

**MINUTES OF THE REGULAR MEETING OF THE CITY COUNCIL OF THE CITY
OF LUFKIN, TEXAS HELD ON THE 19th DAY OF OCTOBER, 2010**

On the 19th day of October, 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:

Victor Travis
Robert Shankle
Lynn Torres
Don Langston
Rufus Duncan
Phil Medford
Paul L. Parker
Keith Wright
Bruce Green
Rodney Ivy
Scott Marcotte
Gerald Williamson
Danny Kistner
Doug Wood
Dorothy Wilson
Steve Floyd
Jim Wehmeier
Barbara Thompson
Chuck Walker
Belinda Southern
Robbin Crawford

Councilmember, Ward No. 1
Councilmember, Ward No. 2
Councilmember, Ward No. 3
Councilmember, Ward No. 4
Councilmember, Ward No. 5
Councilmember, Ward No. 6
City Manager
Asst. City Manager
City Attorney
Human Resource Director
Police Chief
Asst. Police Chief
Fire Chief
Finance Director
Planning Director
Public Works Director
Economic Development Director
Main Street Director
Public Utilities Director
Finance Manager
Senior Accountant

being present, and

Jack Gorden, Jr.
Renee Thompson

Mayor
City Secretary

being absent, when the following business was transacted.

1. The meeting was opened with prayer by Pastor Dan Norman, Glad Tidings Assembly of God.
2. Mayor Pro Tem Don Langston welcomed visitors and those present from Leadership Lufkin and stated that unfortunately Mayor Gorden was not feeling well and unable to attend.

3. APPROVAL OF MINUTES

Minutes of the Regular Meeting of October 5th, 2010 were approved on a motion by Councilmember Lynn Torres, and seconded by Councilmember Robert Shankle. A unanimous affirmative vote was recorded.

OLD BUSINESS:

4. SECOND READING OF AN ORDINANCE AUTHORIZING THE PERMITTING AND INSPECTION OF TATTOO AND CERTAIN BODY PIERCING STUDIOS; - APPROVED - ESTABLISHING PERMITTING, SUSPENSION AND APPEAL PROCEDURES, DECLARING A PENALTY, AND PROVIDING FOR AN EFFECTIVE DATE

Mayor Pro Tem Don Langston stated that the next item for consideration was the Second Reading of an Ordinance authorizing the permitting and inspection of tattoo and certain body piercing studios; establishing permitting, suspension and appeal procedures, declaring a penalty, and providing for an effective date.

City Manager Paul Parker stated this was the Second Reading of the Ordinance which allows these establishments to be regulated and inspected by the Angelina County Cities Health District. City Manager Parker continued that this would also allow for enforcement of violations and that Staff recommended approval.

Mayor Pro Tem Langston asked for questions or comments from the Council.

Councilmember Phil Medford moved to approve on Second Reading an Ordinance deleting Ordinance 2913 and all amendments thereto; deleting Penal Ordinance 338 and all amendments thereto; of the City of Lufkin, Texas, repealing conflicting and inconsistent provisions; and providing for an effective date. Councilmember Robert Shankle seconded the motion. A unanimous vote was recorded.

5. SECOND READING OF AN ORDINANCE AUTHORIZING THE PERMITTING AND INSPECTION OF TANNING FACILITIES; - APPROVED - ESTABLISHING PERMITTING, SUSPENSION AND APPEAL PROCEDURES, DECLARING A PENALTY, AND PROVIDING FOR AN EFFECTIVE DATE

Mayor Pro Tem Don Langston stated that the next item for consideration was the Second Reading of an Ordinance authorizing the permitting and inspection of tanning facilities; establishing permitting, suspension and appeal procedures, declaring a penalty, and providing for an effective date.

City Manager Paul Parker stated this was the Second Reading of this Ordinance which authorized the permitting and inspection of tanning facilities by the Angelina County Cities and Health District. City Manager Parker stated that Staff recommended approval of this Ordinance.

Mayor Pro Tem Langston asked for questions or comments from the Council.

