

**MINUTES OF THE REGULAR MEETING OF THE CITY COUNCIL OF THE CITY
OF LUFKIN, TEXAS HELD ON THE 1ST DAY OF JUNE, 2010**

On the 1st day of June, 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.	Mayor
Don Langston	Mayor Pro-Tem
R. L. Kuykendall	Councilmember, Ward No. 1
Robert Shankle	Councilmember, Ward No. 2
Lynn Torres	Councilmember, Ward No. 3
Rufus Duncan	Councilmember, Ward No. 5
Phil Medford	Councilmember, Ward No. 6
Paul L. Parker	City Manager
Keith Wright	Deputy City Manager
Bruce Green	City Attorney
Renee Thompson	City Secretary
Scott Marcotte	Police Chief
Gerald Williamson	Asst. Police Chief
Danny Kistner	Fire Chief
Doug Wood	Finance Director
Dorothy Wilson	Planning Director
Steve Floyd	Public Works Director
Barbara Thompson	Main Street Director
Jim Wehmeier	Economic Development Director

being present, when the following business was transacted:

1. The meeting was opened with prayer by Reverend Vic Bass, Faith Family Church.
2. Mayor Jack Gorden welcomed visitors present.

3. APPROVAL OF MINUTES

Minutes of the Regular Meeting of June 1, 2010 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. PUBLIC HEARING AND FIRST READING OF AN ORDINANCE AMENDING THE ZONING ORDINANCE OF THE CITY OF LUFKIN, TEXAS, - APPROVED - BY GRANTING A SPECIAL USE PERMIT FOR A RESTAURANT WITH A PRIVATE CLUB WITHIN A LOCAL BUSINESS ZONING DISTRICT ON CERTAIN TRACTS OR PARCELS OF LAND WITHIN THE CORPORATE LIMITS OF THE CITY OF LUFKIN, TEXAS, DESCRIBED AS LOT 3 OF THE GARDEN DISTRICT SHOPPING VILLAGE PHASE IV REVISED 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 a 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 a Restaurant with a Private Club within a Local Business Zoning District on certain tracts or parcels of land within the corporate limits of the City of Lufkin, Texas, described as Lot 3 of the Garden District Shopping Village Phase IV Revised Subdivision, and authorizing the City Planner to make such changes on the Official Map.

City Manager Paul Parker stated that the applicant, Blazin Wings, Inc., was proposing to open a Buffalo Wild Wings Restaurant at 105 Miles Way. City Manager Parker added that

the purpose of the Special Use Permit was to sell alcoholic beverages at a family oriented eat in and take out restaurant. City Manager Parker stated that the proposed restaurant was seven thousand one hundred ninety-four (7,194) square feet and would be situated south of the existing Olive Garden Restaurant and northeast of the Cinemark Theater. City Manager Parker explained that the general character of the area was retail and restaurant use. City Manager Parker stated that both the Planning and Zoning Commission and Staff recommended approval of the Special Use Permit for a restaurant with a private club without conditions.

Mayor Gorden opened the Public Hearing 5:08 p.m. and asked anyone who wished to speak on the item to please step forward. Speaking on the item was:

David Miles

Mayor Gorden closed the Public Hearing at 5:10 p.m. Mayor Gorden then asked for questions or comments from the Council.

Councilmember Rufus Duncan moved to approve the First Reading of the Ordinance amending the Zoning Ordinance of the City of Lufkin, Texas, by granting a Special Use Permit for a Restaurant with a Private Club within a Local Business Zoning District on certain tracts or parcels of land within the corporate limits of the City of Lufkin, Texas, described as Lot 3 of the Garden District Shopping Village Phase IV Revised Subdivision, 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.

5. ACCEPT DISTRIBUTION OF FUNDS, IN THE AMOUNT OF FIFTEEN THOUSAND FIFTY DOLLARS (\$15,050), FROM THE DEEP EAST TEXAS TRAUMA REGIONAL ADVISORY COUNCIL TO THE LUFKIN FIRE DEPARTMENT, TO USE ON LOCAL EMS PROJECTS AND ACTIVITIES, AND A RESOLUTION AUTHORIZING AN AMENDMENT TO THE 2009/2010 OPERATING BUDGET (BUDGET AMENDMENT NO. 25), - 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 accept the distribution of funds in the amount of fifteen thousand fifty dollars (\$15,050), from the Deep East Texas Trauma Regional Advisory Council to the Lufkin Fire Department, to use on local EMS projects and activities, and a Resolution authorizing an amendment to the 2009/2010 Operating Budget (Budget Amendment No. 25), providing for the supplemental appropriation of funds in the General Fund; and providing an effective date.

