

**MINUTES OF THE REGULAR MEETING OF THE CITY COUNCIL OF THE CITY OF
LUFKIN, TEXAS HELD ON THE 18th DAY OF DECEMBER, 2012**

On the 18th day of December, 2012, 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:

Bob Brown	Mayor
Don Langston	Mayor Pro-Tem
Victor Travis	Councilmember, Ward No. 1
Robert Shankle	Councilmember, Ward No. 2
Lynn Torres	Councilmember, Ward No. 3
Rufus Duncan	Councilmember, Ward No. 5
Sarah Murray	Councilmember, Ward No. 6
Paul L. Parker	City Manager
Keith Wright	Deputy City Manager
Bruce Green	City Attorney
Kara Atwood	City Secretary
Rodney Ivy	Human Resources Director
Scott Marcotte	Police Chief
Gerald Williamson	Assistant Police Chief
Ted Lovett	Fire Chief
Belinda Southern	Finance Director
Chuck Walker	Public Utilities Director
Kathryn Edwards	Planning & Zoning Department
Barbara Thompson	Main Street Director
Dale Allred	Inspection Services Director

being present when the following business was transacted.

1. Mayor Bob Brown opened the meeting by holding a moment of silence for those lost in the Newtown school shooting. After the moment of silence, prayer was given by Deputy City Manager Keith Wright. Councilmember Lynn Torres also commended Assistant Police Chief Gerald Williamson and the Lufkin Police Department for their continued presence at Lufkin's campuses during the previous week and stated it spoke volumes of the Department's dedication to the community.
2. Mayor Bob Brown welcomed visitors present.

APPROVAL OF MINUTES

3. Minutes of the Regular Meeting of December 4th, 2012 were approved on a motion by Councilmember Lynn Torres and seconded by Councilmember Sarah Murray. A unanimous affirmative vote was recorded to approve the minutes as presented.

OLD BUSINESS:

4. **PUBLIC HEARING AND SECOND READING OF AN ORDINANCE AMENDING THE ZONING ORDINANCE OF THE CITY OF LUFKIN, TEXAS, BY CHANGING THE ZONING DESIGNATION FROM "RESIDENTIAL LARGE SINGLE FAMILY DWELLING" TO A "COMMERCIAL" ZONING DISTRICT FOR 4 LOTS DESCRIBED AS 0848 GREEN W. G., TRACTS 24, 25, 26 AND 27, AND MORE COMMONLY KNOWN AS 301, 303, 305 AND 309 PONDEROSA DRIVE AND CHANGING THE 2001 COMPREHENSIVE PLAN FUTURE LAND USE MAP TO "COMMERCIAL" AND AUTHORIZING THE CITY PLANNER TO MAKE SUCH CHANGES ON THE OFFICIAL MAP – APPROVED.**

Mayor Bob Brown stated that the next item was to conduct a Public Hearing and Consider on Second Reading an Ordinance amending the Zoning Ordinance of the City of Lufkin, Texas, by changing the zoning designation from "Residential Large Single Family Dwelling" to a "Commercial" zoning district for 4 lots described as 0848 Green W. G., Tracts 24, 25, 26 and 27, and more commonly known as 301, 303, 305 and 309 Ponderosa Drive and changing the 2001 Comprehensive Plan Future Land Use Map to "Commercial" and authorizing the City Planner to make such changes on the official map.

City Manager Paul Parker stated this was the second reading of this item and stated that the request was for lots known as 301, 303, 305 and 309 Ponderosa Drive. City Manager Parker stated these lots were located next to the recently constructed Fuel City Truck Stop and Denny's Restaurant. City Manager Parker continued that the owner did not currently have a specific purpose in mind; but wished to have the property rezoned "Commercial" to maximize the marketability of the property. City Manager Parker concluded that both Staff and the Planning Commission recommended approval of this item.

Mayor Brown opened the Public Hearing at 5:06 p.m. and asked anyone who wished to speak to please step forward. There being no one who wished to speak, Mayor Brown closed the Public Hearing and asked for comments or questions from the City Council.