Councilmember Lynn Torres moved to approve the Second Reading of the Ordinance authorizing the permitting and inspection of tanning facilities; establishing permitting, suspension and appeal procedures, declaring a penalty, and providing for an effective date. Councilmember Phil Medford seconded the motion. A unanimous affirmative vote was recorded.

6. PUBLIC HEARING AND SECOND READING OF AN ORDINANCE AMENDING THE ZONING ORDINANCE OF THE CITY OF LUFKIN, TEXAS, - APPROVED - BEING ORDINANCE NO. 3368; TO AMEND ARTICLE III "DISTRICTS AND SPECIFIC REQUIREMENTS PERTAINING TO EACH DISTRICT"; AMENDING THE TWO (2) FRONT YARD SETBACK REQUIREMENTS ON CORNER LOTS IN CERTAIN RESIDENTIAL DISTRICTS BY DELETING THE CURRENT LANGUAGE FOR ARTICLE III SECTION 3, 1, A; DELETING THE ILLUSTRATION IN ARTICLE III SECTION 3, 1, A; ADDING NEW TEXT FOR ARTICLE III SECTION 3, 1, A; TO AMEND ARTICLE XXVII "DEFINITIONS" BY ADDING TEXT TO THE DEFINITIONS FOR "LOT LINE"; REPEALING CONFLICTING PROVISIONS; AND PROVIDING AN EFFECTIVE DATE.

Mayor Pro Tem Don Langston 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; to amend Article III "Districts and specific requirements pertaining to each District"; amending the two (2) front yard setback requirements on corner lots in certain residential districts by deleting the current language for Article III Section 3, 1, A; deleting the illustration in Article III Section 3, 1, A; adding new text for Article III Section 3, 1, A; to amend Article XXVII "Definitions" by adding text to the definitions for "Lot Line"; repealing conflicting provisions; and providing an effective date.

City Manager Paul Parker stated that as Council would recall this amendment to the Zoning Ordinance modified the front yard setback requirements on residential lots by only requiring the designation of one (1) front yard setback instead of requiring a front yard setback on each

right-of-way. City Manager Parker stated that this modification was developer friendly and allowed for easier development in the City of Lufkin.

Mayor Pro Tem Langston opened the Public Hearing at 5:09 p.m. and asked anyone who wished to speak on the item to please step forward. There being no one wishing to speak, Mayor Pro Tem Langston closed the Public Hearing at 5:10 p.m.

Mayor Pro Tem Langston asked for questions or comments from the Council.

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; to amend Article III "Districts and specific requirements pertaining to each District"; amending the two (2) front yard setback requirements on corner lots in certain residential districts by deleting the current language for Article III Section 3, 1, A; deleting the illustration in Article III Section 3, 1, A; adding new text for Article III Section 3, 1, A; to amend Article XXVII "Definitions" by adding text to the definitions for "Lot Line"; repealing conflicting provisions; and providing an effective date. Councilmember Robert Shankle seconded the motion. A unanimous affirmative vote was recorded.

7. SECOND READING OF AN ORDINANCE AMENDING THE SUBDIVISION ORDINANCE OF THE CITY OF LUFKIN, TEXAS, - APPROVED - BEING ORDINANCE NO. 3693; TO DELETE SECTION 3.6 ENTITLED "BUILDING LINES"; REPEALING CONFLICTING PROVISIONS; AND PROVIDING AN EFFECTIVE DATE

Mayor Pro Tem Don Langston stated that the next item for consideration was the Second Reading of an Ordinance amending the Subdivision Ordinance of the City of Lufkin, Texas, being Ordinance No. 3693; to delete Section 3.6 entitled "Building Lines"; repealing conflicting provisions; and providing an effective date.

City Manager Parker stated that this item was in conjunction with the previous item on the agenda. City Manager Parker continued that the present ordinance required that the front yard setback be recorded on the plat for the property, and this amendment removed that requirement. City Manager Parker stated this allowed the developer to decide which side of the lot would be the front and that Staff recommended approval.

Mayor Pro Tem Langston asked for questions or comments from the Council.

