

**MINUTES OF THE REGULAR MEETING OF THE CITY COUNCIL OF THE CITY OF LUFKIN, TEXAS HELD ON THE 15<sup>th</sup> DAY OF JANUARY, 2019**

On the 15<sup>th</sup> day of January, 2019 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 F. Brown	Mayor
Mark Hicks	Mayor Pro Tem
Guessippinna Bonner	Councilmember, Ward No. 1
Robert Shankle	Councilmember, Ward No. 2
Lynn Torres	Councilmember, Ward No. 3
Rocky Thigpen	Councilmember, Ward No. 5
Sarah Murray	Councilmember, Ward No. 6
Keith Wright	City Manager
Jason Arnold	Assistant to the City Manager
Seth Elmore	Assistant City Attorney
Kara Andrepont	City Secretary
Rodney Ivy	Human Resource Director
Gerald Williamson	Public Safety Director
David Thomas	Police Chief
Ted Lovett	Fire Chief
Belinda Melancon	Finance Director
Kevin Gee	Engineering Services Director
Michael Flinn	Parks & Recreation Director
Albert Duffield	Water & Sewer Director
Kent Havard	Solid Waste Director
Taylor Commiato	LCVB Director

being present when the following business was transacted.

1. The meeting was opened with prayer by Pastor David Hunt, Eastview United Pentecostal Church.
2. Mayor Bob F. Brown welcomed visitors present and recognized those in attendance from Leadership Lufkin.
3. **MINUTES OF THE REGULAR CITY COUNCIL MEETING HELD DECEMBER 18, 2018 – APPROVED**

Councilmember Lynn Torres moved to approve the minutes of the meeting as presented. Councilmember Guessippina Bonner seconded the motion and a unanimous vote to approve was recorded.

4. **SECOND READING OF AN ORDINANCE AUTHORIZING AN AMENDMENT TO THE 2018-2019 OPERATING BUDGET (BUDGET AMENDMENT NO. 9) APPROPRIATING THE FUNDING FOR A GRANT IN THE AMOUNT OF \$10,437 FROM THE DEEP EAST TEXAS REGIONAL ADVISORY COUNCIL (DETRAC) TO THE LUFKIN FIRE DEPARTMENT – APPROVED**

City Manager Wright stated that Staff recommended that City Council approve on Second Reading an Ordinance authorizing Budget Amendment No. 9 appropriating the funding for the Grant in the amount of \$10,437 from the Deep East Texas Regional Advisory Council (DETRAC) to the Lufkin Fire Department.

Councilmember Robert Shankle moved to approve the Ordinance as presented. Councilmember Sarah Murray seconded the motion and a unanimous vote to approve was recorded.

**5. SECOND READING OF AN ORDINANCE AUTHORIZING AN AMENDMENT TO THE 2018-2019 OPERATING BUDGET (BUDGET AMENDMENT NO. 10) APPROPRIATING THE FUNDING FOR THE FINANCING FOR TWIN DISC, INC. FOR THE CONSTRUCTION OF A PRODUCTION FACILITY – APPROVED**

City Manager Wright stated that Staff recommended that City Council approve on Second Reading an Ordinance authorizing Budget Amendment No. 10 appropriating the funding for the financing for Twin Disc, Inc. for the construction of a production facility.

Councilmember Lynn Torres moved to approve the Ordinance as presented. Councilmember Sarah Murray seconded the motion and a unanimous vote to approve was recorded.

**6. SECOND READING OF AN ORDINANCE AUTHORIZING AN AMENDMENT TO THE 2018-2019 OPERATING BUDGET (BUDGET AMENDMENT NO. 11) APPROPRIATING THE FUNDING FROM A DONATION IN THE AMOUNT OF \$677.54 FROM IMPACT LUFKIN TO THE LUFKIN PARKS AND RECREATION DEPARTMENT FOR THE PURCHASE OF COVERING AT THE JONES PARK POOL – APPROVED**

City Manager Wright thanked Impact Lufkin for their donation. City Manager Wright stated that Staff recommended that City Council approve on Second Reading an Ordinance authorizing Budget Amendment No. 11 appropriating the funding from a donation in the amount of \$677.54 from Impact Lufkin to the Lufkin Parks and Recreation Department for the purchase of covering at the Jones Park Pool.

Councilmember Sarah Murray moved to approve the Ordinance as presented. Councilmember Rocky Thigpen seconded the motion and a unanimous vote to approve was recorded.

