

MINUTES OF THE REGULAR MEETING OF THE CITY COUNCIL OF THE CITY OF LUFKIN, TEXAS HELD ON THE 19TH DAY OF JANUARY, 2010

On the 19th day of January, 2010, 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.
Don Langston
R. L. Kuykendall
Robert Shankle
Lynn Torres
Phil Medford
Paul L. Parker
Keith Wright
Bruce Green
Renee Thompson
Rodney Ivy
Scott Marcotte
Gerald Williamson
Danny Kistner
Doug Wood
Steve Floyd
Barbara Thompson
Jim Wehmeier
Dale Allred
Chuck Walker

Mayor
Mayor Pro-Tem
Councilmember, Ward No. 1
Councilmember, Ward No. 2
Councilmember, Ward No. 3
Councilmember, Ward No. 6
City Manager
Deputy City Manager
City Attorney
City Secretary
Human Resource Director
Police Chief
Asst. Police Chief
Fire Chief
Finance Director
Public Works Director
Main Street Director
Economic Development Director
Inspection Services Director
Public Utilities Director

being present, and

Rufus Duncan

Councilmember, Ward No. 5

being absent, when the following business was transacted:

1. The meeting was opened with prayer by Youth Pastor Robert Proctor, Jr., the Church by Christ Jesus.
2. Mayor Jack Gorden welcomed visitors present.

3. APPROVAL OF MINUTES

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

NEW BUSINESS:

**4. ADMINISTER OATH OF OFFICE TO CITY ATTORNEY BRUCE GREEN.
(HONORABLE PAUL WHITE, JUDGE 159TH DISTRICT COURT)**

Mayor Jack Gorden stated that the next item for consideration was to Administer Oath of Office to City Attorney Bruce Green. (Honorable Paul White, Judge 159th District Court)

City Manager Paul Parker stated that the City of Lufkin was very fortunate to have City Attorney Green on as the full time City Attorney. City Manager Parker added that the City had already begun to see the fruits of City Attorney Green's labor, and that it was really nice to have his expertise in house to call on as needed. City Manager Parker stated that the City Council's decision was very wise. City Manager Parker then turned the meeting over to Honorable Paul White, Judge 159th District Court.

Honorable Paul White, Judge 159th District Court, then administered the Oath of Office to City Attorney Bruce Green.

5. PINES THEATER COMMITTEE RECOMMENDATION – APPROVED - FOR THE INTERIOR RENOVATIONS AND USE OF THE PINES THEATER

Mayor Jack Gorden stated that the next item for consideration was the Pines Theater Committee's recommendation for the interior renovations and use of the Pines Theater. Mayor Gorden stated that there were several members of the Pines Theater Committee in attendance at the Council Meeting that evening. Mayor Gorden added that the following were members of the Pines Theater Committee:

Linda Huggins Martin
Connie Welch
Eric Atkinson
Rick Schiller
Brigitte Henderson
Dixon Shanks
John Anderson

City Manager Paul Parker stated that the City of Lufkin purchased the old Pines Theater in July 2007. City Manager Parker added that renovations to the exterior of the theater had been completed and a new roof was installed to make the building secure and have the appearance that it did in the mid 1940's and 1950's time period. City Manager Parker stated that the City Council originally appropriated five hundred thousand dollars (\$500,000) to fund the renovation. City Manager Parker added that during a past budget process, the Council again allocated another five hundred thousand dollars (\$500,000), with the stipulation that the additional money would not be utilized until a plan was formulated and designed, and sufficient funds to complete the restoration was made available. City Manager Parker stated that the remaining money from the City's first allocation, along with the funds from the second allocation, was still in the City's accounts. City Manager Parker explained that the City did not anticipate any large expenses until a complete plan could be brought back to the Council.

City Manager Parker stated that the Pines Theater Committee worked with the First Street Arts Center in hosting the "Lighting of the Pines" in October 2009. City Manager Parker added that this was great exposure for the City of Lufkin, and that along with the First Street Arts Center, the Committee had a great dinner and reception.

