

**MINUTES OF THE REGULAR MEETING OF THE CITY COUNCIL OF THE CITY
OF LUFKIN, TEXAS HELD ON THE 7th DAY OF NOVEMBER, 2006**

On the 7th day of November, 2006, 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.	Mayor
Rose Faine Boyd	Mayor Pro-Tem
R. L. Kuykendall	Councilmember, Ward No. 1
Lynn Torres	Councilmember, Ward No. 3
Don Langston	Councilmember, Ward No. 4
Rufus Duncan, Jr.	Councilmember, Ward No. 5
Phil Medford	Councilmember, Ward No. 6
Paul L. Parker	City Manager
Renee Thompson	City Secretary
Robert Flournoy	City Attorney
Vance Hendrix	Asst. City Attorney
Keith Wright	Asst. City Manager
David Koonce	Human Resource Director
Scott Marcotte	Asst. Police Chief
Pete Prewitt	Fire Chief
Doug Wood	Finance Director
Steve Floyd	Solid Waste and Recycling Director
Barbara Thompson	Main Street Director
Dorothy Wilson	Planning Director
Jim Wehmeier	Economic Development Director
Scott Rayburn	City Planner
Linda Parker	Economic Development
Randy Innerarity	Fleet Services Director
Mitch Gibson	
Clay Dark	
Mike Byrd	
Jody Pearson	

being present, when the following business was transacted:

1. The meeting was opened with prayer by Captain Hank Harwell, Salvation Army Church.
2. Mayor Jack Gorden welcomed visitors present. Councilmember Lynn Torres recognized LHS students who were present, satisfying their government class requirement. Mayor Gorden recognized Leadership Lufkin class members present.

3. APPROVAL OF MINUTES

Minutes of the Regular Meeting on October 17, 2006 were approved on a motion by Councilmember Rose Faine Boyd, and seconded by Councilmember Lynn Torres. A unanimous affirmative vote was recorded.

OLD BUSINESS:

4. SECOND READING OF AN ORDINANCE ON PROGRAM MODIFICATION FOR TECHNICALLY BASED LIMITS – APPROVED - WITHIN THE CITY OF LUFKIN PRE-TREATMENT PROGRAM

Mayor Jack Gorden stated that the next item for consideration was the second reading an ordinance on program modification for Technically Based Limits within the City of Lufkin Pre-treatment Program. City Manager Paul Parker stated that this was the Second Reading of the proposal and that Staff was available to answer any questions that any Councilmember might have.

Councilmember R. L. Kuykendall moved to approve the Second Reading of the Ordinance on program modification for technically based limits within the City of Lufkin Pre-treatment Program. Councilmember Don Langston seconded the motion. A unanimous affirmative vote was recorded.

NEW BUSINESS:

5. PUBLIC HEARING AND ANNEXATION OF THE AREA DESCRIBED AS "G-7" WITHIN THE FUTURE LAND ANNEXATION PLAN AS ADOPTED IN RESOLUTION 3881 AND FIRST READING OF AN ORDINANCE ANNEXING THE HEREINAFTER DESCRIBED TERRITORY TO THE CITY OF LUFKIN, TEXAS, - APPROVED - AND EXTENDING THE BOUNDARY LIMITS OF THE CITY OF LUFKIN TO INCLUDE THE HEREINAFTER DESCRIBED PROPERTY WITHIN THE CITY LIMITS, AND GRANTING TO ALL INHABITANTS OF THE PROPERTY ALL OF THE RIGHTS AND PRIVILEGES OF OTHER CITIZENS AND BINDING ALL INHABITANTS BY ALL OF THE ACTS AND ORDINANCES, RESOLUTIONS, AND REGULATIONS OF THE CITY; AND ADOPTING A SERVICE PLAN AND ESTABLISHING AN EFFECTIVE DATE

Mayor Jack Gorden stated that the next item for consideration was to conduct a public hearing and consider approval for the annexation of the area described as "G-7" within the Future Land Annexation Plan as adopted in Resolution No. 3881 and consider on First Reading an Ordinance annexing the hereinafter described territory to the City of Lufkin, Texas, and extending the boundary limits of the City of Lufkin to include the hereinafter described property within the city limits, and granting to all inhabitants of the property all of the rights and privileges of other citizens and binding all inhabitants by all of the Acts and Ordinances, Resolutions, and Regulations of the City; and adopting a Service Plan and establishing an effective date. City Manager Paul Parker stated there were numerous prior Public Hearings but that this was the first opportunity for adoption of the Ordinance by Council. City Manager Parker called attention to the January 2, 2007, effective date on the Ordinance and that taxes would not be collected in 2007 and would not be on the tax roll until 2008. City Manager Parker stated that the effective date allowed for the zoning to be brought back to the Council for approval, as well as designation of wards in December. City Manager Parker stated that the effective date was established to assure the citizens that the sole purpose of annexation was not for a tax revenue source, but for the future planning of Lufkin. City Manager Parker stated that all six of the Ordinances slated for approval had an effective date of January 2, 2007, and would be effective on that day with full City services with the exception of water and sewer not already provided. City Manager Parker added that the City had four and one half (4 ½) years to bring those services into the area and with the same degree allowed in the City of Lufkin.

City Manager Parker stated that item No. 5 concerned only "G-7" and asked the Planning Staff to show maps of the areas as each one was put into question. City Manager Parker stated that the Public Hearing was only for area "G-7". City Manager Parker stated that "G-7" was approximately one thousand four hundred seven (1,407) acres, located adjacent to the southwesterly city limits line in the City of Lufkin and bounded on the north by Gobbler's Knob Road, on the east and south by FM 324 or Southwood Drive, and on the west by privately owned tracts of land. City Manager Parker stated that the Planning Staff found that the annexation was necessary in achieving the City Council goals which included planning for the future, providing land in Lufkin's jurisdiction for housing and economic development, protection of the boundaries of the city from incompatible uses, and being proactive in planning and recommended to the Council the annexation of the area known as "G-7" be approved on the first reading.

Mayor Jack Gorden opened the Public Hearing at 5:18 p.m.

Mitch Gibson approached the podium. Mr. Gibson stated that he had discussed most of his concerns at previous meetings. Mr. Gibson stated that he was there to reiterate his concerns and state that he was opposed to the annexation of his property and that the annexation was premature. Mr. Gibson stated that he welcomed the city's opportunity to enforce its Building Code in the ETJ and that this method seemed like a better solution than annexation.