**7. RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LUFKIN, TEXAS, CREATING THE HOTEL OCCUPANCY TAX FUND BOARD, TERMS, POWER AND DUTIES, AND ESTABLISHING QUALIFICATIONS OF ITS MEMBERS AND AN EFFECTIVE DATE – APPROVED**

City Manager Wright stated that this Resolution would authorize the creation of a Hotel Occupancy Tax Fund, or HOT Board in order to be in compliance with Chapter 351 of the Texas Tax Code, which regulates the distribution of Hotel/Motel Tax Revenue. City Manager Wright furthered that it would also establish the makeup, terms, powers and duties of the Board. City Manager Wright explained that the Board would be appointed by City Council and proposed to consist of seven (7) members; three (3) City Council members and four (4) community members involved in the tourism industry. City Manager Wright stated that the Board would annually review applications from organizations applying for HOT funding and make recommendations to City Council regarding the distribution of funding. City Manager Wright furthered that it would be a part of the budgeting process when the City went through its budget. City Manager Wright furthered that City Council would make the final determination regarding the distribution of annual funding to local entities. City Manager Wright explained that the terms would be two (2) years for members and that Staff recommended that the board be appointed by the second City Council Meeting in February due to actions needing to be taken regarding education for the entities applying for funding as well as meeting and making recommendations to City Council. City Manager Wright concluded that Staff recommended that City Council approve the Resolution creating the Hotel Occupancy Tax Fund Board, Terms, Powers and Duties, and establishing qualifications of its members and an effective date.

Councilmember Robert Shankle moved to approve the Resolution as presented. 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 WATER SUPPLY CONTRACT WITH FOUR WAY SPECIAL UTILITY DISTRICT, INC. – APPROVED**

City Manager Wright stated that Items No. 8 through Item No. 11 were all related and have been submitted to City Council for approval in order to facilitate additional revenue from water sales for the City of Lufkin. City Manager Wright furthered that the Resolution would authorize the City Manager to enter into a contract with Four Way Special Utility District, Inc. for the purpose of selling water for useful purposes permitted by law. City Manager Wright furthered that the contract was similar to contracts with the City of Diboll, Redland Water Supply and Woodlawn Water Supply. City Manager Wright stated that one of the differences was that the City was proposing 90% of the current wholesale rate and the rate would be adjusted once the current rate study was complete. City Manager Wright concluded that Staff recommended that City Council approve the Resolution authorizing the City Manager to execute a Water Supply Contract with Four Way Special Utility District, Inc.

Councilmember Robert Shankle moved to approve the Resolution as presented. Councilmember Rocky Thigpen seconded the motion and a unanimous vote to approve was recorded.

**9. RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LUFKIN, TEXAS, AUTHORIZING THE CITY MANAGER TO EXECUTE A WATER SERVICE TRANSFER CONTRACT (CERTIFICATE OF CONVENIENCE AND NECESSITY) WITH FOUR WAY SPECIAL UTILITY DISTRICT, INC. – APPROVED**

City Manager Wright pointed out the subject area on a map for the proposed Certificate of Convenience and Necessity transfer. City Manager Wright explained that the Certificate of Convenience and Necessity was like a service area that was assigned by the State to each water provider. City Manager Wright stated that in order to provide services to that location the City must negotiate and Four Way Special Utility District had agreed to exchange to the City the Certificate of Convenience and Necessity for that property. City Manager Wright furthered that the Resolution and Contract would provide for the transfer of the water service as well as allow the City to apply for a modification to the existing Certificate of Convenience and Necessity from the State of Texas Public Utility Commission. City Manager Wright concluded that Staff recommended that City Council approve the Resolution authorizing the City Manager to execute a Water Service Transfer Contract (Certificate of Convenience and Necessity) with Four Way Special Utility district, Inc.

Councilmember Guessippina Bonner moved to approve the Resolution as presented. Councilmember Robert Shankle seconded the motion and a unanimous vote to approve was recorded.