City Manager Parker stated that a survey regarding the Pines Theater was put on the City's web page by the City's Webmaster Bill Cameron, and that there were several responses to the survey. City Manager Parker stated that the survey indicated that the majority of people that viewed and had interest in the Pines Theater wanted a multi-purpose facility. City Manager Parker added that everything from classic movies, to modern movies, to stage productions, dinner theater and so forth were ideas and suggestions made for the use of the venue. City Manager Parker stated that the Committee had looked at the various uses and had studied similar facilities, and recommended that the Council consider using the Theater as a multi-purpose venue, which would be used primarily for classical movies, theatrical and musical productions and community events, etc. City Manager Parker explained that the theater would not be in need of the large loft, and that most of the plays could be done by moving sets in and out, which would eliminate the need for large rigging. City Manager Parker added that the loft area would probably be used for storage. City Manager Parker stated that the Committee was currently not recommending the facility be used for a "dinner theater" event, but could be made available at a later date as additional buildings next door became accessible.

City Manager Parker stated that the Committee's recommendation included the concept of having comfortable seating, a good sound system, good lighting system, and a large lobby area. City Manager Parker explained that the recommendations were conceptual, and that a more detailed cost estimate could be attained, if the City Council agreed to drop the use of the fly/loft area and the idea of a "dinner theater", and go with the quality sound and lighting, expansion of the stage, etc. City Manager Parker added that once the cost estimates were obtained, Staff would return to the Council and community for ways to fund the project. City Manager Parker stated that the Committee also recommended that the interior of the theater

be renovated in the “art deco” design and style, and added that the Council had a rendering in their packets showing a concept of that type of design. City Manager Parker added that the committee recommended that the facility have seating for approximately five hundred to six hundred (500-600) seat capacity, depending on the layout.

City Manager Parker stated that the Committee was asking the Council to endorse the concept of the how to utilize the theater, and would then go forward with more detailed cost estimates for the funding phase of the project. City Manager Parker explained that once the funding phase was complete, the next stage would be a detailed design for the facility.

Mayor Gorden asked for questions or comments from the Pines Theater Committee. Mr. Eric Atkinson stated that the Pines Theater was a great idea for Downtown Lufkin. Mr. Atkinson added that having more events, such as the one that occurred in October, would be one of the keys to revitalizing Downtown Lufkin. Mr. Atkinson stated that the suggestions for the many type of activities that could be held at the Pines Theater was part of the solution to the restoration of the Downtown area.

Mayor Gorden then asked for questions or comments from the Council. Councilmember Don Langston stated that the Council had been concerned about their ability to address the proper usage of the Theater. Councilmember Langston added that the Theater Committee had done an excellent job in identifying the proper direction and functions for the facility. Councilmember Langston stated that the Council should follow the lead of the Theater Committee and should recommend that staff begin the next stage of the detailing the budget, future expenses and ways to fund the project.

Councilmember Don Langston moved to approve the Pines Theater Committee recommendation for the interior renovations and use of the Pines Theater. Councilmember Lynn Torres seconded the motion. A unanimous affirmative vote was recorded.

6. FIRST READING AN ORDINANCE PROVIDING FOR THE CALLING AND ORDERING OF A GENERAL ELECTION FOR THE CITY OF LUFKIN, TEXAS - APPROVED - TO BE HELD AT TWO (2) POLLING PLACES IN LUFKIN, TEXAS ON MAY 8, 2010 BETWEEN THE HOURS OF 7:00 A.M. AND 7:00 P.M. FOR THE PURPOSE OF ELECTING A COUNCILMEMBER FOR WARD 1 AND COUNCILMEMBER FOR WARD 3, FOR THREE (3) YEAR TERMS, PROVIDING FOR THE NECESSARY NOTICES AND FIXING THE DATE

Mayor Jack Gorden stated that the next item for consideration was the First Reading an Ordinance providing for the calling and ordering of a General Election for the City of Lufkin, Texas to be held at two (2) polling places in Lufkin, Texas on May 8, 2010 between the hours of 7:00 a.m. and 7:00 p.m. for the purpose of electing a Councilmember for Ward 1 and Councilmember for Ward 3, for three (3) year terms, providing for the necessary notices and fixing the date.

City Manager Paul Parker stated that this was the Ordinance calling the annual election. City Manager Parker explained that the election would be for Wards One (1) and Three (3), on May 8, 2010. City Manager Parker added that Staff recommended that Council approve the Ordinance.