City Manager Paul Parker stated that the agenda listed the proposed use for the training and equipment for the fifteen thousand fifty dollars (\$15,050). City Manager Parker added that Staff recommended that the Council approve Budget Amendment No. 25, and authorized the acceptance of the funding from the Deep East Texas Trauma Regional Advisory Council in the amount of fifteen thousand fifty dollars (\$15,050).

Mayor Gorden asked for questions or comments from the Council.

Councilmember Lynn Torres moved to accept the distribution of funds in the amount of fifteen thousand fifty dollars (\$15,050), from the Deep East Texas Trauma Regional Advisory Council to the Lufkin Fire Department, to use on local EMS projects and activities, and a Resolution authorizing an amendment to the 2009/2010 Operating Budget (Budget Amendment No. 25), providing for the supplemental appropriation of funds in the General Fund; and providing an effective date. Councilmember R. L. Kuykendall seconded the motion. A unanimous affirmative vote was recorded.

6. AUTHORIZE THE LUFKIN POLICE DEPARTMENT TO APPLY FOR THE FY 2010 EDWARD BYRNE JUSTICE ASSISTANCE GRANT – APPROVED - TO BE USED TO PURCHASE COMPUTER SERVERS, WHICH WILL BE USED BY THE

LUFKIN POLICE DEPARTMENT TO UPGRADE THE COMMUNICATIONS CAPABILITIES

Mayor Jack Gorden stated that the next item for consideration was to authorize the Lufkin Police Department to apply for the FY 2010 Edward Byrne Justice Assistance Grant to be used to purchase computer servers, which will be used by the Lufkin Police Department to upgrade the communications capabilities.

City Manager Paul Parker stated that if the funds were approved, Staff would have to come back for a Public Hearing and Resolution. City Manager Parker explained that Staff was seeking permission to apply for the twenty-two thousand dollars (\$22,000) in funding that would allow the City to expand and upgrade the communications capabilities in the Police Department. City Manager Parker stated that the improvements would be for server upgrades that would be used in the Police Department.

Mayor Gorden asked for questions or comments from the Council.

Councilmember R. L. Kuykendall moved to authorize the Lufkin Police Department to apply for the FY 2010 Edward Byrne Justice Assistance Grant to be used to purchase computer servers which will be used by the Lufkin Police Department to upgrade the communications capabilities. Councilmember Lynn Torres seconded the motion. A unanimous affirmative vote was recorded.

7. PUBLIC HEARING AND RESOLUTION OF THE CITY OF LUFKIN, TEXAS, AUTHORIZING ACCEPTANCE OF A SUB GRANT FROM THE OFFICE OF JUVENILE JUSTICE AND DELINQUENCY PREVENTION, INTERNET CRIMES AGAINST CHILDREN TASK FORCE PROGRAM IN THE AMOUNT OF EIGHT THOUSAND DOLLARS (\$8,000), AUTHORIZING THE CITY MANAGER TO ACT ON BEHALF OF THE CITY OF LUFKIN IN ALL MATTERS RELATED TO THE GRANT; AND PLEDGING THAT THE CITY OF LUFKIN WILL COMPLY WITH ALL GRANT REQUIREMENTS, AND A RESOLUTION AUTHORIZING AN AMENDMENT TO THE 2009/2010 OPERATING BUDGET (BUDGET AMENDMENT NO. 26), - 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 a Public Hearing and Resolution of the City of Lufkin, Texas authorizing acceptance of a Sub Grant from the office of Juvenile Justice and Delinquency Prevention, Internet Crimes Against Children Task Force Program in the amount of eight thousand dollars (\$8,000), authorizing the City Manager to act on behalf of the City of Lufkin in all matters related to the grant; and pledging that the City of Lufkin will comply with all grant requirements, and a Resolution authorizing an amendment to the 2009/2010 Operating Budget (Budget Amendment No. 26), providing for the supplemental appropriation of funds in the General Fund; and providing an effective date.