Councilmember Rufus Duncan moved to approve the Second Reading of the Ordinance amending the Subdivision Ordinance of the City of Lufkin, Texas, being Ordinance No. 3693; to delete Section 3.6 entitled "Building Lines"; repealing conflicting provisions; and providing an effective date. Councilmember Phil Medford seconded the motion. A unanimous affirmative vote was recorded.

NEW BUSINESS

8. ALL MATTERS INCIDENT AND RELATED TO THE ISSUANCE AND SALE OF "CITY OF LUFKIN, TEXAS, GENERAL OBLIGATION REFUNDING BONDS, SERIES 2010", INCLUDING THE ADOPTION OF AN ORDINANCE AUTHORIZING THE ISSUANCE OF SUCH BONDS AND PROVIDING FOR THE REDEMPTION OF THE BONDS BEING REFUNDED - APPROVED.

Mayor Pro Tem Don Langston stated that the next item on the agenda was to consider all matters incident and related to the issuance and sale of "City of Lufkin, Texas, General Obligation Refunding Bonds, Series 2010", including the adoption of an Ordinance authorizing the issuance of such bonds and providing for the redemption of the bonds being refunded.

City Manager Paul Parker stated that recently the City's financial advisor, Mike Byrd, called to the attention of staff that the City had several bond issues that were eligible to be refinanced at a lower rate than currently issued. City Manager Parker stated that the bonds scheduled to be replaced included City of Lufkin, Texas, Tax and Waterworks and Sewer System (Limited Pledge)

Revenue Certificates of Obligation, Series 1998 in the principal amount of two million nine hundred seventy-five thousand dollars (\$2,975,000); City of Lufkin, Texas, Tax and Waterworks and Sewer System (Limited Pledge) Surplus Revenue Certificates of Obligation, Series 1999 in the amount of four hundred fifty thousand dollars (\$450,000); and City of Lufkin, Texas, Waterworks and Sewer System Revenue Bonds, Series 2000 in the amount of nine million four hundred ten thousand dollars (\$9,410,000). City Manager Parker then called on Mike Byrd, the City's financial advisor who stated the results of the bids for both bond issues. Mr. Byrd passed out a summary of the interest rates and market pricing for the General Obligation refunding Bonds and the Revenue Certificates of Obligation. Mr. Byrd stated that since the Bond Issue began in July 2010, the interest rate had dropped on both issues and this resulted in a large savings for the City. Mr. Byrd continued that since the City held such a high bond rating, insurance was no longer necessary for the City. Mr. Byrd stated that he recommended that the City proceed with the passage of the Ordinance and authorize the sale of the Bonds. Mr. Byrd then introduced Kristen Savant of Fulbright & Jaworski. Ms. Savant stated that the two (2) action items on the agenda were the Ordinances that allowed the sale of both bond issues and this would be the only action that Council would be required to take to initiate and complete the sale of the bonds. Ms. Savant stated that once all documentation was completed, the sale of the bonds was scheduled to close on November 23rd, 2010. Ms. Savant continued that specific language would be needed for the motion of approval on both Ordinances and stated she would be glad to answer any questions that Council had.

Councilmember Lynn Torres moved to adopt the Ordinance authorizing the issuance of \$12,130,000 "City of Lufkin, Texas, General Obligation Refunding Bonds, Series 2010" and approving and authorizing the execution of a Paying Agent/Registrar Agreement and a Purchase Agreement and approving authorizing the distribution of an Official Statement in relation to such Bonds. Councilmember Phil Medford seconded the motion. A unanimous affirmative vote was recorded.

9. ALL MATTERS INCIDENT AND RELATED TO THE ISSUANCE AND SALE OF "CITY OF LUFKIN, TEXAS, TAX AND WATERWORKS AND SEWER SYSTEM (LIMITED PLEDGE) REVENUE CERTIFICATES OF OBLIGATION, SERIES 2010", INCLUDING THE ADOPTION OF AN ORDINANCE AUTHORIZING THE ISSUANCE OF SUCH CERTIFICATES OF OBLIGATION- APPROVED.

