

**MINUTES OF THE REGULAR MEETING OF THE CITY COUNCIL OF THE CITY OF LUFKIN, TEXAS HELD ON THE 5<sup>th</sup> DAY OF MAY 2015.**

On the 5<sup>th</sup> day of May 2015, 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
Lynn Torres	Mayor Pro Tem
Victor Travis	Councilmember, Ward No. 1
Robert Shankle	Councilmember, Ward No. 2
Don Langston	Councilmember, Ward No. 4
Rocky Thigpen	Councilmember, Ward No. 5
Sarah Murray	Councilmember, Ward No. 6
Keith Wright	City Manager
Steve Floyd	Assistant City Manager
Bruce Green	City Attorney
Kara Atwood	City Secretary
Gerald Williamson	Police Chief
Ted Lovett	Fire Chief
Belinda Southern	Finance Director
Dorothy Wilson	Planning Director
Mike Akridge	Parks & Recreation Director
Barbara Thompson	Main Street Director
Jason Arnold	Water & Sewer Director
Dale Allred	Inspection Services Director
Sid Munlin	IT Director
Chuck Walker	Public Works Director
Kent Havard	Solid Waste Director
Thad Chambers	Economic Development Director
Tara Watkins	LCVB Director

1. The meeting was opened with prayer by Reverend Frank Starr of First Lutheran Church.
2. Mayor Bob Brown welcomed visitors present.
3. **APPROVAL OF MINUTES**

Minutes of the Regular Council Meeting on April 21, 2015 were approved on a motion by Councilmember Lynn Torres and seconded by Councilmember Sarah Murray. A unanimous affirmative vote was recorded.

4. **PRESENTATION REGARDING NATIONAL TOURISM WEEK—TARA WATSON-WATKINS, LUFKIN CONVENTION & VISITOR'S BUREAU DIRECTOR**

Lufkin Convention & Visitor's Bureau Director Tara Watkins addressed Council with a presentation on travel and tourism in Lufkin and Angelina County.

**OLD BUSINESS:**

5. **PUBLIC HEARING AND SECOND READING OF AN ORDINANCE OF THE CITY OF LUFKIN, TEXAS, CHANGING THE ZONING DESIGNATION TO "COMMERCIAL" FOR PROPERTY LOCATED AT 1710 SOUTH FIRST STREET-APPROVED**

City Manager Keith Wright stated that the purpose of the zone change request was to permit the utilization of the full extent of the subject property for development. City Manager Wright continued that currently a Peltier Chevrolet Cadillac dealership was located at the site. City Manager Wright went on to describe the property; roughly one half of the property was zoned "Commercial" and the other half was designated "Residential Large Single-Family Dwelling."

City Manager Wright stated that the Planning & Zoning Commission recommended unanimous approval of this request; therefore Staff requested that City Council conduct a Public Hearing

and approved the Second Reading of an Ordinance of the City of Lufkin, Texas, changing the zoning designation to “Commercial” for property located at 1710 South First Street.

Mayor Bob Brown opened the Public Hearing at 5:06 pm. There were no comments from the public.

The Second Reading of an Ordinance of the City of Lufkin, Texas, changing the zoning designation to “Commercial” for property located at 1710 South First was approved on a motion by Councilmember Don Langston and seconded by Councilmember Lynn Torres. A unanimous affirmative vote was recorded.

**NEW BUSINESS:**

**6. PUBLIC HEARING AND FIRST READING OF AN ORDINANCE AMENDING THE ZONING ORDINANCE FOR THE CITY OF LUFKIN, TEXAS BY GRANTING A SPECIAL USE PERMIT FOR A RESIDENTIAL HEALTH CARE FACILITY FOR LAND DESCRIBED AS LOT 1 OF PARKWOOD IN THE PINES SUBDIVISION- APPROVED**

City Manager Keith Wright stated that the property owner, Denman Realty Ltd., represented by the applicant Kunka Investments LLC, had applied for Special Use Permit (SUP) in an “Apartment” zone for a Residential Health Care Facility with a total of 140 beds. City Manager Wright went on to define Residential Health Care Facilities, and stated that a Residential Health Care Facility required a Special Use Permit in the “Apartment” zone. City Manager Wright described the facility and stated that it would be a one story building with approximately fifty thousand (50,000) square feet. City Manager Wright furthered that modifications to the layout of the buildings, parking, and service facilities would be evaluated by City Staff and approved by the Planning Director if the Special Use Permit for a Residential Health Care Facility was approved.

City Manager Wright concluded that the Planning & Zoning Commission unanimously approved this request and Staff recommended City Council conduct a Public Hearing and approve an Ordinance on First Reading granting a Special Use Permit for a Residential Health Care Facility on property known as Lot 1 of Parkwood Pines Subdivision.

Mayor Bob Brown opened the Public Hearing at 5:09 pm. There were no comments from the public.

Councilmember Sarah Murray asked if the Catholic Monastery had been contacted about the proposed Residential Health Care Facility. Planning & Zoning Director Dorothy Wilson responded that her department had mailed out notices of the proposed facility and that they had not any correspondence of opposition.