Clay Dark approached the podium. Mr. Dark asked about an exact property description of the area and stated that the agenda item contained no property description. Mr. Dark stated that he understood the City Manager's description of the property as "G-7" would be property bounded on the north by Gobbler's Knob Road. Mayor Gorden stated that the Planning staff would provide Mr. Dark with a packet that contained the Ordinance with a complete property description. City Manager Parker asked about a certain property above Gobbler's Knob. Dorothy Wilson, Planning Director stated that the annexation did include one property north of Gobbler's Knob Road. Mr. Dark stated that he owned that piece of property and asked what interest the city had in annexing that tract. City Manager Parker stated that the city limits excluded that piece of property at this time and that if the property to the south of the parcel in question was annexed, then that parcel would be surrounded by city limits. Mr. Dark asked the purpose of annexing all of "G-7". City Manager Parker stated that the purposes were described earlier in the City Council goals and described them again. Mr. Dark asked what was currently threatening to infringe upon the boundaries of the City. Mayor Gorden stated that while protecting the City's boundaries was one goal of the Council, orderly growth and providing services to those potential growth areas was also important. Mr. Dark asked if anyone had requested services in the area. Mayor Gorden stated that there had been a request for annexation of this area. Mr. Dark stated that he was not requesting services and that Mr. Gibson was not requesting services, and in fact opposed the annexation. Mr. Dark stated that he was not planning any development that would conflict with any of the City's plans. Mr. Dark stated that he saw no basis for the annexation except for generalities such as protection that would be a basis for the Council to annex area "G-7". Mr. Dark stated that he had been to several of the Public Hearings and that it was not stated to the public as to why the Council should vote to annex the property. Mr. Dark added that if there was no reason, except for the Annexation Plan, that he would ask the Council to deny the annexation. Councilmember Phil Medford stated that Mr. Dark had been answered in generalities, but that was because that is what the Council had to deal with. Councilmember Medford stated that the Council had to look at the philosophical growth of the city and be proactive in the growth process. Discussion was had about proactive growth of the city and the methods of annexation and the area "G-7".

Mayor Gorden closed the Public Hearing at 5:27 p.m.

Councilmember Rufus Duncan, Jr. moved to approve the annexation of the area described as "G-7" within the Future Land Annexation Plan as adopted in Resolution 3881 and approve the Ordinance annexing the hereinafter described territory to the City of Lufkin, Texas and extending the boundary limits of the City of Lufkin to include the hereinafter described property within the city limits, and granting to all inhabitants of the property all of the rights and privileges of other citizens and binding all inhabitants by all of the Acts and Ordinances, Resolutions, and Regulations of the City; and adopting a Service Plan and establishing an effective date. Councilmember Don Langston seconded the motion. A unanimous affirmative vote was recorded.

6. PUBLIC HEARING AND ANNEXATION OF THE AREA DESCRIBED AS "G-6" WITHIN THE FUTURE LAND ANNEXATION PLAN AS ADOPTED IN RESOLUTION 3881 AND FIRST READING OF AN ORDINANCE ANNEXING THE HEREINAFTER DESCRIBED TERRITORY TO THE CITY OF LUFKIN, TEXAS, - APPROVED - AND EXTENDING THE BOUNDARY LIMITS OF THE CITY OF LUFKIN TO INCLUDE THE HEREINAFTER DESCRIBED PROPERTY WITHIN THE CITY LIMITS, AND GRANTING TO ALL INHABITANTS OF THE PROPERTY ALL OF THE RIGHTS AND PRIVILEGES OF OTHER CITIZENS AND BINDING ALL INHABITANTS BY ALL OF THE ACTS AND ORDINANCES, RESOLUTIONS, AND REGULATIONS OF THE CITY; AND ADOPTING A SERVICE PLAN AND ESTABLISHING AN EFFECTIVE DATE.

Mayor Jack Gorden stated that the next item for consideration was to conduct a Public Hearing and consider approval for the annexation of the area described as "G-6" within the Future Land Annexation Plan as adopted in Resolution 3881 and consider on First Reading an Ordinance annexing the hereinafter described territory to the City of Lufkin, Texas, and extending the boundary limits of the City of Lufkin to include the hereinafter described property within the city limits, and granting to all inhabitants of the property all of the rights

and privileges of other citizens and binding all inhabitants by all of the Acts and Ordinances, Resolutions, and Regulations of the city; and adopting a Service Plan and establishing an effective date. City Manager Paul Parker stated the area was approximately three hundred forty-six (346) acres located adjacent to the southwesterly city limits of the City of Lufkin, bounded on the north by the existing city limits line, and on the east by the Old Diboll Highway or Daniel McCall Drive, and on the west by FM 324 or Southwood Drive. City Manager Parker stated that the Planning Staff found that the annexation was necessary in achieving the City Council goals, which included planning for the future, providing land in Lufkin's jurisdiction for housing and economic development, protection of the boundaries of the city from incompatible uses, and being proactive in planning and recommended to the Council the annexation of the area known as "G-6" be approved on the First Reading.

Mayor Gorden opened the Public Hearing at 5:30 p.m.

Mayor Gorden closed the Public Hearing at 5:31 p.m.

Councilmember Phil Medford moved to approve the annexation of the area described as "G-6" within the Future Land Annexation Plan as adopted in Resolution 3881 and approve the Ordinance annexing the hereinafter described territory to the City of Lufkin, Texas and extending the boundary limits of the City of Lufkin to include the hereinafter described property within the city limits, and granting to all inhabitants of the property all of the rights and privileges of other citizens and binding all inhabitants by all of the Acts and Ordinances, Resolutions, and Regulations of the City; and adopting a Service Plan and establishing an effective date. Councilmember Lynn Torres seconded the motion. A unanimous affirmative vote was recorded.

7. PUBLIC HEARING AND ANNEXATION OF THE AREA DESCRIBED AS "G-5" WITHIN THE FUTURE LAND ANNEXATION PLAN AS ADOPTED IN RESOLUTION 3881 AND FIRST READING OF AN ORDINANCE ANNEXING THE HEREINAFTER DESCRIBED TERRITORY TO THE CITY OF LUFKIN, TEXAS, - APPROVED - AND EXTENDING THE BOUNDARY LIMITS OF THE CITY OF LUFKIN TO INCLUDE THE HEREINAFTER DESCRIBED PROPERTY WITHIN THE CITY LIMITS, AND GRANTING TO ALL INHABITANTS OF THE PROPERTY ALL OF THE RIGHTS AND PRIVILEGES OF OTHER CITIZENS AND BINDING ALL INHABITANTS BY ALL OF THE ACTS AND ORDINANCES, RESOLUTIONS, AND REGULATIONS OF THE CITY; AND ADOPTING A SERVICE PLAN AND ESTABLISHING AN EFFECTIVE DATE.

Mayor Jack Gorden stated that the next item for consideration was to conduct a Public Hearing and consider approval for the annexation of the area described as "G-5" within the Future Land Annexation Plan as adopted in Resolution 3881 and consider on First Reading an Ordinance annexing the hereinafter described territory to the City of Lufkin, Texas, and extending the boundary limits of the City of Lufkin to include the hereinafter described property within the city limits, and granting to all inhabitants of the property all of the rights and privileges of other citizens and binding all inhabitants by all of the Acts and Ordinances, Resolutions, and Regulations of the City; and adopting a Service Plan and establishing an effective date.

Mayor Gorden opened the Public Hearing at 5:34 p.m.

Mayor Gorden closed the Public Hearing at 5:35 p.m.

Councilmember Don Langston moved to approve the annexation of the area described as "G-5" within the Future Land Annexation Plan as adopted in Resolution 3881 and approve the Ordinance annexing the hereinafter described territory to the City of Lufkin, Texas and extending the boundary limits of the City of Lufkin to include the hereinafter described property within the city limits, and granting to all inhabitants of the property all of the rights and privileges of other citizens and binding all inhabitants by all of the Acts and Ordinances, Resolutions, and Regulations of the City; and adopting a Service Plan and establishing an effective date. Councilmember Rose Faine Boyd seconded the motion. A unanimous affirmative vote was recorded.