Mayor Gorden asked for questions or comments from the Council. Mayor Gorden asked for the locations of the polling places. City Secretary Renee Thompson stated that early voting would be held at the Lufkin City Hall, and on Election Day the voting would take place at the Lufkin ISD Administration Building for Ward One (1) and at the Herty Elementary School for Ward Three (3).

Councilmember Phil Medford moved to approve the First Reading of the Ordinance providing for the calling and ordering of a General Election for the City of Lufkin, Texas to be held at two (2) polling places in Lufkin, Texas on May 8, 2010 between the hours of 7:00 a.m. and 7:00 p.m. for the purpose of electing a Councilmember for Ward 1 and Councilmember for Ward 3, for three (3) year terms, providing for the necessary notices and fixing the date. Councilmember Robert Shankle seconded the motion. A unanimous affirmative vote was recorded.

7. RESOLUTION OF SUPPORT OF THE CITY COUNCIL OF THE CITY OF LUFKIN, TEXAS - APPROVED - AUTHORIZING SUBMISSION OF AN APPLICATION TO THE TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS FOR DISASTER RELATED HOME INVESTMENT PARTNERSHIP PROGRAM FUNDS; AND AUTHORIZING THE MAYOR TO ACT AS THE CITY'S CHIEF EXECUTIVE OFFICER AND AUTHORIZED REPRESENTATIVE IN ALL MATTERS PERTAINING TO THE CITY'S PARTICIPATION IN THE PROGRAM

Mayor Jack Gorden stated that the next item for consideration was a Resolution of support of the City Council of the City of Lufkin, Texas authorizing submission of an application to the Texas Department of Housing and Community Affairs for Disaster Related HOME Investment Partnership Program Funds; and authorizing the Mayor to act as the City's Chief Executive Officer and authorized representative in all matters pertaining to the City's participation in the program.

City Manager Paul Parker stated that following the tornado in Lufkin, the Small Business Administration (SBA) set up an office at the Lufkin City Hall, Room 202. City Manager Parker explained that the SBA had been able to assist many people, but there were also many people who were not eligible or did not qualify under the SBA Program. City Manager Parker added that the State said that the City of Lufkin would be able to apply for a grant up to five hundred thousand dollars (\$500,000), through the HOME Program. City Manager Parker stated that there would be no match required for the grant, because the funds qualified under the "emergency" section. City Manager Parker stated that the grant would allow up to thirty thousand dollars (\$30,000) per home for repair of damaged home. City Manager Parker added that should a home be destroyed or unable to be repaired; the grant would allow up to eighty thousand dollars (\$80,000) for reconstruction. City Manager Parker reiterated that there was no match required for the grant; however the City would have to designate one hundred twenty thousand dollars (\$120,000) cash reserve to pay expenses prior to being reimbursed by the State of Texas. City Manager Parker stated that the City Manager's office had begun working with qualifications of members who had gone to SBA and were not qualified through their program. City Manager Parker added that there was already a waiting list of people that were qualified to meet the requirements. City Manager Parker recommended that the Council authorize the Staff to apply for the HOME Funding in the amount of five hundred thousand dollars (\$500,000).

Mayor Gorden asked for questions or comments from the Council.

Councilmember Robert Shankle stated that this was a great opportunity, and that there were several people who did not have insurance. Councilmember Shankle added that this program would help people get back on their feet.

Councilmember Don Langston stated that it was great for the City of Lufkin to get the five hundred thousand dollars (\$500,000), but that it was probably only one third (1/3) of the amount needed. Mayor Gorden asked if the City had looked for other sources to assist those people affected by the tornado. City Manager Parker stated that Staff was hopeful that if the City could show the justification and needs, there would be additional dollars made available. City Manager Parker added that currently the five hundred thousand dollars (\$500,000) was the amount earmarked to assist.

Mayor Gorden asked if the City could work to reconstruct the entire neighborhood, would there be other sources available. Councilmember Langston stated that it would be great if the City could find a way, but that unfortunately five hundred thousand dollars (\$500,000) would not go a long way toward reconstruction of many dwellings. Councilmember Lynn Torres stated that the damage at the school in that area was estimated to be one million two hundred thousand dollars (\$1,200,000). Mayor Gorden stated that he hoped the City of Lufkin would take advantage of any opportunities available to assist.

City Manager Parker stated that the City would possibly be looking at some type of modular construction for the area, and could work so that the homes would meet code requirements of the City.