Councilmember Victor Travis stated this was an excellent opportunity to add a new business to the City of Lufkin and moved to approve on Second Reading an Ordinance amending the Zoning Ordinance of the City of Lufkin, Texas, by changing the zoning designation from "Residential Large Single Family Dwelling" to a "Commercial" zoning district for 4 lots described as 0848 Green W. G., Tracts 24, 25, 26 and 27, and more commonly known as 301, 303, 305 and 309 Ponderosa Drive and changing the 2001 Comprehensive Plan Future Land Use Map to "Commercial" and authorizing the City Planner to make such changes on the official map. Councilmember Lynn Torres seconded the motion and a unanimous vote to approve was recorded.

NEW BUSINESS:

5. REQUEST FOR SUPPORT OF A TAX CREDIT HOUSING PROJECT FOR WINTERBERRY DEVELOPMENT, LLC.

Mayor Bob Brown stated that Mr. Noor Jooma, of Winterberry Development, LLC, had requested that Item No. 5, the request for support of a Tax Credit Housing Project for Winterberry Development, LLC, be withdrawn from the agenda.

6. RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LUFKIN, TEXAS, AUTHORIZING THE CITY MANAGER TO EXECUTE AN AGREEMENT WITH NATIONWIDE RETIREMENT SOLUTIONS, INC. – APPROVED.

Mayor Bob Brown stated that the next item for consideration was a Resolution of the City Council of the City of Lufkin, Texas, authorizing the City Manager to execute an agreement with Nationwide Retirement Solutions, Inc.

City Manager Paul Parker stated that in 1982, the City employees were first allowed to invest in a separate retirement plan that did not include any City match. City Manager Parker stated that employees could put monies aside in a deferred compensation plan provided by the International City Management Association (ICMA). City Manager Parker continued that in the early 1990's, Mayor Louis Bronaugh was involved in the United States Conference of Mayors, which endorsed the Public Employees Benefit Services Corporation (PEBSCO), another deferred compensation plan. City Manager Parker stated that PEBSCO later merged with Nationwide Retirement Solutions, thus the reason for the City having two (2) deferred compensation plans. City Manager Parker stated that now, for an unknown reason, the United States Conference of Mayors had severed their relationship with Nationwide and now endorsed Great West Retirement Solutions. City Manager Parker stated that currently the City had fifty-four (54) employees invested with Nationwide, and should the City follow the Conference of Mayors, these employees would have to completely reinvest with Great West. City Manager Parker stated that this Resolution would allow the City employees to stay with Nationwide, instead of having to move their investments to Great West. City Manager Parker stated that the relationship between the City and the United States Conference of Mayors would have to be severed to allow this to continue. City Manager Parker concluded that Staff recommended that City Council approve a Resolution that would sever the relationship with the United States Conference of Mayors and allow City employees to keep their deferred compensation investments with Nationwide Retirement Solutions. Councilmember Victor Travis asked why the United States Conference of Mayors made the change to Great West. City Manager Parker stated there had been no explanation given for the move by the United States Conference of Mayors. City Manager Parker stated the City was no longer involved with the Conference of Mayors and did not see the need for requiring employees to move their funds based on the Conference of Mayor's decision. Councilmember Victor Travis asked the remaining City Council members if they had any concerns with this Resolution. Councilmember Don Langston stated that Nationwide had provided this service to the employees and he was confident that Staff had researched this issue thoroughly.

Councilmember Don Langston moved to approve a Resolution of the City Council of the City of Lufkin, Texas, authorizing the City Manager to execute an agreement with Nationwide Retirement Solutions, Inc. Councilmember Victor Travis seconded the motion and a unanimous vote to approve was recorded.

7. RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LUFKIN, TEXAS, AUTHORIZING THE CITY MANAGER TO EXECUTE A BENEFITS CONSULTING AGREEMENT WITH HOLMES MURPHY & ASSOCIATES FOR COMPREHENSIVE BENEFITS CONSULTING – APPROVED.