8. **PUBLIC HEARING AND ANNEXATION OF THE AREA DESCRIBED AS "G-4" WITHIN THE FUTURE LAND ANNEXATION PLAN AS ADOPTED IN RESOLUTION 3881 AND FIRST READING OF AN ORDINANCE ANNEXING THE HEREINAFTER DESCRIBED TERRITORY TO THE CITY OF LUFKIN, TEXAS, - APPROVED - AND EXTENDING THE BOUNDARY LIMITS OF THE CITY OF LUFKIN TO INCLUDE THE HEREINAFTER DESCRIBED PROPERTY WITHIN THE CITY LIMITS, AND GRANTING TO ALL INHABITANTS OF THE PROPERTY ALL OF THE RIGHTS AND PRIVILEGES OF OTHER CITIZENS AND BINDING ALL INHABITANTS BY ALL OF THE ACTS AND ORDINANCES, RESOLUTIONS, AND REGULATIONS OF THE CITY; AND ADOPTING A SERVICE PLAN AND ESTABLISHING AN EFFECTIVE DATE**

Mayor Jack Gorden stated that the next item for consideration was to conduct a Public Hearing and consider approval for the annexation of the area described as "G-4" within the Future Land Annexation Plan as adopted in Resolution 3881 and consider on First Reading an Ordinance annexing the hereinafter described territory to the City of Lufkin, Texas, and extending the boundary limits of the City of Lufkin to include the hereinafter described property within the city limits, and granting to all inhabitants of the property all of the rights and privileges of other citizens and binding all inhabitants by all of the Acts and Ordinances, Resolutions, and Regulations of the City; and adopting a Service Plan and establishing an effective date. City Manager Paul Parker stated that "G-4" was a nine hundred seventy-four (974) acre tract and that the conditions of annexation are the same as the other tracts in rationale. City Manager Parker stated that the geographical dimensions were spelled out in the Ordinance given to Council and that Staff was available to answer questions.

Mayor Gorden opened the Public Hearing at 5:36 p.m.

Mayor Gorden closed the Public Hearing at 5:37 p.m.

Councilmember Phil Medford moved to approve the annexation of the area described as "G-4" within the Future Land Annexation Plan as adopted in Resolution 3881 and approve the Ordinance annexing the hereinafter described territory to the City of Lufkin, Texas and extending the boundary limits of the City of Lufkin to include the hereinafter described property within the city limits, and granting to all inhabitants of the property all of the rights and privileges of other citizens and binding all inhabitants by all of the Acts and Ordinances, Resolutions, and Regulations of the City; and adopting a Service Plan and establishing an effective date. Councilmember Lynn Torres seconded the motion. A unanimous affirmative vote was recorded.

9. **PUBLIC HEARING AND ANNEXATION OF THE AREA DESCRIBED AS "G-3" WITHIN THE FUTURE LAND ANNEXATION PLAN AS ADOPTED IN RESOLUTION 3881 AND FIRST READING OF AN ORDINANCE ANNEXING THE HEREINAFTER DESCRIBED TERRITORY TO THE CITY OF LUFKIN, TEXAS, - APPROVED - AND EXTENDING THE BOUNDARY LIMITS OF THE CITY OF LUFKIN TO INCLUDE THE HEREINAFTER DESCRIBED PROPERTY WITHIN THE CITY LIMITS, AND GRANTING TO ALL INHABITANTS OF THE PROPERTY ALL OF THE RIGHTS AND PRIVILEGES OF OTHER CITIZENS AND BINDING ALL INHABITANTS BY ALL OF THE ACTS AND ORDINANCES, RESOLUTIONS, AND REGULATIONS OF THE CITY; AND ADOPTING A SERVICE PLAN AND ESTABLISHING AN EFFECTIVE DATE**

Mayor Jack Gorden stated that the next item for consideration was to conduct a Public Hearing and consider approval for the annexation of the area described as "G-3" within the Future Land Annexation Plan as adopted in Resolution 3881 and consider on First Reading an Ordinance annexing the hereinafter described territory to the City of Lufkin, Texas, and extending the boundary limits of the City of Lufkin to include the hereinafter described property within the city limits, and granting to all inhabitants of the property all of the rights and privileges of other citizens and binding all inhabitants by all of the Acts and Ordinances, Resolutions, and Regulations of the City; and adopting a Service Plan and establishing an effective date. City Manager Paul Parker stated that "G-3" was approximately a two hundred seventy-seven (277) acre tract and located on the easterly city limits line of the City of Lufkin, bounded partially on the north by Brentwood Drive, bounded on the east by FM 58,

and the west by the Crown Colony Subdivision. City Manager Parker stated that Staff's recommendation and rationale was the same as the other tracts proposed for annexation.

Mayor Gorden opened the Public Hearing at 5:39 p.m.

Joseph Pearson approached the podium. Mr. Pearson stated there was only one resident in his area that wasn't opposed to the annexation of "G-3". Mr. Pearson explained that the resident was requesting city services and were the owners of the condominiums on FM 58. Mr. Pearson stated that the owners wanted to be annexed into the City because it would increase the sales price of the property. Mr. Pearson stated that many of the residents in the area were retired and that it would be tough to afford the extra taxes. Mr. Pearson stated that he and the other residents had weighed the "Pros" and "Cons" of being annexed into the City, and that there were many "Cons" but not any "Pros". Mr. Pearson asked the City Attorney if there was a pending lawsuit against the County, would the City be responsible for the lawsuit. Bob Flournoy, City Attorney stated that he did not know the context of the lawsuit and could not comment on the issue. Mr. Pearson described the context of the lawsuit he was involved in. Mr. Flournoy stated that if a lawsuit was pending that the City would have some jurisdiction and oversight for the issue. Mr. Pearson asked if the City's jurisdiction would be immediate. Mr. Flournoy stated that on some issues, the actions would be immediate. Mr. Flournoy stated that Mr. Pearson had actually made a good point in his opposition as to why the City should go ahead with the annexation. Mr. Flournoy stated that the City wants to protect its boundaries from incompatible uses and that the situation that Mr. Pearson had described would not be allowed inside the City. Mr. Flournoy explained that the City would use not only planning but also zoning to control orderly growth of the City. Mr. Pearson stated that if his property was annexed, the extra taxes would be a burden on him. Mr. Pearson stated that he was at the meeting in protest and represented approximately ninety percent (90%) of the total property owners in the area. Mayor Gorden stated that Mr. Pearson made a good point in opposition of the annexation but also made a good point for the annexation process. Mayor Gorden stated that the initial tax burden was estimated to be minimal under the Agricultural Zoning District.

Mayor Gorden closed the Public Hearing at 5:45 p.m.

Councilmember Rufus Duncan, Jr. moved to approve the annexation of the area described as "G-3" within the Future Land Annexation Plan as adopted in Resolution 3881 and approve the Ordinance annexing the hereinafter described territory to the City of Lufkin, Texas and extending the boundary limits of the City of Lufkin to include the hereinafter described property within the city limits, and granting to all inhabitants of the property all of the rights and privileges of other citizens and binding all inhabitants by all of the Acts and Ordinances, Resolutions, and Regulations of the City; and adopting a Service Plan and establishing an effective date. Councilmember Rose Faine Boyd seconded the motion. A unanimous affirmative vote was recorded.