Councilmember Langston asked if there was any possibility of getting assistance through Deep East Texas Council of Governments (DETCOG), with funding that was coming down from a federal level. Mayor Gorden stated that was a real possibility.

Councilmember Lynn Torres moved to approve the Resolution of support of the City Council of the City of Lufkin, Texas authorizing submission of an application to the Texas Department of Housing and Community Affairs for Disaster Related HOME Investment Partnership Program Funds; and authorizing the Mayor to act as the City's Chief Executive Officer and authorized representative in all matters pertaining to the City's participation in the program. Councilmember Robert Shankle seconded the motion. A unanimous affirmative vote was recorded.

8. FORFEITED FUNDS BUDGET – APPROVED - FOR FISCAL YEAR 2009/2010 FOR THE POLICE DEPARTMENT

Mayor Jack Gorden stated that the next item for consideration was a Forfeited Funds Budget for Fiscal Year 2009/2010 for the Police Department.

City Manager Paul Parker stated that each year the Police Chief submitted a forfeiture fund budget for the fiscal year. City Manager Parker explained that the budget was usually broad and would allow the Police Department to purchase equipment, pay for training, or pay for outstanding debts. City Manager Parker added that the money was also used to subsidize a grant. City Manager Parker stated that Police Chief Scott Marcotte was good at subsidizing training and trying to reduce costs of the General Operation Fund. City Manager Parker then recommended the Forfeited Funds Budget for the Council's approval.

Mayor Gorden asked for questions or comments from the Council.

Councilmember Lynn Torres moved to approve the Forfeited Funds Budget for Fiscal Year 2009/2010 for the Police Department. Councilmember Robert Shankle seconded the motion. A unanimous affirmative vote was recorded.

9. RESOLUTION AUTHORIZING AN AMENDMENT TO THE 2009-2010 OPERATING AND CAPITAL BUDGET (BUDGET AMENDMENT NO. 10). - APPROVED - PROVIDING FOR THE SUPPLEMENTAL APPROPRIATION OF FUNDS IN THE 1999 WATER/WASTEWATER CAPITAL IMPROVEMENT PROGRAM AND THE WATER/WASTEWATER RENEWAL AND REPLACEMENT FUNDS; AND PROVIDING AN EFFECTIVE DATE

Mayor Jack Gorden stated that the next item for consideration was a Resolution authorizing an Amendment to the 2009-2010 Operating and Capital Budget (Budget Amendment No. 10), providing for the supplemental appropriation of funds in the 1999 Water/Wastewater Capital Improvement Program and the Water/Wastewater Renewal and Replacement Funds; and providing an effective date.

City Manager Paul Parker stated that there was money left over from the 1999 Bond Program that was originally earmarked for the Wastewater Treatment Plant Headworks and the Chlorine Contact basin, which would allow for additional expansion or use of the Water Treatment Plant. City Manager Parker stated that the Headworks Project was completed, but that there were insufficient funds for the completion of the Chlorine Contact Basin, which would allow for future growth. City Manager Parker stated that there were also real problems with the digesters. City Manager Parker stated that there were three (3) anaerobic digesters at the Treatment Plant, and that two (2) of those digesters were in dire need of replacement. City Manager Parker explained that currently there was only one (1) in relatively good shape. City Manager Parker stated that Staff was recommending that the City cancel the Chlorine Contact Basin, and take the residual from the Headworks Project and roll the funds into several projects. City Manager Parker stated that the new project would be to repair one (1) of the three (3) digesters. City Manager Parker added that Staff would probably return in the next budget year for the repair of the third digester. City Manager Parker stated that motion and vibration in the digesters was partially responsible for the needed maintenance.

City Manager Parker stated that there were several projects in the Water and Sewer Depreciation Fund 380. City Manager Parker added that the projects were the Copeland Lift Station Project, in the amount of one hundred twenty thousand dollars (\$120,000), a Raw Sewage Pump, in the amount of seventy thousand dollars (\$70,000), and the Kit McConnico Lift Station Project, in the amount of seventy thousand dollars (\$70,000). City Manager Parker stated that all of the projects had already been approved in Fund 380, but Staff was recommending that Council move the projects to Fund 355 to complete the 1999 Bond Issue.