**10. RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LUFKIN, TEXAS, AUTHORIZING THE CITY MANAGER TO EXECUTE A CONTRACT FOR THE EXTENSION OF FIRE/EMS AND WATER/SEWER SERVICES WITH ANGELINA FOREST PRODUCTS REAL ESTATE, LLC AND ANGELINA FOREST PRODUCTS, LLC. – APPROVED**

City Manager Wright stated that in order to provide adequate City services to Angelina Forest Products, located at the “Buck Creek Plant”, City Staff had prepared a Resolution authorizing the City Manager to execute a contract with Angelina Forest Products for water, sewer and fire/EMS services. City Manager Wright furthered that the contract was authorized by Section 552.001(b) of the Texas Local Government Code. City Manager Wright explained the terms and length of the proposed contract. City Manager Wright stated that the City was also working on a contract for Sterling McCall that would be presented to Council once completed. City Manager Wright furthered that the total revenue back to the City yearly would be \$110,000 in addition to the water and sewer service costs. City Manager Wright expanded on the number of direct and indirect jobs that Angelina Forest Products and Sterling Lumber would be bringing to Angelina County along with their Capital Investment within the County. City Manager Wright concluded that Staff recommended City Council approve the Resolution authorizing the City Manager to execute a contract for the extension of Fire/EMS and Water/Sewer services with Angelina Forest Products Real Estate, LLC and Angelina Forest Products, LLC.

Councilmember Robert Shankle moved to approve the Resolution as presented. Councilmember Sarah Murray seconded the motion and a unanimous vote to approve was recorded.

**11. FIRST READING OF AN ORDINANCE AUTHORIZING AN AMENDMENT TO THE 2018-2019 OPERATING BUDGET (BUDGET AMENDMENT NO. 13) APPROPRIATING THE FUNDING FOR THE EXTENSION OF CITY SERVICES ALONG HIGHWAY 69 SOUTH TO THE FORMER LUFKIN INDUSTRIES BUCK CREEK FACILITY – APPROVED**

City Manager Wright stated that in order to make the previous items work the City would need this proposed Ordinance that would appropriate the funding for the extension of water and sewer service to the “Buck Creek Plant.” City Manager Wright furthered that Staff had generated a cost estimate for the construction of an eight inch (8”) water main, along with a four inch (4”) force sewer main and a lift station. City Manager Wright furthered that City staff would complete the construction of the project. City Manager Wright stated that the total cost of the project would be an estimated \$1,435,022. City Manager furthered that the funds for the project would be taken from Fund 380 which was established for future extensions of water and sewer service. City Manager Wright concluded that Staff recommended City Council approve on First Reading an Ordinance authorizing Budget Amendment No. 13 appropriating the funding for the extension of City services along Highway 69 South to the former Lufkin Industries Buck Creek Facility.

Councilmember Guessippina Bonner moved to approve the Ordinance as presented. Councilmember Robert Shankle seconded the motion and a unanimous vote to approve was recorded.

**12. PUBLIC HEARING AND RESOLUTION AUTHORIZING THE SUBMISSION OF A GRANT APPLICATION BY THE LUFKIN POLICE DEPARTMENT TO THE OFFICE OF THE GOVERNOR, STATE HOMELAND SECURITY PROGRAM SWAT TERRORISM PREPAREDNESS THROUGH THE DEEP EAST TEXAS COUNCIL OF GOVERNMENTS (DETCOG) IN AN AMOUNT UP TO \$34,000 - APPROVED**

City Manager Wright stated that the Lufkin Police Department wished to submit an application for a SWAT Terrorism Preparedness grant through the Deep East Texas Council of Governments (DETCOG) to the Office of the Governor State Homeland Security Program. City Manager Wright furthered that the grant would be in the amount of \$34,000 and would require no matching funds from the City. City Manager Wright stated that if awarded, the funding would be used to purchase Personal Protective Equipment Ballistic Helmets with integrated communication headsets to be used by the Lufkin Police Strategic Response Team during emergency incidents. City Manager Wright concluded that Staff recommended that City Council conduct a Public Hearing and approve a Resolution authorizing the submission of a grant application by the Lufkin Police Department to the Office of the Governor, State Homeland Security Program SWAT Terrorism Preparedness Program through the Deep East Texas Council of Governments (DETCOG) in the amount of \$34,000.

Mayor Brown opened the Public Hearing at 5:17 p.m. There being no one who wished to speak the Mayor closed the Public Hearing and moved to comments from the Council.

Councilmember Lynn Torres moved to approve the Resolution as presented. Councilmember Robert Shankle seconded the motion and a unanimous vote to approve was recorded.

