRIAL PARK EXPANSION

Mayor Jack Gorden stated that the next item for consideration was to accept a loan bid for the Industrial Park Expansion.

City Manager Paul Parker stated that as the Council was aware, the 4B Corporation and the City of Lufkin had been looking at one hundred fifty (150) acres that was known as the Abitibi lay down site, for the expansion of the Industrial Park property. City Manager Parker added that the property had been under review for some time. City Manager Parker stated that the 4-B Corporation and the City had recently received the clearance on the environmental on the property. City Manager Parker added that Staff had recently taken quotes for financing the one million sixteen thousand eight hundred dollars (1,016,800) purchase price over a three (3) year period and had received four (4) bids. City Manager Parker stated that the lowest bid was for 4.75% from First Bank and Trust of East Texas. City Manager Parker stated that Staff recommended that the Council authorize Staff to enter into a loan in the amount of one million sixteen thousand eight hundred dollars (1,016,800) for a period of three (3) years from First Bank and Trust of East Texas at a rate of 4.75%.

Mayor Jack Gorden asked to be recused from voting on the agenda item.

Councilmember Don Langston stated that it was very generous of First Bank and Trust of East Texas to offer that kind of term to the City.

Councilmember Don Langston moved to approve to accept the loan bid for the Industrial Park Expansion. Councilmember Rose Faine Boyd seconded the motion. A unanimous affirmative vote was recorded.

10. Mayor Jack Gorden recessed the Regular Session at 5:42 p.m. to enter into Executive Session.

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

Mayor Jack Gorden reconvened the Regular Session at 7:26 p.m.

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

Mayor Gorden stated that the next item for consideration was the Calendar Notations. City Manager Paul Parker stated that Council had received in their packets a request from First Street Arts Association for 3% of the Hotel Motel Tax. City Manager Parker explained that there would be no action taken at that time but was just for information to the Council. City Manager Parker stated that at the next Council Meeting the City would request Jerry Huffman to attend for a study session at the end of the meeting to discuss the Hotel Motel Tax.

Mayor Jack Gorden stated that Heather Kartye had recently resigned at the Chamber of Commerce to accept a position at with a company that the Chamber hired last year to assist in raising money.

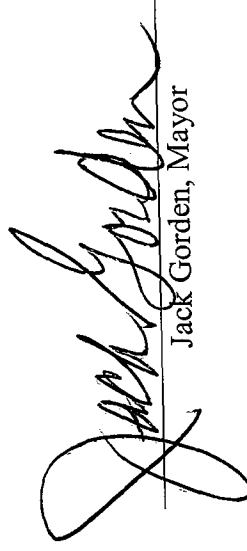
City Manager Parker asked the Council if they would prefer to wait until the first Council Meeting in August to have Mr. Huffman attend the meeting since there would be a couple of

Council Members absent at the next meeting. The Council agreed that the first meeting in August would be a better time for the study session.

City Manager Parker stated that Friday, July 4, 2008 would be Independence Day and that the City of Lufkin would be closed for the holiday. City Manager Parker added that Tuesday, July 8, 2008, would be the 2008 CIP Planning Meeting at the Kurth Memorial Library. City Manager Parker stated that Staff planned to deliver a complete package with information regarding the CIP Plan on Thursday, July 3, 2008. City Manager Parker added that Department would present an overview of the plan and be prepared to answer any questions the Council had at the July 8th meeting. City Manager Parker stated that Staff would also bring a sheet with water and sewer recommendations and financial information to the meeting. City Manager Parker stated that Staff would provide ranking sheets in advance so that Council could do tentative ranking in advance and then make any necessary changes as the Staff made their presentations. City Manager Parker added that the First Friday Luncheon would be held July 11, 2008 and requested that Council let City Secretary Renee Thompson know if they planned to attend. City Manager Parker stated that I-69 Alliance would have a meeting on July 18, 2008 at 12:00 noon and were inviting the Council to attend. Mayor Gorden stated that this was the same type meeting that was held in Lufkin a couple of years ago and the Alliance rotated the meeting from town to town and added that there would be some good information if the Council could attend. Mayor Gorden stated that the meeting would be in Nacogdoches. Mayor Gorden stated that there was a Region XVI Meeting in Beaumont if any Council Members wanted to attend. Mayor Gorden invited everyone out to Ellen Trout Park and Zoo to attend the 4th of July Celebration and Fireworks Show.

12. There being no further business for consideration, the meeting adjourned at 7:32 p.m.


Renee Thompson – City Secretary


Jack Gorden, Mayor