City Manager Parker stated that the final recommendation to the Council was to close the Chlorine Contact Basin Project and the Headworks Project, and approve Budget Amendment No. 10, which would allow the transfer of the funds from the Water and Sewer Depreciation Fund 380 to Fund 355, and approve the repair of one (1) of the digesters.

There was discussion with the Mayor and Council concerning the agenda item.

Councilmember Don Langston moved to approve the Resolution authorizing an Amendment to the 2009-2010 Operating and Capital Budget (Budget Amendment No. 10), providing for the supplemental appropriation of funds in the 1999 Water/Wastewater Capital Improvement Program and the Water/Wastewater Renewal and Replacement Funds; and providing an effective date. Councilmember Lynn Torres seconded the motion. A unanimous affirmative vote was recorded.

10. AWARD OF BIDS FOR THE REPAIR AND REBUILD OF ONE (1) ANAEROBIC DIGESTER TO HYDRONICS, INC, FOR EQUIPMENT (\$516,247), AND TO ARCHER WESTERN CONTRACTORS AND JOCADA CONSTRUCTION FOR SANDBLASTING AND PAINTING (\$138,500) - APPROVED

Mayor Jack Gorden stated that the next item for consideration was the award of bids for the Repair and Rebuild of one (1) Anaerobic Digester to Hydronics, Inc, for equipment (\$516,247), and to Archer Western Contractors and Jocada Construction for sandblasting and painting (\$138,500).

City Manager Paul Parker stated that this was the digester that had been discussed in the previous agenda item. City Manager Parker added that it was a single source bid, because the equipment had to match the other equipment. City Manager Parker stated that the bid was from EIMCO Water Technologies, and the components included the four (4) mixers, draft tubes, mixer wall sleeves, guide rollers and numerous other parts in the amount of five hundred sixteen thousand two hundred forty-seven dollars (\$516,247). City Manager Parker reiterated that the bid was a single source bid. City Manager Parker stated that the lid of the digester would need to be removed to repair the guide rollers, and was also in need of sandblasting and painting. City Manager Parker stated that the lid was so large that a crane would be brought in to remove it and replace it. City Manager Parker explained that this was one (1) of the reasons that the cost was in the amount of one hundred thirty-eight thousand five hundred dollars (\$138,500) from the low bidder, who was Hydronics, Inc.

City Manager Parker stated that the total project was in the amount of six hundred fifty-four thousand seven hundred forty-seven dollars (\$654,747). City Manager Parker added that Staff recommended that Council award the bid in the amount of five hundred sixteen thousand two hundred forty-seven dollars (\$516,247) to EIMCO Water Technologies, for the rebuild of the digester at the Wastewater Treatment Plant, and an additional bid to Hydronics, Inc. in the amount of one hundred thirty-eight thousand five hundred dollars (\$138,500) for the removal, sandblasting and painting of the digester lid, for a total project cost of six hundred fifty-four thousand seven hundred forty-seven dollars (\$654,747).

Mayor Gorden asked for questions or comments from the Council.

Councilmember Phil Medford moved to approve the award of bids for the Repair and Rebuild of one (1) Anaerobic Digester to Hydronics, Inc, for equipment (\$516,247), and to Archer Western Contractors and Jocada Construction for sandblasting and painting (\$138,500). Councilmember R. L. Kuykendall seconded the motion. A unanimous affirmative vote was recorded.

11. ACCEPTANCE OF THE FY 2009 STATE HOMELAND SECURITY GRANT THROUGH DETCOG IN THE AMOUNT OF \$37,878, AND A RESOLUTION AUTHORIZING AN AMENDMENT TO THE 2009-2010 OPERATING BUDGET (BUDGET AMENDMENT NO. 11), - APPROVED - PROVIDING FOR THE SUPPLEMENTAL APPROPRIATION OF FUNDS IN THE POLICE FORFEITURE AND GENERAL FUND; AND PROVIDING AN EFFECTIVE DATE, AND AWARD OF BID FOR THE PURCHASE OF A 2009 F250 PICKUP FOR THE EMERGENCY MANAGEMENT DEPARTMENT AND AWARD OF BID FOR THE PURCHASE OF A POLARIS RANGER FOR THE POLICE DEPARTMENT

Mayor Jack Gorden stated that the next item for consideration was the acceptance of the FY 2009 State Homeland Security Grant through DETCOG in the amount of \$37,878, and a Resolution authorizing an Amendment to the 2009-2010 Operating Budget (Budget Amendment No. 11), providing for the supplemental appropriation of funds in the Police Forfeiture and General Fund; and providing an effective date, and award of bid for the purchase of a 2009 F250 pickup for the Emergency Management Department and award of bid for the purchase of a Polaris Ranger for the Police Department.