**13. GRANT FROM THE E.L. KURTH, JR. CHARITABLE FOUNDATION FOR THE LUFKIN FIRE DEPARTMENT IN THE AMOUNT OF \$100,000 AND FIRST READING OF AN ORDINANCE AUTHORIZING AN AMENDMENT TO THE 2018-2019 OPERATING BUDGET (BUDGET AMENDMENT NO. 12) APPROPRIATING THE FUNDING – APPROVED**

City Manager Wright stated that the Lufkin Fire Department was awarded a grant from the E.L. Kurth, Jr. Charitable foundation in the amount of \$284,687 to assist with the purchase of UHF compatible handheld and mobile radios. City Manager furthered that the grant would be paid out over a three (3) year period and this funding was the second payment in the amount of \$100,000. City Manager Wright concluded that Staff recommended that City Council accept the grant funding from the E.L. Kurth Charitable Foundation and approve on First Reading an Ordinance authorizing Budget Amendment No. 12 appropriating the funding.

Councilmember Robert Shankle moved to approve the Grant and Ordinance as presented. Councilmember Sarah Murray seconded the motion and a unanimous vote to approve was recorded.

**14. PURCHASE OF THIRTY-FIVE (35) SELF CONTAINED BREATHING APPARATUS IN THE AMOUNT OF \$263,460 FROM CASCO INDUSTRIES FOR THE LUFKIN FIRE DEPARTMENT – APPROVED**

City Manager Wright stated that funding for the purchase of thirty-five (35) sets of Self Contained Breathing Apparatus for the Lufkin Fire Department was included in Fund 380 in the 2018-2019 Annual Budget. City Manager Wright furthered that there were two (2) bids received for the purchase from Casco Industries, who was the sole source vendor for MSA brand apparatus and an additional bid from Municipal Emergency Services (MES). City Manager Wright stated that the Casco Industries bid was \$263,460 and the Municipal Emergency Services bid was \$334,225.50. City Manager Wright recognized Fire Chief Ted Lovett for finding the better and more beneficial price for the City. City Manager Wright stated that State Law mandated that the apparatus could only be used for ten (10) years before it must be replaced. City Manager Wright concluded that Staff recommended that City Council approve the purchase of thirty-five (35) Self Contained Breathing Apparatus in the amount of \$263,460 from Casco Industries for the Lufkin Fire Department.

Councilmember Robert Shankle moved to approve the purchase of the thirty-five (35) self-contained breathing apparatus as presented. Councilmember Sarah Murray seconded the motion and a unanimous vote to approve was recorded.

**15. RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LUFKIN, TEXAS, ADOPTING THE TAX ABATEMENT GUIDELINES GOVERNING TAX ABATEMENT AGREEMENTS FOR PROPERTIES LOCATED IN THE CITY'S ENTERPRISE, REVITALIZATION AND REINVESTMENT ZONES – APPROVED**

City Manager Wright stated that the proposed Resolution would establish the guidelines and criteria governing tax abatement agreements offered by the City of Lufkin. City Manager Wright furthered that the guidelines and criteria were required by State law and must be approved every two (2) years. City Manager Wright stated that there were no changes to the document and the guidelines would be effective from January 1, 2019 through December 31, 2020. City Manager Wright concluded that Staff recommended that City Council approve the Resolution adopting tax abatement guidelines governing tax abatement agreements for properties located in the City's Enterprise, Revitalization and Reinvestment Zones.

Councilmember Guessippina Bonner moved to approve the Resolution as presented. Councilmember Rocky Thigpen seconded the motion and a unanimous vote to approve was recorded.

**16. PRESENTATION OF CITY OF LUFKIN FINANCE COMMITTEE REPORT.**

Finance Director Belinda Melancon updated City Council on the City of Lufkin Quarterly Finance Committee Report.

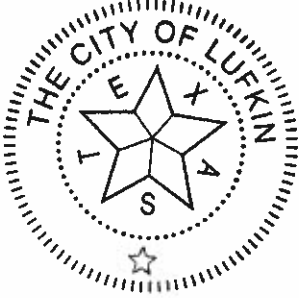
**17. CITY MANAGER REPORT**

City Manager Wright reviewed the Financial Status Report, and General Fund Revenues. City Manager Wright offered to answer any questions. There were none.

**18. ITEMS OF COMMUNITY INTEREST FROM MAYOR, CITY COUNCILMEMBERS AND STAFF.**

Mayor Bob Brown asked that everyone keep Drew Squyres, Director of Utility Collections in their prayers.

19. There being no further business, Mayor Bob Brown adjourned the meeting at 5:29 p.m.



Bob F. Brown, Mayor

ATTEST:

  
Kara Andrepont, City Secretary