Mayor Bob Brown stated that the next item was to consider a Resolution of the City Council of the City of Lufkin, Texas, authorizing the City Manager to execute a benefits consulting agreement with Holmes Murphy & Associates for comprehensive benefits consulting.

City Manager Paul Parker stated that as City Council was aware, the City's health insurance plan had been severely taxed during the year and since the plan was self-funded, the City Council had already had to infuse the plan twice with additional funding. City Manager Parker stated that increases had also been passed to the employees; however, the downward trend continued. City Manager Parker continued that recently City Council had recommended Staff seek professional guidance in the management of the current health plan and the upcoming re-bidding process. City Manager Parker continued that the Health Insurance Committee concurred that Staff seek professional consulting for the City's employee health plan in order to better manage the discounts and services provided. City Manager Parker stated that Staff had researched firms and conducted an interview with Holmes Murphy and Associates to determine what services and benefits they could provide to the City of Lufkin. City Manager Parker stated that Staff was pleased with the outcome of the interview process and requested a formal proposal to be considered by the Health Insurance Committee, which is comprised of Councilmember Lynn Torres, Councilmember Rufus Duncan, and Councilmember Don Langston. City Manager Parker stated a detailed list of provided services was included in the Council packet and the cost for the service was forty-five thousand dollars (\$45,000) annually, to be paid monthly as the City desired. City Manager Parker stated the contract could also be terminated at any time. City Manager Parker stated that Staff and the Health Insurance Committee would greatly benefit from these services, especially during the process of bidding the City's health plan administration. City Manager Parker concluded that both Staff and the Health Insurance Committee recommended approval of the Resolution which authorized the agreement with Holmes Murphy and Associates for assistance with the City of Lufkin Employee health plan. Councilmember Don Langston stated that the benefits and savings to the employee health plan would greatly outweigh the cost of the consultant. Councilmember Lynn Torres stated this would also help the City to negotiate with health care providers. Councilmember Victor Travis confirmed the payment amount and payment schedule for the consultant. City Manager Parker stated the fee was forty-five thousand dollars (\$45,000) annually to be paid on a monthly basis.

Councilmember Victor Travis moved to approve a Resolution of the City Council of the City of Lufkin, Texas, authorizing the City Manager to execute a benefits consulting agreement with Holmes Murphy & Associates for comprehensive benefits consulting. Councilmember Lynn Torres seconded the motion and a unanimous vote to approve was recorded.

8. RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LUFKIN, TEXAS, AUTHORIZING THE CITY MANAGER TO EXECUTE A MODIFIED GROUP BENEFITS SERVICE AGREEMENT WITH TML INTERGOVERNMENTAL EMPLOYEE BENEFITS POOL – APPROVED.

Mayor Bob Brown stated that the next item was to consider a Resolution of the City Council of the City of Lufkin, Texas, authorizing the City Manager to execute a modified group benefits service agreement with TML Intergovernmental Employee Benefits Pool.

City Manager Paul Parker stated that our present employee health plan administrator was Texas Municipal League (TML) and that the City was now eligible for a program by the name of United Healthcare Choice Plus, which would increase discounts on the cost of health care. City Manager Parker stated that this plan would save the City an approximate additional 7.1% on health care costs. City Manager Parker stated that only two (2) doctors would be affected in the area, neither of which had heavy usage. City Manager Parker continued that the major change would be with the lab services portion of the insurance coverage; currently employees may utilize Quest or Lab Corp; however, with this change, only Lab Corp will be covered. City Manager Parker stated that the savings would outweigh the inconvenience of only having one lab covered. City Manager Parker concluded that Staff recommended City Council approve the Resolution that would authorize the

change. Councilmember Lynn Torres stated that this would only be in place through the end of the plan year and wished to emphasize that if any problems occurred with services of the lab, that those problems be made known to Staff so they could be addressed.

Councilmember Lynn Torres moved to approve a Resolution of the City Council of the City of Lufkin, Texas, authorizing the City Manager to execute a modified group benefits service agreement with TML Intergovernmental Employee Benefits Pool. Councilmember Victor Travis seconded the motion and a unanimous vote to approve was recorded.