City Manager Paul Parker stated this was a Homeland Security Grant in the amount of thirty-seven thousand eight hundred seventy-eight dollars (\$37,878). City Manager Parker added that Staff was requesting to purchase a Ford F250 Pickup, to be used for Emergency Management. City Manager Parker explained that the City of Lufkin was occasionally called to other areas for disasters, such as the Hurricane that was located in South Texas in 2008. City Manager Parker stated that the vehicle would also be used for training and transportation during emergency events. City Manager Parker stated that the other vehicle was a Polaris Ranger, which was more of a street worthy golf cart. City Manager Parker added that during the Christmas Season, Staff was able to utilize a utility vehicle that the Ellen Trout Zoo had purchased to go through the parking lots of the mall and stores in that general area, and had great success with that venture. City Manager Parker stated that the Polaris would be stationed at the old fire station near Grace Richardson Park. City Manager Parker added that the Polaris would be used to travel the Azalea Trail, and would lead into the Mall and K-Mart areas. City Manager Parker explained that because the Polaris was road worthy, it could be taken to the Academy and Belks area, and across the street to the Wal-Mart area. City Manager Parker stated that a lot of the major shopping areas would make use of the Polaris during the Christmas Season. City Manager Parker added that the Polaris would also be used for parades and Downtown events such as the HoeDown and Cinco De Mayo, and at Jones Lake and Brandon Park for routine patrol. City Manager Parker stated that the Polaris would be used in a variety of ways, and with the positive results that came from its use during the holidays, Staff thought that the Polaris would be a real asset. City Manager Parker stated that the total cost of the two (2) vehicles was thirty-nine thousand two hundred eighty-two dollars (\$39,282), which exceeded the grant by one thousand four hundred four dollars (\$1,404). City Manager added that if the Council approved the purchase, the additional funds would be provided through the Police Department Forfeiture Fund. City Manager Parker stated that Staff recommended that Council approve the purchase of a 2009 Ford F250 Pickup and a Polaris Ranger, and accept the grant from DETCOG in the amount of thirty-seven thousand eight hundred seventy-eight dollars (\$37,878).

There was discussion with the Mayor and Council concerning the agenda item.

Councilmember Lynn Torres moved to approve the acceptance of the FY 2009 State Homeland Security Grant through DETCOG in the amount of \$37,878 and a Resolution authorizing an Amendment to the 2009-2010 Operating Budget (Budget Amendment No. 11), providing for the supplemental appropriation of funds in the Police Forfeiture and General Fund; and providing an effective date, and award of bid for the purchase of a 2009 F250 pickup for the Emergency Management Department and award of bid for the purchase of a Polaris Ranger for the Police Department. Councilmember R. L. Kuykendall seconded the motion. A unanimous affirmative vote was recorded.

12. CITY MANAGER'S REPORT

Mayor Jack Gorden stated that the next item for consideration was a report from City Manager Paul Parker. Mayor Gorden added that there would also be a report from the City's Finance Committee.

City Manager Paul Parker then asked Mayor Gorden to give the report from the Finance Committee. Mayor Gorden stated that the Finance Committee met that afternoon at 3:00 p.m. Mayor Gorden added that Dick Long, Financial Advisor for the City, met with the Committee. Mayor Gorden explained that the Committee reviewed the portfolio. Mayor Gorden stated that the City was compliance with the investment policies, and that everything was in good shape. Mayor Gorden stated that Mr. Long reported that the average yield on the portfolio was higher than most of those types of funds in the State of Texas. Mayor Gorden thanked Finance Director Doug Wood and his staff for keeping the City in such good shape.