10. PUBLIC HEARING AND ANNEXATION OF THE AREA DESCRIBED AS "B" WITHIN THE FUTURE LAND ANNEXATION PLAN AS ADOPTED IN RESOLUTION 3881 AND FIRST READING OF AN ORDINANCE ANNEXING THE HEREINAFTER DESCRIBED TERRITORY TO THE CITY OF LUFKIN, TEXAS, - APPROVED - AND EXTENDING THE BOUNDARY LIMITS OF THE CITY OF LUFKIN TO INCLUDE THE HEREINAFTER DESCRIBED PROPERTY WITHIN THE CITY LIMITS, AND GRANTING TO ALL INHABITANTS OF THE PROPERTY ALL OF THE RIGHTS AND PRIVILEGES OF OTHER CITIZENS AND BINDING ALL INHABITANTS BY ALL OF THE ACTS AND ORDINANCES, RESOLUTIONS, AND REGULATIONS OF THE CITY; AND ADOPTING A SERVICE PLAN AND ESTABLISHING AN EFFECTIVE DATE

Mayor Jack Gorden stated that the next item for consideration was to conduct a Public Hearing and consider approval for the annexation of the area described as "B" within the Future Land Annexation Plan as adopted in Resolution 3881 and consider on First Reading an Ordinance annexing the hereinafter described territory to the City of Lufkin, Texas, and extending the boundary limits of the City of Lufkin to include the hereinafter described property within the city limits, and granting to all inhabitants of the property all of the rights and privileges of other citizens and binding all inhabitants by all of the Acts and Ordinances,

Resolutions, and Regulations of the City; and adopting a Service Plan and establishing an effective date. City Manager Paul Parker stated that this was approximately a seventy-four (74) acre tract located on the northeast portion immediately adjacent to Kit McConnico Park. City Manager Parker stated that the rationale for annexation was the same as the other areas.

Mayor Gorden opened the Public Hearing at 5:46 p.m.

Mayor Gorden closed the Public Hearing at 5:47 p.m.

Councilmember Lynn Torres moved to approve the annexation of the area described as "B" within the Future Land Annexation Plan as adopted in Resolution 3881 and approve the Ordinance annexing the hereinafter described territory to the City of Lufkin, Texas and extending the boundary limits of the City of Lufkin to include the hereinafter described property within the city limits, and granting to all inhabitants of the property all of the rights and privileges of other citizens and binding all inhabitants by all of the Acts and Ordinances, Resolutions, and Regulations of the City; and adopting a Service Plan and establishing an effective date. Councilmember R.L. Kuykendall seconded the motion. A unanimous affirmative vote was recorded.

11. PUBLIC HEARING AND FIRST READING OF AN ORDINANCE AMENDING THE ZONING ORDINANCE AND THE FUTURE LAND USE PLAN OF THE 2001 COMPREHENSIVE PLAN OF THE CITY OF LUFKIN, TEXAS - APPROVED - BY CHANGING THE ZONING AND FUTURE LAND USE PLAN DESIGNATION ON APPROXIMATELY .18 ACRES OF LAND DESCRIBED AS BLOCK 1, LOT 3.3 OF THE ELLIS ADDITION TO A "NEIGHBORHOOD RETAIL" ZONING DISTRICT AND THE FUTURE LAND USE PLAN OF THE 2001 COMPREHENSIVE PLAN TO THE CLASSIFICATION OF "RETAIL"

Mayor Jack Gorden stated that the next item for consideration was to conduct a Public Hearing and consider on First Reading an Ordinance amending the Zoning Ordinance and the Future Land Use Plan of the 2001 Comprehensive Plan of the City of Lufkin, Texas by changing the Zoning and Future Land Use Plan designation on approximately .18 acres of land described as Block 1, Lot 3.3 of the Ellis Addition to a "Neighborhood Retail" Zoning District and the Future Land Use Plan of the 2001 Comprehensive Plan to the classification of "Retail". City Manager Paul Parker stated this was an application from Sara Montelongo for the purpose of building a beauty shop on .18 acres of land located on Ellis Ave near South Bynum Street. City Manager Parker stated the property was currently not developed and was located next to a retail strip center occupied by Thompson's Pharmacy and associated restaurant. City Manager Parker stated that the general characteristics of the area was commercial in nature, although the strip center to the west was zoned "Local Business" and "Residential Medium", while the properties across Ellis Ave to the north were zoned "Local Business", and to the east and south of the subject property were primarily "Single Family Residential". City Manager Parker stated that the proposed zone change was consistent with the mixed use character of this area. City Manager Parker stated that the Planning and Zoning Commission and City Staff both recommended Council approve the zone change of "Residential Medium" to "Neighborhood Retail" and the change of the Comprehensive Plan from "Low Density Residential" to "Retail".

Mayor Gorden opened the Public Hearing at 5:50 p.m.

Mayor Gorden closed the Public Hearing at 5:51 p.m.

Councilmember Phil Medford moved to approve the Ordinance amending the Zoning Ordinance and the Future Land Use Plan of the 2001 Comprehensive Plan of the City of Lufkin, Texas by changing the Zoning and the Future Land Use Plan designation on approximately .18 acres of land described as Block 1, Lot 3.3 of the Ellis Addition to a "Neighborhood Retail" Zoning District and the Future Land Use Plan of the 2001 Comprehensive Plan to the Classification of "Retail". Councilmember Lynn Torres seconded the motion. A unanimous affirmative vote was recorded.

12. PUBLIC HEARING AND FIRST READING OF AN ORDINANCE AMENDING THE ZONING ORDINANCE OF LUFKIN, TEXAS - APPROVED - BY GRANTING A

"SPECIAL USE" PERMIT FOR A "RESTAURANT WITH A PRIVATE CLUB" WITHIN A "COMMERCIAL" ZONING DISTRICT ON CERTAIN TRACTS OR PARCELS OF LAND WITHIN THE CORPORATE LIMITS OF THE CITY OF LUFKIN, TEXAS, DESCRIBED AS LOT 3, BLOCK 1 OF THE HOME DEPOT SUBDIVISION AND AUTHORIZING THE CITY PLANNER TO MAKE SUCH CHANGES ON THE OFFICIAL MAP

Mayor Jack Gorden stated that the next item for consideration was to conduct a Public Hearing and consider on First Reading an Ordinance amending the Zoning Ordinance and the Future Land Use Plan of the 2001 Comprehensive Plan of the City of Lufkin, Texas by changing the zoning and Future Land Use Plan designation by granting a "Special Use" Permit for a "Restaurant with a Private Club" within a "Commercial" Zoning District on certain tracts or parcels of land within the corporate limits of the City of Lufkin, Texas, described as part of Lot 3, Block 1 of the Home Depot Subdivision and authorizing the City Planner to make such changes on the Official Map. City Manager Paul Parker stated the applicant was HD Consultanting Services for Chili's Restaurant on behalf of Richard Youngblood. City Manager Parker stated it was proposed to open a Chili's restaurant on Loop 287 in front of Home Depot in the Garden District Shopping Center. City Manager Parker stated that Chili's Restaurant was a "family oriented" eat-in restaurant which would also sell beverages containing alcohol. City Manager Parker stated that there was currently a Chili's Restaurant located in the Lufkin Mall. City Manager Parker stated that the new restaurant would be approximately five thousand eight hundred seventy-six (5,876) square feet with a total seating of two hundred nineteen (219). City Manager Parker stated that the restaurant would be situated on a 1.84 acre section of land which was part of a larger 3.282 acre tract fronted on Loop 287. City Manager Parker stated that the "Special Use" Permit would not apply to the 3.282 but only to the 1.84 acres where Chili's would be located. City Manager Parker stated that the Planning and Zoning Commission and Planning Staff both recommended approval to the Council.