Mayor Pro Tem Don Langston stated that the next item for consideration all matters incident and related to the issuance and sale of "City of Lufkin, Texas, Tax and Waterworks and Sewer System (Limited Pledge) Revenue Certificates of Obligation, Series 2010", including the adoption of an Ordinance authorizing the issuance of such certificates of obligation.

City Manager Paul Parker stated that Staff was pleased to present this Bond Issue as well and asked if there were any questions or comments. Mayor Pro Tem Langston stated that this item had been discussed with the previous item and asked for comments or a motion from Council.

Councilmember Lynn Torres moved to adopt the Ordinance authorizing the issuance of \$9,145,000 "City of Lufkin, Texas, Tax and Waterworks and Sewer System (Limited Pledge) Revenue Certificates of Obligation, Series 2010" and approving and authorizing the execution of a Paying Agent/Registrar Agreement and a Purchase Agreement and approving and authorizing the distribution of an Official Statement in relation to such Certificates. Councilmember Phil Medford seconded the motion. A unanimous affirmative vote was recorded.

City Manager Parker stated that he would like to credit City Council for their work to save the taxpayers' money with these Bond Issues and commended the Council for making this possible along with passing a lowered tax rate for the residents of the City of Lufkin.

10. PUBLIC HEARING AND FIRST READING OF AN ORDINANCE AMENDING THE ZONING ORDINANCE OF THE CITY OF LUFKIN, TEXAS, BY GRANTING A "SPECIAL USE" PERMIT FOR AN INDOOR COMMERCIAL RECREATION FACILITY WITHIN A PLANNED UNIT DEVELOPMENT, #3553 ZONING DISTRICT ON CERTAIN TRACTS OR PARCELS OF LAND WITHIN THE CORPORATE LIMITS OF THE CITY OF LUFKIN, TEXAS, BEING 1.109 ACRES

OF THE NEAL AND MARY ANN NARANJO SUBDIVISION, REVISED, LOT 2, ANGELINA COUNTY, TEXAS AND AUTHORIZING THE CITY PLANNER TO MAKE SUCH CHANGES ON THE OFFICIAL MAP-APPROVED

Mayor Pro Tem Don Langston stated that the next item for consideration was to conduct a Public Hearing and consider on First Reading an Ordinance amending the Zoning Ordinance of the City of Lufkin, Texas, by granting a “Special Use” permit for an indoor commercial recreation facility within a Planned Unit Development, #3553 Zoning District on certain tracts or parcels of land within the corporate limits of the City of Lufkin, Texas, being 1.109 acres of the Neal and Mary Ann Naranjo Subdivision, revised, Lot 2, Angelina County, Texas and authorizing the City Planner to make such changes on the Official Map.

City Manager Paul Parker stated that this was a request from Neal and Mary Ann Naranjo for a Special Use Permit for an indoor commercial recreation facility to be utilized as a natural history museum primarily for the display of dinosaur fossils. City Manager Parker continued that this item had been approved by the Planning and Zoning Commission and that Staff recommended approval.

Mayor Pro Tem Langston opened the Public Hearing at 5:30 p.m. and asked anyone who wished to speak on the item to please step forward. Mr. Neal Naranjo spoke in regard to the item. Mayor Pro Tem Langston then closed the Public Hearing at 5:33 p.m.

Mayor Pro Tem Langston asked for questions or comments from the Council.

Councilmember Rufus Duncan moved to approve on First Reading an Ordinance amending the Zoning Ordinance of the City of Lufkin, Texas, by granting a “Special Use” permit for an indoor commercial recreation facility within a Planned Unit Development, #3553 Zoning District on certain tracts or parcels of land within the corporate limits of the City of Lufkin, Texas, being 1.109 acres of the Neal and Mary Ann Naranjo Subdivision, revised, Lot 2, Angelina County, Texas 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.