Councilmember Victor Travis expressed concern about a creek on a property that could potentially flood the proposed facility. City Manager Wright stated that the developer was aware of the creek, and the floodplain was defined. City Manager Wright furthered that the developer would have to plan accordingly through the building permit process. Councilmember Travis concluded that he wanted the developer to be aware of this potential issue.

Councilmember Don Langston agreed that he also had concerns over possible flooding, but felt satisfied on that issue after speaking to City Manager Wright earlier that day. Councilmember Langston stated the main conflict appeared to be the ingress and egress situation. Councilmember Langston concluded that he thought the Residential Health Care Facility would be a good use for the property.

The First Reading of an Ordinance amending the Zoning Ordinance of the City of Lufkin, Texas by granting a Special Use Permit for a Residential Health Care Facility for land described as Lot 1 of Parkwood in the Pines Subdivision was approved on a motion by Councilmember Don Langston and seconded by Councilmember Lynn Torres. A unanimous affirmative vote was recorded.

**7. ECONOMIC DEVELOPMENT LOAN REPAYMENT TO THE LUFKIN/ANGELINA COUNTY PARTNERSHIP IN THE AMOUNT OF \$459,786.66-APPROVED**

City Manager Keith Wright stated that on March 8, 2012 a Promissory Note was executed between the Lufkin Economic Development Corporation (LEDC) and the Lufkin/Angelina County Economic Development Partnership (Partnership). The LEDC borrowed four hundred thousand dollars (\$400,000) from the Partnership to complete the renovations and expansion of the previous "shell building" for a tenant. City Manager Wright continued that the maturity date is March 8, 2022 and the annual interest rate is 4.5%. City Manager Wright stated that the current payoff amount was four hundred fifty nine thousand seven hundred eighty six dollars and sixty six cents (\$459,786.66), and therefore there was approximately sixty thousand dollars (\$60,000) of accrued interest. City Manager Wright stated that despite being competitive at the time of origination, the interest rate was considered high in the current marketplace and it would be prudent to repay the loan.

City Manager Wright stated that Staff recommended paying off the loan to the Partnership in the amount of four hundred fifty nine thousand seven hundred eighty six dollars and sixty six cents (\$459,786.66).

Councilmember Don Langston clarified that the loan repayment was approved by the 4B Economic Development Board and City Manager Wright replied that yes it had been brought before Council with 4B's approval.

The Economic Development loan repayment to the Lufkin/Angelina County Partnership in the amount of \$459,786.66 was approved on a motion by Councilmember Robert Shankle and seconded by Councilmember Sarah Murray. A unanimous affirmative vote was recorded.

**8. UTILITY AND RIGHT-OF-WAY CONSTRUCTION AND OPERATIONS AGREEMENT BETWEEN THE CITY OF LUFKIN AND PINECREST ENERGY CENTER, LLC-APPROVED**

City Manager Keith Wright stated a Utility Right-of-way Construction and Operations Agreement between the City of Lufkin and Pinecrest Energy Center, LLC was attached for approval. City Manager Wright explained that the City would agree to extend utility lines from the power plant construction site to the Lufkin Switch-Craft Finley Road substation. City Manager Wright continued that Pinecrest agreed to secure a Contractor and pay all actual direct and indirect costs accumulated for the extension of the utility line. City Manager Wright furthered that Pinecrest will escrow sufficient funds to cover all right-of-way acquisition costs incurred by the City and provide for all costs related to the operation and maintenance of the right-of-way and utility line during the life of the project.

City Manager Wright stated that Staff recommended City Council approve the Utility Right-of-Way Construction and Operations Agreement between the City of Lufkin and Pinecrest Energy Center, LLC as provided.

The Utility Right-of-Way Construction and Operations Agreement between the City of Lufkin and Pinecrest Energy Center, LLC was approved on a motion by Councilmember Don Langston and seconded by Councilmember Lynn Torres. A unanimous affirmative vote was recorded.

**9. EXECUTIVE SESSION: IN ACCORDANCE WITH THE TEXAS GOVERNMENT CODE SECTION 551.071 REGARDING CONSULTATION WITH ATTORNEY; MATTERS REGARDING PENDING LITIGATION WILL BE DISCUSSED. NO ACTIONS WILL BE TAKEN ON THESE MATTERS.**

Mayor Bob Brown convened the City Council meeting into Executive Session at 5:19 pm. City Council reconvened into regular session at 5:42 pm. There was no action necessary.

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

Prior to convening into Executive Session Mayor Bob Brown thanked Councilmember Don Langston for his service to the City as this was his last City Council meeting. Councilmember Don Langston stated that he wished the City well and had enjoyed serving on City Council.

City Manager Keith Wright highlighted various upcoming City meetings and community events.

11. ADJOURN

There being no further business to address the meeting was adjourned at 5:45 pm.



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Bob F. Brown, Mayor



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Kara Atwood, City Secretary