Mayor Gorden opened the Public Hearing at 5:54 p.m.

Mayor Gorden opened the Public Hearing at 5:55 p.m.

Councilmember Rose Faine Boyd moved to approve the Ordinance amending the Zoning Ordinance and the Future Land Use Plan of the 2001 Comprehensive Plan of the City of Lufkin, Texas by changing the zoning and the Future Land Use Plan designation by granting a "Special Use" Permit for a "Restaurant with a Private Club" within a "Commercial" Zoning District on certain tracts or parcels of land within the corporate limits of the City of Lufkin, Texas described as part of Lot 3, Block 1 of the Home Depot Subdivision and authorizing the City Planner to make such changes on the Official Map. Councilmember R.L. Kuykendall seconded the motion. A unanimous affirmative vote was recorded.

13. PUBLIC HEARING AND FIRST READING OF AN ORDINANCE AMENDING THE ZONING ORDINANCE AND THE FUTURE LAND USE PLAN OF THE 2001 COMPREHENSIVE PLAN OF THE CITY OF LUFKIN, TEXAS - TABLED - BY CHANGING THE ZONING AND FUTURE LAND USE PLAN DESIGNATION ON APPROXIMATELY 1.4 ACRES OF LAND DESCRIBED AS BLOCK 8, LOT 1 OF THE WOODLAND HEIGHTS SUBDIVISION AND BLOCK 5, LOT 4 OF THE E.J. MANTOOTH ADDITION TO A "LOCAL BUSINESS" ZONING DISTRICT AND THE FUTURE LAND USE PLAN OF THE 2001 COMPREHENSIVE PLAN TO THE CLASSIFICATION OF "RETAIL"

Mayor Jack Gorden stated that the next item for consideration was to conduct a Public Hearing and consider on First Reading an Ordinance amending the Zoning Ordinance and the Future Land Use Plan of the 2001 Comprehensive Plan of the City of Lufkin, Texas by changing the Zoning and Future Land Use Plan designation on approximately 1.4 acres of land described as Block 8, Lot 1 of the Woodland Heights Subdivision and Block 5, Lot 4 of the E.J. Mantooth Addition to a "Local Business" Zoning District and the Future Land Use Plan of the 2001 Comprehensive Plan to the classification of "Retail". City Manager Paul Parker stated that the applicant was Vance Oglesbee and that he was requesting a zone change from "Restricted Professional Office" or "RPO" to "Local Business" for properties located on the corner of Frank Avenue and North Raguet Street. City Manager Parker stated

that the lot at 612 Frank Avenue was approximately .47 acres and the lot at 307 North Raguet Street was approximately .95 acres and both lots were currently vacant. City Manager Parker stated that the applicant would like the zone changed to "Local Business" with the intent of putting a pharmacy on the property. City Manager Parker stated that the property was currently zoned "Restricted Professional Office" and that the area was comprised of a mix of residential structures, office and small retail businesses. City Manager Parker stated that the area to the east was zoned "Neighborhood Retail" with offices for TRDI and Genetic Screening and Counseling across North Raguet. City Manager Parker stated that the area to the north was Mantooth Park and across Frank Avenue which was south, the lot was zoned "Local Business" and contains a large white wooden residential structure with asphalt parking which was recently installed. City Manager Parker stated that the area to the west was zoned "Residential Large" and the change would make the zoning consistent with the zoning to the south which was "Local Business". City Manager Parker stated that the zone of "Local Business" was less restrictive than "RPO" which would provide the necessary restrictions to prevent heavy commercial uses while promoting appropriate business uses in the area. City Manager Parker stated that the Future Land Use Plan of the Comprehensive Plan indicates that long range development of the property is "Office" and the applicant was seeking a designation of "Retail". City Manager Parker stated that the City Planning Staff and Planning and Zoning Commission by a six (6) to one (1) vote recommended the proposed Zone Change and Future Land Use Amendment be approved.

Mayor Gorden opened the Public Hearing at 5:57 p.m.

Vance Oglesbee approached the podium. Mr. Oglesbee stated that he and his brother owned the property. Mr. Oglesbee stated that he had spoken with Herbert Bickley with TXDOT and that Mr. Bickley had given him some traffic figures for Frank Avenue. Mr. Oglesbee stated that about sixteen thousand (16,000) vehicles went down Frank Avenue and about eight thousand (8,000) vehicles went down North Raguet Street. Mr. Oglesbee stated that the point of the figures was that there was a great deal of traffic around his property and that there needed to be development there. Mr. Oglesbee stated that he read in the Lufkin Daily News on September 3, 2006, and again on September 10, 2006, about the need for development on the northern part of Lufkin and that his property was in this area. Mr. Oglesbee stated that he and his brother felt that development on this property would fulfill some of the need for economic opportunities in the area. Mr. Oglesbee stated that he felt that the zone change would be appropriate. Mr. Oglesbee stated that he had reviewed development with the current zoning and that the "RPO" was very prohibitive as it stood. Mr. Oglesbee stated that he looked for appropriate zoning that would have the appropriate prohibitions. Mayor Gorden asked Mr. Oglesbee if he owned the property when the "RPO" was put in place and Mr. Oglesbee confirmed that he did not own the property then.

Dennis Robertson approached the podium. Mr. Robertson stated that he lived at 611 Mantooth. Mr. Robertson stated that his bedroom wall was ten (10) feet from the subject property and that the rationale for "RPO" had already been discussed when that zone change took place. Mr. Robertson stated that the "Local Business" zone allowed for some types of businesses that he would not want in his backyard and the lack of the regulations of the City to prevent a dumpster from sitting ten (10) feet from his bedroom wall. Mr. Robertson stated that if the city decided to dump the dumpster at 3:00 a.m., that it would disturb him. Mr. Robertson stated that a previous property owner went through the process of designating it to "RPO" and that at the time he felt that the zone was adequate for the property to protect the historic character of the neighborhood. Mr. Robertson stated that much discussion was had at the time about the historic nature of the Mantooth Park neighborhood and that the area residences had a rich historic character. Mr. Robertson stated that he was not so much opposed to retail business for the lot, but he felt that the "RPO" was the best fit because the architectural and landscaping standards could be controlled. Mr. Robertson proposed that there be architectural standards and equality in a "Local Business" zone. Mr. Robertson stated that there had been efforts to bring retirees to the area and that these individuals were looking for beautiful places to live. Mr. Robertson stated that if the city develops its commercial districts to be aesthetically pleasing, that the city would be more attractive as a whole.

Mayor Gorden closed the Public Hearing at 6:37 p.m.