City Manager Paul Parker stated that the Lufkin Police Department had been notified that they would be the recipient of a Sub-Grantee Award in the amount of eight thousand dollars (\$8,000), through the Office of Juvenile Justice and Delinquency Prevention Internet Crimes Against Children Program. City Manager Parker added that the funds would be utilized to purchase equipment and pay for training for the department. City Manager Parker explained that the Police Department was requesting that the City Council conduct a Public Hearing on the eight thousand dollars (\$8,000) in potential funding to purchase equipment and pay for training in April 2010 through December 2010. City Manager Parker stated that Staff recommended that the Council conduct a Public Hearing and then approve the acceptance of the grant in the amount of eight thousand dollars (\$8,000), and approve Budget Amendment No. 26, allocating the funds.

Mayor Gorden opened the Public Hearing 5:14 p.m. and asked anyone who wished to speak on the item to please step forward. There appearing to be no one who wished to speak, Mayor Gorden closed the Public Hearing at 5:15 p.m.

Mayor Gorden asked for questions or comments from the Council.

Councilmember Lynn Torres moved to approve the Resolution of the City of Lufkin, Texas authorizing acceptance of a Sub Grant from the office of Juvenile Justice and Delinquency Prevention, Internet Crimes Against Children Task Force Program in the amount of eight thousand dollars (\$8,000), authorizing the City Manager to act on behalf of the City of Lufkin in all matters related to the grant; and pledging that the City of Lufkin will comply with all grant requirements, and a Resolution authorizing an amendment to the 2009/2010 Operating Budget (Budget Amendment No. 26), 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.

8. MEMORANDUM OF UNDERSTANDING – APPROVED - BETWEEN THE LUFKIN POLICE DEPARTMENT AND THE LUFKIN INDEPENDENT SCHOOL DISTRICT POLICE DEPARTMENT

Mayor Jack Gorden stated that the next item for consideration was a Memorandum of Understanding between the Lufkin Police Department and the Lufkin Independent School District Police Department.

Councilmember Lynn Torres asked to be recused from the discussion and vote on the item as an employee of Lufkin ISD.

City Manager Paul Parker stated that the Lufkin Independent School District had formed their own Police Department. City Manager Parker added that it was very fortunate that the Lufkin ISD selected Jay Jost, who would be appointed in July 2010. City Manager Parker stated that Mr. Jost was a Lufkin Police Officer, and was now soon to be the Police Chief of the Lufkin ISD. City Manager Parker added that Mr. Jost had worked very close with Chief Marcotte and Asst. Chief Williamson on the preparations for the position, as the City and School wanted to work together closely and jointly for the maximum protection of our adults and young students. City Manager Parker stated that Chief Marcotte, Asst. Chief Williamson and future Chief Jost had worked out a very amenable working relationship that would only grow with time. City Manager Parker added that one (1) requirement for the School District was a Memorandum of Understanding. City Manager Parker explained that the Chiefs had reviewed the Memorandum and concurred, and asked that the City Council approve the Memorandum of Understanding between the Lufkin Police Department and the Lufkin Independent School District Police Department.

Councilmember Don Langston asked if the City Attorney had reviewed the Memorandum of Understanding. City Manager Parker stated that he had reviewed the Memorandum.

Mayor Gorden asked for questions or comments from the Council.

Councilmember R. L. Kuykendall moved to approve the Memorandum of Understanding between the Lufkin Police Department and the Lufkin Independent School District Police Department. Councilmember Don Langston seconded the motion. A unanimous affirmative vote was recorded.

9. PROPOSED SETTLEMENT AGREEMENT BETWEEN LNVA AND THE CITY OF LUFKIN WITH THE CITY OF DALLAS, CITY OF TYLER, UNRMWA, CITY OF NACOGDOCHES, NACOGDOCHES COUNTY, CITY OF JACKSONVILLE, CITY OF WHITEHOUSE AND ANRA – APPROVED - TO AMEND LNVA AND LUFKIN'S WATER RIGHT CERTIFICATE OF ADJUDICATE 06-4411F IN THE NECHES RIVER BASIN

Mayor Jack Gorden stated that the next item for consideration was the proposed settlement agreement between LNVA and the City of Lufkin with the City of Dallas, City of Tyler, UNRMWA, City of Nacogdoches, Nacogdoches County, City of Jacksonville, City of Whitehouse and ANRA to amend LNVA and Lufkin's water right Certificate of Adjudicate 06-4411F in the Neches River Basin.