11. PUBLIC HEARING AND APPROVAL OF A RESOLUTION OF THE CITY OF LUFKIN, TEXAS, AUTHORIZING ACCEPTANCE OF THE U. S. DEPARTMENT OF JUSTICE, OFFICE OF JUSTICE PROGRAMS, BULLETPROOF VEST PARTNERSHIP PROGRAM IN THE AMOUNT OF THIRTEEN THOUSAND TWO HUNDRED DOLLARS (\$13,200), PLEDGING THAT THE CITY OF LUFKIN WILL COMPLY WITH ALL REQUIREMENTS OF THE PROGRAM AND A RESOLUTION AUTHORIZING AN AMENDMENT TO THE 2010/2011 OPERATING BUDGET (BUDGET AMENDMENT NO. 1), PROVIDING FOR THE SUPPLEMENTAL APPROPRIATION OF FUNDS IN THE GENERAL FUND; AND PROVIDING AN EFFECTIVE DATE- APPROVED.

Mayor Pro Tem Don Langston stated that the next item for consideration was to conduct a Public Hearing and consider a Resolution of the City of Lufkin, Texas, authorizing acceptance of the U. S. Department of Justice, Office of Justice Programs, Bulletproof Vest Partnership Program in the amount of thirteen thousand two hundred dollars (\$13,200), pledging that the City of Lufkin will comply with all requirements of the program and a Resolution authorizing an amendment to the 2010/2011 Operating Budget (Budget Amendment No. 1), providing for the supplemental appropriation of funds in the General Fund; and providing an effective date.

City Manager Paul Parker stated that this was a grant from the U. S. Department of Justice, Office of Justice Programs, Bulletproof Vest Partnership Program in the amount of thirteen thousand two hundred dollars (\$13,200) for the purchase of approximately twenty (20) bulletproof vests. City Manager Parker stated that the grant would require a fifty percent (50%) match and that the funds were appropriated for this match requirement in the current budget. City Manager Parker continued that the attached Budget Amendment simply appropriated the grant funding in the budget.

Mayor Pro Tem Langston opened the Public Hearing at 5:36 p.m. and asked anyone who

wished to speak on the item to please step forward. There being no one wishing to speak, Mayor Pro Tem Langston closed the Public Hearing at 5:37 p.m.

Mayor Pro Tem Langston asked for questions or comments from the Council.

Councilmember Robert Shankle moved to approve a Resolution of the City of Lufkin, Texas, authorizing acceptance of the U. S. Department of Justice, Office of Justice Programs, Bulletproof Vest Partnership Program in the amount of thirteen thousand two hundred dollars (\$13,200), pledging that the City of Lufkin will comply with all requirements of the program and a Resolution authorizing an amendment to the 2010/2011 Operating Budget (Budget Amendment No. 1), providing for the supplemental appropriation of funds in the General Fund; and providing an effective date. Councilmember Victor Travis seconded the motion. A unanimous affirmative vote was recorded.

12. RESOLUTION OF THE CITY OF LUFKIN, TEXAS, AUTHORIZING ACCEPTANCE OF THE DEEP EAST TEXAS COUNCIL OF GOVERNMENTS, U. S. DEPARTMENT OF HOMELAND SECURITY 2009 GRANT PROGRAM IN THE AMOUNT OF ONE HUNDRED THIRTY-TWO THOUSAND EIGHT HUNDRED TWO DOLLARS AND FIFTY-TWO CENTS (\$132,802.52), PLEDGING THAT THE CITY OF LUFKIN WILL COMPLY WITH ALL GRANT REQUIREMENTS AND A RESOLUTION AUTHORIZING AN AMENDMENT TO THE 2010/2011 OPERATING BUDGET (BUDGET AMENDMENT NO. 2), PROVIDING FOR THE SUPPLEMENTAL APPROPRIATION OF FUNDS IN THE GENERAL FUND; AND PROVIDING AN EFFECTIVE DATE - APPROVED.

Mayor Pro Tem Don Langston stated that the next item for consideration was a Resolution of the City of Lufkin, Texas, authorizing acceptance of the Deep East Texas Council of Governments, U. S. Department of Homeland Security 2009 Grant Program in the amount of one hundred thirty-two thousand eight hundred two dollars and fifty-two cents (\$132,802.52), pledging that the City of Lufkin will comply with all grant requirements and a Resolution authorizing an amendment to the 2010/2011 Operating Budget (Budget Amendment No. 2), providing for the supplemental appropriation of funds in the General Fund; and providing an effective date.