City Manager Parker stated that one quarter of the fiscal year was complete, and that the City's sales tax had been down every month in that quarter. City Manager Parker added that the City's sales tax had taken a really large downturn in the past two (2) months. City Manager Parker stated that the next check would reflect the Christmas sales, and that Staff was hopeful that the City would not see another downturn. City Manager Parker stated that there were several studies out that indicated that Christmas sales were up nationally, but that the City may not see all of it until January and February 2010, because there were a large amount of gift cards given during the Christmas season of 2009. City Manager Parker stated that it was the time of year where the ad valorem would change drastically, because it was the time when people would begin paying their ad valorem taxes. City Manager Parker added that most of the ad valorem taxes were collected at the end of December and all of January. City Manager Parker stated that there was nothing else to highlight. City Manager Parker added that everything was in line, and that franchise tax was low, because those taxes were paid quarterly and all of the franchise fees had not been turned in. City Manager Parker stated that expenditures were in good shape, and that the water fund was a little low. City Manager Parker explained that the water fund was subject to summer heat and rainfall. City Manager Parker stated that Staff was cautiously watching all of the accounts, because of the sales tax. City Manager Parker added that whenever a vacancy occurred in the City, Staff was waiting two (2) months to advertise the position. City Manager Parker explained that it would be approximately three (3) months or more before the position was filled. City Manager Parker added that the General Fund was made up of over seventy percent (70%) personnel. City Manager Parker stated that Staff was also trying to be cautious on travel and other expenditures, but not hurt the operations. City Manager Parker stated that the Solid Waste Fund was in fairly good shape, but the area fluctuated at certain times of the year. City Manager Parker added that the Hotel/Motel Tax Fund was right on target. City Manager Parker stated that the Council could review the remainder of the funds at their leisure, because there was nothing to really be concerned about, even though every department was conscious of their revenues. City Manager Parker asked the Council if there were any questions regarding the City's revenues. There were none.

City Manager Parker asked if there were individual questions on the City's projects. City Manager Parker stated that several projects were being finalized. City Manager Parker added that there were also several projects that were close to going out for bids. City Manager Parker stated that the Zoo Circle Project was very close to the final design to take to the Building Committee. City Manager Parker added that several other projects were presently out to bid. City Manager Parker stated that he would answer any questions the Council had regarding the Project Status.

13. Mayor Jack Gorden recessed the Regular Session at 5:50 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 6:47 p.m.

14. APPOINTMENT – APPROVED - TO THE CITY OF LUFKIN 4B ECONOMIC DEVELOPMENT BOARD

Mayor Jack Gorden stated that the next item for consideration was the appointment to the City of Lufkin 4B Economic Development Board.

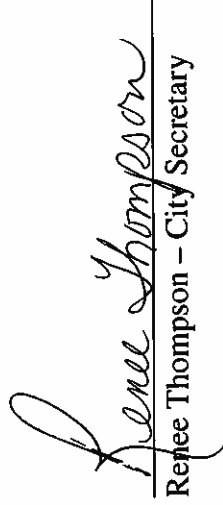
Councilmember Lynn Torres moved to appoint Jim Watkins to the City of Lufkin 4B Economic Development Board. Councilmember Don Langston seconded the motion. A unanimous affirmative vote was recorded.

14. 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

Mayor Gorden stated that the next item for consideration was the 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 stated that the First Friday Luncheon would be held on Friday, January 22, 2010, at 12:00 noon at Crown Colony. City Manager Parker added that Mayor Gorden and Judge Suiter would be speaking on the “State of the City” and “State of the County”, at that meeting. City Manager Parker added that Saturday, January 23, 2010, at 6:30 p.m. would be the Kurth Memorial Library Gala. City Secretary Renee Thompson stated that there were no tickets for that event, and that those attending should check in with Councilmember Lynn Torres at the entrance. City Manager Parker stated that Sunday, January 24, 2010, at 7:30 p.m., was the Ballet Folklórico Mexico at the Temple Theater. City Manager Parker added that anyone wanting tickets to the event should get with him. City Manager Parker stated that the Annual Chamber of Commerce Banquet would be held on Thursday, January 28, 2010, at 6:30 p.m. ,at the Lufkin Pitser Garrison Civic Center. City Manager Parker stated that Council needed to also mark their calendars for the Lufkin/Angelina County Day at Austin on Thursday, February 11, 2010, and that City Secretary Thompson had made reservations for that event.

15. There being no further business for consideration, the meeting adjourned at 6:50 p.m.


Renee Thompson – City Secretary


Jack Gorden, Mayor