Rose Faine Boyd asked if the property's zone was changed to "Local Business" would type of business be allowed on that lot. City Manager Parker confirmed that any type of business allowed in the "Local Business" zone would be allowed on the property and would not be limited just to the pharmacy, as suggested. Dorothy Wilson, Planning Director, stated that the zone would allow most regular businesses and that the "RPO" was much more restrictive and that the pharmacy would only be allowed as a secondary use for thirty percent (30%) of the property.

Councilmember Don Langston asked what circumstances had changed in the surrounding area in the last three years from today in the original thought of the Planning and Zoning Commission in granting the "RPO". Mayor Gorden stated that the only thing he knew was the property owner. Dorothy Wilson stated that her position on the recommendation for the property was pro-business and that this zone change would be appropriate in keeping with this philosophy. Councilmember Langston stated that ultimately that the Planning and Zoning Commission had made both decisions and that he was curious as to the circumstances surrounding this property. Councilmember Lynn Torres stated that she recalled a tremendous neighborhood coalition of people coming to discuss the fact that the business that was proposed there was a "Family Dollar" and that they were opposed to the look of the store for the area, as well as some other aspects of that type of business. Councilmember Torres added that the Planning and Zoning Commission listened to the people and therefore so did the Council. Councilmember Torres stated that the "RPO" was a more restrictive way to avoid something like a "Family Dollar". Dorothy Wilson stated that with this current change that there was still a risk of that type of business. Discussion was had about the change in general.

Councilmember Langston asked if there was a means whereby the parties, without the authority of the Council, could come to an agreement on screening architecture and landscaping for the building. Discussion was had about this proposal and the property in question.

Mayor Gorden asked if there was a present Ordinance to allow for a Commercial Planned Unit Development. Dorothy Wilson stated that there was an Ordinance for a Planned Unit Development and that an Ordinance, such as this, could be specifically for the property with very specific limits. Discussion was had about the Planned Unit Development Ordinance and compatibility for the property.

City Attorney Bob Flournoy stated that deed restrictions could be placed in the property to put limitations in place and remediate any concerns for area property owners. Discussion was had about deed restrictions and other alternatives for the property.

Mayor Gorden asked Mr. Oglesbee if any of the alternatives were appealing to him. Mr. Oglesbee stated that the "RPO" zoning included a great deal of expense and his intent of putting a pharmacy could change with the landscape of the pharmacy changing. Mr. Oglesbee stated that he had not contemplated putting a dollar store or a metal building on the lot, but when you add restrictive zoning, it was very hard to develop the property. Mr. Oglesbee stated the "Planned Unit Development" sounded like another "RPO" and with the same restrictions. Mr. Oglesbee stated that he would like to see that area developed and that north Lufkin needed some positive economic impact. Discussion was had about the unappealing aspects of changing the zoning and ways to remediate such issues including deed restriction and other options for the zone change.

Councilmember Lynn Torres moved to approve an Ordinance amending the Zoning Ordinance and the Future Land Use Plan of the 2001 Comprehensive Plan of the City of Lufkin, Texas by changing the Zoning and Future Land Use Plan designation on approximately 1.4 acres of land described as Block 8, Lot 1 of the Woodland Heights Subdivision and Block 5, Lot 4 of the E.J. Mantooth Addition to a "Local Business" Zoning District and the Future Land Use Plan of the 2001 Comprehensive Plan to the classification of "Retail". The motion died for lack of a second.

Councilmember Don Langston moved to table the item until the next meeting. Councilmember Rose Faine Boyd seconded the motion. The following vote was recorded:

Yay: Councilmembers Rufus Duncan, Jr., Don Langston, R.L. Kuykendall,
Rose Faine Boyd, Phil Medford and Mayor Jack Gorden

Nay: Councilmember Lynn Torres

The motion to table the item carried with 6 affirmative votes.

City Manager Parker suggested that Mr. Oglesbee and Mr. Robertson get together and agree on restrictions for the property to help the Council make a decision at the next meeting.

14. PUBLIC HEARING AND FIRST READING OF AN ORDINANCE AMENDING THE ZONING ORDINANCE AND FUTURE LAND USE PLAN OF THE 2001 COMPREHENSIVE PLAN OF THE CITY OF LUFKIN, TEXAS, - APPROVED - BY CHANGING THE ZONING AND FUTURE LAND USE PLAN DESIGNATION OF LOTS 3 AND 4 AND THE RESTRICTED RESERVE DETENTION OF THE LONE STAR SUBDIVISION TO A "COMMERCIAL" ZONING DISTRICT AND THE FUTURE LAND USE PLAN OF THE 2001 COMPREHENSIVE PLAN TO THE CLASSIFICATION OF "COMMERCIAL"

Mayor Gorden stated that the next item for consideration was to conduct a Public Hearing and consider on First Reading an Ordinance amending the Zoning Ordinance and the Future Land Use Plan of the 2001 Comprehensive Plan of the City of Lufkin, Texas by changing the Zoning and Future Land Use Plan designation of Lots 3 and 4 and the restricted reserve detention of the Lone Star Subdivision to a "Commercial" Zoning District and the Future Land Use Plan of the 2001 Comprehensive Plan to the classification of "Commercial". City Manager Paul Parker stated that the property was on Lone Star Lane off west Loop 287. City Manager Parker stated that this applicant had previously come before the Council with a zone change for this property in 2000, and again in 2005, and failed overall Council approval due primarily to the twenty percent (20%) protest in opposition by the surrounding property owners. City Manager Parker stated that it would take three-fourths ($\frac{3}{4}$) of the Council to approve the zone change meaning six (6) out of seven (7) of the Council Members' approval to pass the zone change. City Manager Parker stated that the intent of the applicant was to develop the property for commercial use and no specific business was intended at that time. City Manager Parker stated that the property was currently vacant, lightly wooded and well maintained. City Manager Parker stated that the uses within the "Commercial" classification were consistent with the general character of the surrounding area, particularly to the north and west. City Manager Parker stated that to the east, along Henderson Street, the property was characterized by more residential use. City Manager Parker stated that the restricted reserve detention located southwest of the subject property would not be developed with the zone change. City Manager Parker explained that three (3) businesses were currently located on Lone Star Drive. City Manager Parker stated the Planning Department and Planning and Zoning Commission recommended the change in zoning classification from "Residential Large" to "Commercial" and an amendment to the Comprehensive Plan changing the designation of the property from "Low Density Residential" to "Commercial". City Manager Parker brought it to the attention of the Council that there was a twenty percent (20%) protest factor which would require six (6) out of the seven (7) Council Members' approval.

Mayor Gorden opened the public hearing at 6:40 p.m.

Jack Jumper approached the podium. Mr. Jumper stated that he and Joe Collmorgen owned the property. Mr. Jumper stated that the subject property was four (4) acres of a ten (10) acre tract. Mr. Jumper passed out pictures of the property to the Council and gave an explanation of the pictures. Mr. Jumper stated that the property had no use being zoned "Residential" and that one third ($\frac{1}{3}$) of the property was used to install a detention pond. Mr. Jumper stated that he would like the Council to consider changing the zoning as requested.

Discussion was had about the capacity of the detention pond and the possible need for increasing its size. Mr. Jumper confirmed that the pond had been designed with the subject property fully developed.