9. PURCHASE OF A 2013 PIERCE ARROW XT PUMPER TRUCK FOR THE LUFKIN FIRE DEPARTMENT IN THE AMOUNT OF FOUR HUNDRED NINETY-EIGHT THOUSAND ONE HUNDRED TWELVE DOLLARS (\$498,112) FROM SIDDONS-MARTIN APPARATUS THROUGH HGAC – APPROVED.

Mayor Bob Brown stated the next item was the consideration of approval of the purchase of a 2013 Pierce Arrow XT Pumper Truck for the Lufkin Fire Department in the amount of four hundred ninety-eight thousand one hundred twelve dollars (\$498,112) from Siddons-Martin Apparatus through HGAC.

City Manager Paul Parker stated the City had purchased the last two (2) pumpers in a similar fashion; with the vehicle being constructed by Siddons-Martin Apparatus, and the compressed foam system installed by Rowe Industries. City Manager Parker stated that Fire Department had researched the compressed foam systems and felt that the foam system installed by Rowe Industries was of much better quality. City Manager Parker stated the equipment would be purchased from Siddons-Martin in the amount of four hundred fifty-eight thousand six hundred twelve dollars (\$458,612) and the compressed foam system installed in the amount thirty-nine thousand five hundred dollars (\$39,500), for a total amount of four hundred ninety-eight thousand one hundred twelve dollars (\$498,112). City Manager Parker stated the unit would be complete when delivered to the City of Lufkin. City Manager Parker continued that five hundred thousand dollars (\$500,000) had been budgeted in the recent Capital Improvement Program for the purchase of this pumper. City Manager Parker concluded Staff recommended City Council approve the purchase of the pumper and the installation of the compressed air foam system. Councilmember Don Langston questioned whether this was an addition or replacement. City Manager Parker stated this was a replacement and the old unit would be donated to a volunteer fire department in the surrounding area. Councilmember Don Langston questioned whether this type of equipment would continue to be purchased through Capital Improvement Program funds or would they be included in the amortization schedule. City Manager Parker stated they would be added to the amortization schedule in the next budget year. Councilmember Rufus Duncan asked what the expected life of the unit was. City Manager Parker stated the equipment should last twenty (20) years. City Manager Parker stated the unit being replaced was a 1999 model. Councilmember Don Langston expressed his concern of purchasing equipment through the Capital Improvement Program and stated that he was glad the fire equipment would be included in the amortization fund. Mayor Brown asked where the new unit would be stationed. Fire Chief Ted Lovett stated the unit would be located at Fire Station No. 4.

Councilmember Lynn Torres moved to approve the purchase of a 2013 Pierce Arrow XT Pumper Truck for the Lufkin Fire Department in the amount of four hundred ninety-eight thousand one hundred twelve dollars (\$498,112) from Siddons-Martin Apparatus through HGAC. Councilmember Robert Shankle seconded the motion and a unanimous vote to approve was recorded.

10. PURCHASE OF PROPERTY DESCRIBED AS BLOCK 17, LOTS 9-12, CITY OF LUFKIN ADDITION, MORE COMMONLY KNOWN AS 222 EAST SHEPHERD AVENUE, IN THE AMOUNT OF ONE HUNDRED FORTY-FIVE THOUSAND DOLLARS (\$145,000) FROM JMSC PROPERTIES, LLC – APPROVED.

Mayor Bob Brown stated the next item for consideration was the purchase of property described as Block 17, Lots 9-12, City of Lufkin Addition, more commonly known as 222 East Shepherd Avenue, in the amount of one hundred forty-five thousand dollars (\$145,000) from JMSC Properties, LLC.