City Manager Paul Parker stated that new federal regulations required both Lufkin Fire and Police Departments to convert their radio systems from analog to digital by 2012 and this was the first of hopefully two (2) grants from the Deep East Texas Council of Governments in the amount of one hundred thirty-two thousand eight hundred two dollars and fifty-two cents (\$132,802.52) to assist in the radio systems being brought into compliance.

Mayor Pro Tem Don Langston asked for questions or comments from the Council.

Councilmember Phil Medford moved to approve a Resolution of the City of Lufkin, Texas, authorizing acceptance of the Deep East Texas Council of Governments, U. S. Department of Homeland Security 2009 Grant Program in the amount of one hundred thirty-two thousand eight hundred two dollars and fifty-two cents (\$132,802.52), pledging that the City of Lufkin will comply with all grant requirements and a Resolution authorizing an amendment to the 2010/2011 Operating Budget (Budget Amendment No. 2), providing for the supplemental appropriation of funds in the General Fund; and providing an effective date. Councilmember Robert Shankle seconded the motion. A unanimous affirmative vote was recorded.

13. APPROVAL OF A BID FOR THE CONSTRUCTION OF SELLERS STREET AND PARKING AREA IN CONJUNCTION WITH THE TEXAS CAPITAL FUND GRANT PROGRAM IN THE AMOUNT OF THREE HUNDRED SEVENTY-FOUR THOUSAND EIGHT HUNDRED TWENTY-EIGHT DOLLARS AND TWENTY CENTS (\$374,828.20) TO DREWERY CONSTRUCTION - APPROVED.

Mayor Pro Tem Don Langston stated that the next item on the agenda was to consider approval of a bid for the construction of Sellers Street and parking area in conjunction with the Texas Capital Fund Grant program in the amount of three hundred seventy-four thousand eight hundred twenty-eight dollars and twenty cents (\$374,828.20) to Drewery Construction.

City Manager Paul Parker stated Council was familiar with this Texas Capital Fund Grant Program for the Aspen Power project and this was the bid for the construction of the street and parking area. City Manager Parker stated that there were six (6) qualified bidders and that after review; the apparent low bidder was Drewery Construction in the amount of three hundred seventy-four thousand eight hundred twenty-eight dollars and twenty cents (\$374,828.20), which is well below the budgeted amount for this project. City Manager Parker continued that Staff recommend award of this bid to Drewery Construction. Council member Victor Travis asked that if this project could be completed for this amount. City Manager Parker stated that the project could be completed within this budget. Councilmember Rufus Duncan asked if the unspent funds would have to be returned. City Manager Parker answered that Staff was currently researching other eligible construction projects such as fencing to utilize the remaining funds. City Manager Parker asked City Engineer Chuck Walker if a deceleration lane could be included and asked that he research that item.

Mayor Pro Tem Langston asked for questions or comments from the Council.

Councilmember Robert Shankle moved to approve a bid for the construction of Sellers Street and parking area in conjunction with the Texas Capital Fund Grant program in the amount of three hundred seventy-four thousand eight hundred twenty-eight dollars and twenty cents (\$374,828.20) to Drewery Construction. Councilmember Lynn Torres seconded the motion. A unanimous vote was recorded.

14. Mayor Pro Tem Don Langston 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.

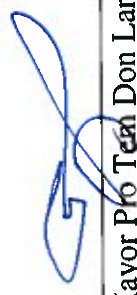
Mayor Pro Tem Don Langston reconvened the Regular Session at 6:17 p.m.

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

Mayor Pro Tem Don Langston reviewed the Calendar with the Council and highlighted several items on the Calendar.

16. There being no further business for consideration, the meeting adjourned at 6:20 p.m.


Renee Thompson – City Secretary


Mayor Pro Tem Don Langston