Nancy Hutto approached the podium. Ms. Hutto stated that she and her mother had property adjacent to the subject property. Ms. Hutto asked how future drainage problems would be

addressed if the property was developed. Assistant City Manager/Engineer Keith Wright stated that a detention facility would not resolve any existing drainage problems, but would prevent the development from making it worse. Mr. Wright stated that he was aware of the drainage problems on Henderson Street because of the topography of the area. Mr. Wright stated that if the City found that the detention facility was not maintained, or was not operating properly, the City would require that the owner maintain the pond and put it in operating condition. Mr. Wright stated that detention ponds were periodically inspected and sometimes required owners to reshape the facilities. Ms. Hutto stated that the detention pond ran into her mother's pond and from that pond onto the street. Ms. Hutto stated that she was going to have to invest money into keeping the property up, because of the drainage issues. Ms. Hutto stated that Mr. Jumper had been a good neighbor and honored her request for leaving a tree buffer between the properties. Ms. Hutto stated that her biggest concern was the drainage issues. Ms. Hutto stated that the drainage issues were due to water runoff and the slope of the street, as well as two creeks in the neighborhood that were not kept up by property owners and the City. Mayor Gorden stated that the City of Lufkin was built on a series of creeks and was an age old problem. Mayor Gorden stated that the City had no easement along those creeks. Ms. Hutto stated that in some areas of Lufkin, the problem had been addressed, while in other areas, it hadn't. Discussion was had about drainage and easements in the City.

Mayor Gorden closed the public hearing at 6:50 p.m.

Discussion was had by the Council on the cooperation of the property owners and the previous actions of Mr. Jumper to remediate concerns.

Councilmember Don Langston moved to approve an Ordinance amending the Zoning Ordinance and the Future Land Use Plan of the 2001 Comprehensive Plan of the City of Lufkin, Texas by changing the Zoning and Future Land Use Plan designation of Lots 3 and 4 and the restricted reserve detention of the Lone Star Subdivision to a "Commercial" Zoning District and the Future Land Use Plan of the 2001 Comprehensive Plan to the classification of "Commercial". Councilmember R.L. Kuykendall seconded the motion. A unanimous affirmative vote was recorded.

15. FIRST READING OF AN ORDINANCE AMENDING CHAPTER 93.00 (FIRE PREVENTION AND PROTECTION; FIREWORKS) OF THE CODE OF ORDINANCES OF THE CITY OF LUFKIN, TEXAS; - APPROVED - CREATING AN EXEMPTION AND REGULATIONS FOR OPERATING A BUSINESS SELLING FIREWORKS FOLLOWING UNILATERAL ANNEXATION OF AN EXISTING BUSINESS; REPEALING ALL ORDINANCES IN CONFLICT THEREWITH; AND PROVIDING AN EFFECTIVE DATE

Mayor Gorden stated that the next item for consideration was to consider on First Reading an Ordinance amending Chapter 93.00 (Fire Prevention and Protection; Fireworks) of the Code of Ordinances of the City of Lufkin, Texas; creating an exemption and regulations for operating a business selling fireworks following unilateral annexation of an existing business; repealing all Ordinances in conflict therewith; and providing an effective date. City Manager Paul Parker stated that the Council had seen this ordinance in draft form and that this was the first reading. City Manager Parker stated that this ordinance went with the annexation areas where the fireworks business was and that it would cease operation in seven (7) years from the annexation. City Manager Parker added that other features were built into the Ordinance and Staff recommended approval of the Ordinance.

Councilmember Rose Faine Boyd moved to approve the Ordinance amending Chapter 93.00 (Fire Prevention and Protection; Fireworks) of the Code of Ordinances of the City of Lufkin, Texas, creating an exemption and regulations for operating a business selling fireworks following unilateral annexation of an existing business; repealing all Ordinances in conflict therewith; and providing an effective date. Councilmember Don Langston seconded the motion. A unanimous affirmative vote was recorded.

16. ALL MATTERS INCIDENT AND RELATED TO THE ISSUANCE AND SALE OF "CITY OF LUFKIN, TEXAS GENERAL OBLIGATION REFUNDING BONDS, SERIES 2006", DATED DECEMBER 1, 2006, - APPROVED - INCLUDING THE

ADOPTION OF AN ORDINANCE AUTHORIZING THE ISSUANCE OF SUCH BONDS AND PROVIDING FOR THE REDEMPTION OF CERTAIN OUTSTANDING OBLIGATIONS OF THE CITY

Mayor Jack Gorden stated that the next item for consideration was to consider all matters incident and related to the issuance and sale of "City of Lufkin, Texas General Obligation Refunding Bonds, Series 2006", dated December 1, 2006, including the adoption of an Ordinance authorizing the issuance of such bonds and providing for the redemption of certain outstanding obligations of the City. City Manager Paul Parker stated the premise of the issue was the same as previous times this had been before the Council, but that the numbers had possibly changed slightly. City Manager Parker turned the meeting over to Mike Byrd.

Mr. Byrd stated that he had passed out a one (1) page handout with highlighted sums. Mr. Byrd stated that the bonds were priced on November 6, 2006. Mr. Byrd stated that the actions of the EDC counted against the ten million dollar (\$10,000,000) limit. Mr. Byrd explained the handout and the refunding of the bonds and the savings to the City. Mr. Byrd highly recommended that Council approve the Ordinance.

Councilmember Don Langston moved to approve all matters incident and related to the issuance and sale of "City of Lufkin, Texas General Obligation Refunding Bonds, Series 2006", dated December 1, 2006, including the adoption of an Ordinance authorizing the issuance of such bonds and providing for the redemption of certain outstanding obligations of the City. Councilmember Rose Faine Boyd seconded the motion. A unanimous affirmative vote was recorded.

17. ANGELINA COLLEGE SMALL BUSINESS DEVELOPMENT CENTER ANNUAL REPORT.

Mayor Jack Gorden stated that the next item for consideration was to hear the Angelina College Small Business Development Center Annual Report. Mayor Gorden stated that Brian McClain ran the Angelina College Small Business Development Center. Manager Parker stated that Mr. McClain had a short presentation from the Center.

Mr. McClain gave the report and overviewed the businesses that the Center had helped to open.

Councilmember Don Langston stated that he continued to be concerned with the SBDC doing a lot of work in Polk County, but not receiving enough support from Polk County. Councilmember Langston also asked how Mr. McClain got involved with the Rehab Center in Jacksonville, Texas. Mr. McClain stated that the SBDC helped a gentleman do a four million dollar (\$4,000,000) project in Jacksonville and that originally there was a local investor and local lending institution that the gentleman was going to partner with. Mr. McClain stated that the SBDC helped bring other investors to the project when the local investor didn't work out. Mr. McClain stated the other circumstances surrounding the project. Discussion was had about the City of Lufkin and Angelina County's contributions and support and the SBDC's need for help and growth to maintain its program.

18. CONSIDER MOORE BUILDING ASSOCIATES LLP REQUEST FOR TAX ABATEMENT - APPROVED

Mayor Jack Gorden stated that the next item for consideration was to consider Moore Building Associates LLP request for Tax Abatement. City Manager Paul Parker turned the meeting over to Jim Wehmeier.