City Manager Paul Parker as City Council was aware; the recent Capital Improvement Program included eight hundred thousand dollars (\$800,000) for the construction of a new Municipal Court building. City Manager Parker stated that the City had recently purchased the property directly behind the Fire Administration Building in the amount of twenty-five thousand dollars (\$25,000) as a potential site for the Municipal Court building. City Manager Parker continued that recently the building known as Story Wright Office Supply, directly across from City Hall became available for

purchase. City Manager Parker stated that Mr. Mark Hicks had purchased the building from the previous owner and had approached the City about their interest in purchasing the building. City Manager Parker stated that Staff, along with the City Councilmember Don Langston, inspected the building and found it in sound condition and suitable for remodeling for a Municipal Court building. City Manager Parker stated that the location was near to surrounding City facilities and also had ample parking. City Manager Parker furthered that Staff believed the purchase of the building would be the best option for a new Municipal Court building. City Manager Parker also stated that the City Council Construction Committee recommended the purchase of the building for this use in the amount of one hundred forty-five thousand dollars (\$145,000). Councilmember Victor Travis questioned how long the renovations would take. City Manager Parker stated that Architect Mark Strong would begin the drawings for approval by the Construction Committee and the project would move forward. City Manager Parker estimated six (6) months for design and six (6) to nine (9) months for construction. Councilmember Victor Travis stated this building would be a convenient location. Councilmember Don Langston stated this location would be a nice addition to downtown and be convenient for the public as well.

Councilmember Victor Travis moved to approve the purchase of property described as Block 17, Lots 9-12, City of Lufkin Addition, more commonly known as 222 East Shepherd Avenue, in the amount of one hundred forty-five thousand dollars (\$145,000) from JMSC Properties, LLC. Councilmember Don Langston seconded the motion and a unanimous vote to approve was recorded.

11. CITY MANAGER'S REPORT

City Manager Paul Parker gave a brief report and stated that the financial status of the City was in good standing. City Manager Parker stated that Staff hoped to complete the move into the new portion of the Convention Center by the end of the month. City Manager Parker concluded that he would be happy to answer any questions City Council might have regarding the reports.

Mayor Bob Brown recessed the Regular Session at 5:40 p.m. to enter into Executive Session.

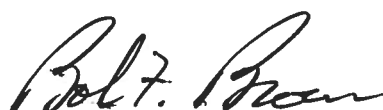
- 12. EXECUTIVE SESSION:** The City Council of the City of Lufkin, Texas may adjourn into Executive Session in accordance with the Texas Government Code, Section 551.071, consultation with City Attorney; Section 551.072, deliberations about real property; Section 551.073 deliberations about gifts and donations; Section 551.074, personnel matters; Section 551.076, deliberations about security devices; and/or Section 551.086, economic development on any Regular Session Agenda item requiring confidential, attorney/client advices necessitated by the deliberation or discussion of said items as needed.

Mayor Bob Brown reconvened the Regular Session at 6:15 p.m.

- 13. DISCUSSION OF ITEMS OF COMMUNITY INTEREST, INCLUDING EXPRESSIONS OF THANKS, CONGRATULATIONS OR CONDOLENCE; INFORMATION REGARDING HOLIDAY SCHEDULES; HONORARY RECOGNITIONS OF CITY OFFICIALS, EMPLOYEES OR OTHER CITIZENS; REMINDERS ABOUT UPCOMING EVENTS SPONSORED BY THE CITY OR OTHER ENTITY THAT IS SCHEDULED TO BE ATTENDED BY CITY OFFICIALS OR EMPLOYEES; AND ANNOUNCEMENTS INVOLVING IMMINENT THREATS TO THE PUBLIC HEALTH AND SAFETY OF THE CITY.**

City Manager Paul Parker reminded City Council of the upcoming Information Technology Christmas Luncheon scheduled for December 19th in Room 202 of City Hall. City Manager Parker continued that tickets for shows at the Pines Theater would be made available to Councilmembers and reminded City Council of Lufkin/Angelina County Day that was scheduled for February 2013.

- 14.** There being no further business for consideration, Mayor Bob Brown adjourned the meeting at 6:25 p.m.



Bob F. Brown, Mayor

Kara Atwood
Kara Atwood, City Secretary

SEAL