City Manager Paul Parker stated that the Lower Neches Valley Authority (LNVA) and the City of Lufkin jointly owned water rights in the Sam Rayburn Reservoir. City Manager Parker added that the LNVA had the bulk of those rights, and the City of Lufkin had approximately twenty-eight thousand (28,000) feet, or approximately twenty-five million (25,000,000) gallons of water, that could be obtained daily from the area. City Manager Parker stated that when the permits were granted in the 1970's, two (2) special conditions were placed on the permits that were different than most water rights. City Manager Parker explained that in most cases the holder had what is known as "first in line, first in time". City Manager Parker added that whenever the water rights were given, the holder was the first in line for getting water during the worst case scenario of drought. City Manager Parker stated that in Special Conditions, 5C and 5D took that right away from the Sam Rayburn water rights, and those who were added later were put in line before those water rights. City Manager Parker added that the City of Lufkin petitioned the Texas Commission on Environmental Quality (TCEQ) to amend those water rights. City Manager Parker explained that the Staff at TCEQ agreed with the petition, but it was asked to go before a Public Hearing and was contested. City Manager Parker added that the parties that contested the City of Lufkin's water rights were the City of Dallas, the City of Tyler, the Upper Neches River Authority, the City of Nacogdoches, Nacogdoches County, the City of Jacksonville, the City of Whitehouse and Angelina Neches River Authority. City Manager Parker stated that there were several months of attorneys, engineering, and hydraulic studies and finally there was a compromised working relationship where all entities agreed to amend the City of Lufkin's water rights, with the other entities having some protection still in place. City Manager Parker added that this was probably the best scenario for the City of Lufkin. City Manager Parker explained that the City of Lufkin gained the time, as it is now, with all water rights that basically flowed into our basin. City Manager Parker stated that the City compromised on the upper portion of the basin and the portion of the Neches up north of the Weches Dam. City Manager Parker added that one (1) of the major points for the City of Lufkin was as a condition of the settlement, the City of Lufkin asked that all of the entities would go on record that they would not oppose the City of Lufkin's request to change the Abitibi water rights from industrial to municipal rights. City Manager Parker stated that the City of Lufkin would probably file that shortly after the settlement, to get the water rights taken from industrial to municipal. City Manager Parker explained that the reason was in worst case drought, the municipal rights take effect above any industrial rights. City Manager Parker added that the City of Lufkin wanted to make sure it kept the water right time of 1953. City Manager Parker stated that Staff recommended that the Council agree to the conditions of the settlement offer.

Mayor Gorden stated that all of the Council wanted to commend City Manager Parker and City Attorney Bruce Green for finding the issues related to the City's water rights, as most thought the City had the first in time, first in line rights. Mayor Gorden added that it sounded like the City Manager and City Attorney negotiated a great position for the City of Lufkin. Mayor Gorden asked for questions or comments from the Council. There was discussion among the Council regarding the agreement and settlement.

Councilmember R. L. Kuykendall moved to approve the proposed settlement agreement between LNVA and the City of Lufkin with the City of Dallas, City of Tyler, UNRMWA, City of Nacogdoches, Nacogdoches County, City of Jacksonville, City of Whitehouse and ANRA to amend LNVA and Lufkin's water right Certificate of Adjudicate 06-4411F in the Neches River Basin. Councilmember Lynn Torres seconded the motion. A unanimous affirmative vote was recorded.

City Manager Parker stated that Deputy City Manager Keith Wright had taken the lead on the settlement issues all of the way through the process, and that he had been the real driving force behind the negotiations. Mayor Gorden then asked Deputy City Manager Wright to accept the thanks of the City Council.

10. DISCUSSION REGARDING THE IMPOUNDMENT OF VEHICLES FOR FAILURE TO MAINTAIN FINANCIAL RESPONSIBILITY (NO INSURANCE)

Mayor Jack Gorden stated that the next item for consideration was a discussion regarding the impoundment of vehicles for failure to maintain financial responsibility (no insurance).