Mr. Wehmeier stated that Moore Building Associates had purchased a building downtown that was most recently Commercial Bank. Mr. Wehmeier stated that Moore Building Associates was looking to turn the building into nice office space by investing approximately five hundred thousand dollars (\$500,000) in the renovation of the facility. Mr. Wehmeier stated that the requirement was a fifty thousand dollar (\$50,000) investment and five (5) jobs and Moore Building Associates had exceeded these investments substantially. Mr. Wehmeier stated that the Abatement Policy currently used would make them eligible for the tax abatement. Mr. Wehmeier explained the Abatement Policy with the schedule for renovation

being as follows: year one (1) – one hundred percent (100%); year two (2) – one hundred percent (100%); year three (3) – one hundred percent (100%); year four (4) – fifty percent (50%); year five (5) – fifty percent (50%); year six (6) – twenty-five percent (25%); year seven (7) – five percent (5%). Mr. Wehmeier added that the new abatement percentage applied only to the new value brought onto the tax roles due to the renovation. Mr. Wehmeier stated that he and some of the owners were present to answer any questions from the Council.

Councilmember Don Langston asked what the net tax savings would be for the total abatement. Jerry Moore, Moore Building Associates, stated that it was approximately thirty to forty thousand dollars (\$30,000 to \$40,000) over the life of the abatement.

Rufus Duncan, Jr. recused himself from the vote in light of the fact that his company did business with Moore Building Associates.

Councilmember Lynn Torres moved to approve Moore Building Associates LLP request for Tax Abatement. Councilmember Don Langston seconded the motion. A unanimous affirmative vote was recorded.

19. RESOLUTION AUTHORIZING AN AMENDMENT TO THE 2006/2007 OPERATING BUDGET (BUDGET AMMENDMENT NO. 1) – APPROVED - PROVIDING FOR THE SUPPLEMENTAL APPROPRIATION OF FUNDS IN THE GENERAL, MUNICIPAL COURT TECHNOLOGY, ANIMAL’S ATTIC GIFT, ECONOMIC DEVELOPMENT, WATER/WASTEWATER, AND EQUIPMENT AND REPLACEMENT AND AMORTIZATION FUNDS; AND PROVIDING AN EFFECTIVE DATE

Mayor Jack Gorden stated that the next item for consideration was to consider a Resolution authorizing an amendment to the 2006/2007 Operating Budget (Budget Amendment No. 1) providing for the supplemental appropriation of funds in the General, Municipal Court Technology, Animal’s Attic Gift, Economic Development, Water/Wastewater, and Equipment and Replacement and Amortization Funds; and providing an effective date. City Manager Paul Parker stated that the new fiscal year began October 1st, and that every year there were numerous items not completed from the previous year that needed to be appropriated into the current budget. City Manager Parker went through several of the items that had been approved but not purchased from the previous year. City Manager Parker stated that there was an amended version before the Council that included the addition Christmas lights and funds for electrical work needed for installation. City Manager Parker stated that Staff recommended approval of the amended version. Assistant City Manager Keith Wright explained the logistics for the Christmas décor for downtown. Discussion was had about the décor and the power for the décor.

Councilmember Lynn Torres moved to approve the Resolution authorizing an amendment to the 2006/2007 Operating Budget (Budget Amendment No. 1) providing for the supplemental appropriation of funds in the General, Municipal Court Technology, Animal’s Attic Gift, Economic Development, Water/Wastewater, and Equipment and Replacement and Amortization Funds; and providing an effective date as amended. Councilmember Rufus Duncan, Jr. seconded the motion. A unanimous affirmative vote was recorded.

20. GRANT FOR THE FIRE DEPARTMENT AND A RESOLUTION AUTHORIZING AN AMENDMENT TO THE 2006/2007 OPERATING BUDGET (BUDGET AMENDMENT NO. 2), - APPROVED - PROVIDING FOR THE SUPPLEMENTAL APPROPRIATION OF FUNDS IN THE GENERAL FUND; AND PROVIDING AN EFFECTIVE DATE.

Mayor Jack Gorden stated that the next item for consideration was to consider the approval of a grant for the Fire Department and a Resolution authorizing an amendment to the 2006/2007 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 this was the second amendment to the budget. City Manager Parker stated that the City received a Homeland Security Grant in the amount of thirty-three thousand seven hundred fifty dollars (\$33,750) that would allow the City to purchase communication

equipment for the Fire Department. City Manager Parker stated that there was a ten percent (10%) match required which was part of Amendment No. 2.

Councilmember Rose Faine Boyd moved to approve the grant for the Fire Department and the Resolution authorizing an amendment to the 2006/2007 Operating Budget (Budget Amendment No. 2), providing for the supplemental appropriation of funds in the General Fund; and providing an effective date. Councilmember Don Langston seconded the motion. A unanimous affirmative vote was recorded.

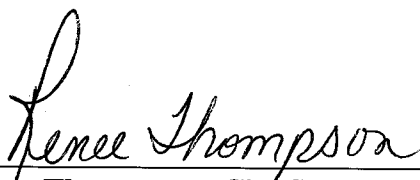
21. CALENDAR NOTATIONS FROM MAYOR, COUNCIL MEMBERS, AND CITY MANAGER

City Manager Paul Parker noted that there would be a meeting of the Insurance Committee on Wednesday, November 8, 2006 at 2:00 p.m. at City Hall OCR. City Manager Parker added that Leadership Lufkin Local Government Day would be held on Thursday, November 9, 2006 at 11:45 a.m. City Manager Parker stated that there would be a meeting of the Building Committee on Monday, November 13, 2006 at 3:30 p.m. at City Hall Room 202 and reminded the Council Members serving on the "HOT" Committee that there would be a meeting held on Wednesday, December 13, 2006 at 11:00 a.m. at City Hall Room 202.

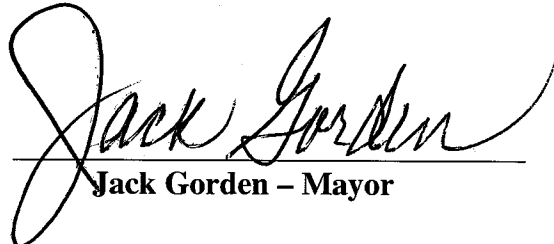
Mayor Jack Gorden mentioned the Grand Opening and Ribbon Cutting that would be held at the Heart Institute of East Texas at 1:00 p.m. on Friday, November 10, 2006 and that Saturday, November 11, 2006 was Veteran's Day and that there would be a parade scheduled for 11:00 a.m. in the Downtown area. Mayor Gorden also reminded the DETCOG Board Members of the next meeting which would be held on Thursday, November 16, 2006 in Livingston.

City Attorney Robert Flournoy introduced Vance Hendrix, the new Assistant City Attorney for the City of Lufkin. Councilmember Lynn Torres recognized the hard work done by the Main Street Department in putting on the Downtown Trick-or-Treating Event that was held on October 31, 2006. Councilmember Torres added that the event was well organized and a fun activity for the citizens and children of the Lufkin area. Mayor Gorden added his thanks on behalf of the Council and commented that it was a great event.

22. There being no further business for consideration, the meeting adjourned at 7:25 p.m.



Renee Thompson – City Secretary



Jack Gorden – Mayor