City Manager Paul Parker stated that he would begin the discussion, and then ask Police Chief Scott Marcotte to step to the podium to answer questions and expound on the subject. City Manager Parker stated that the Police Department had experienced the dilemma for quite some time about what to do with vehicles involved in wrecks where people did not have insurance. City Manager Parker added that one of the biggest complaints was whenever a person was hit by someone who did not have insurance; the Police Officers only discretion was to tell the person without insurance not to drive their vehicle. City Manager Parker explained that as soon as the officer left the scene, the person would get in their vehicle and drive off. City Manager Parker stated that the officer cannot stay at the scene until everyone has taken care of their vehicle, in many instances. City Manager Parker added that there was a severe problem with people driving without insurance in Texas, Angelina County and in Lufkin. City Manager Parker stated that during the past year, there were two thousand two hundred thirteen (2,213) traffic accidents, and of those accidents, one thousand five hundred fifty-one (1,551) had to be reported through the State law. City Manager Parker explained that of the one thousand five hundred fifty-one (1,551) reported, two hundred thirty-five (235) drivers (or approximately fifteen percent (15%)) had no insurance. City Manager Parker stated that another one thousand eight hundred eighty-one (1,881) citations were issued in 2009 for people driving without insurance. City Manager Parker stated that Chief Marcotte came and discussed, with the City Attorney and himself, approximately one (1) month earlier, about how to approach the Ordinance with the Council. City Manager Parker explained that the cities of Nacogdoches and Tyler both had similar Ordinances that were looked at. City Manager Parker added that Staff was aware that there would be questions regarding situations where a driver couldn't find the proof of insurance, but did have the insurance coverage. City Manager Parker explained that this was a concern, and that Chief Marcotte had answers to that and other situations that might come up from time to time. City Manager Parker then asked Police Chief Scott Marcotte to expound on those types of circumstances, and then explain how the program would work. Police Chief Scott Marcotte then explained the problems and possible solutions when dealing with uninsured motorists. Chief Marcotte then stated that he would then any answer questions concerning the item.

There was much discussion between Chief Marcotte, City Manager Parker, City Attorney Green and the City Council concerning the impoundment of vehicles for no insurance.

Mayor Gorden then recognized Mr. Robert Foley, drafting teacher at Lufkin High School, and several students who designed and built a "Habitat for Humanity" home in Lufkin. Mayor Gorden explained that several students from Lufkin High School would be attending a "Gear Up" competition that would be held in Washington D. C. Mayor Gorden added that the students attending the competition would be Megan Blattner, Jaleel Gilder, Shelby Gilstrap, Clark Groom, Allen Aguilar and Chastion Tillman. The students present at Council Meeting were Megan Blattner and Jaleel Gilder. Mayor Gorden stated that the City Council was proud to have them at the Council Meeting, and that the Council wished them the best in their competition, and that they made the City proud.

Mr. Foley explained that the students would not be in any type of competition, but were invited to speak to the "Gear Up" National Convention, explaining what they had learned outside of drafting and building trades. Mr. Foley added that the students would be explaining about leadership, meeting deadlines, real world projects, etc. Mr. Foley stated that the young adults were representing the City of Lufkin, and that he was very proud of them.

11. Mayor Jack Gorden recessed the Regular Session at 5:54 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 7:40 p.m.

12. INCENTIVES FOR PROJECT MOBILE – APPROVED

Mayor Jack Gorden stated that the next item for consideration was the incentives for Project Mobile.

Councilmember Phil Medford moved to approve the incentives, as they were presented in Executive Session, for Project Mobile. Councilmember Rufus Duncan seconded the motion. A unanimous affirmative vote was recorded.

13. AMENDING THE INCENTIVES – APPROVED - FOR PROJECT CITIZEN

Mayor Jack Gorden stated that the next item for consideration was amending the incentives for Project Citizen.

Councilmember Phil Medford moved to amend the incentives, as they were presented in Executive Session, for Project Citizen. Councilmember Robert Shankle seconded the motion. A unanimous affirmative vote was recorded.

City Manager Parker then asked for direction from the Council concerning item number ten (10), regarding the impoundment of vehicles for no insurance. City Manager Parker asked if the Council wanted Staff to put the item on the agenda as an Ordinance for the Council to consider, or did the Council want more time and information concerning the item.

Mayor Jack Gorden stated that he wanted to think about the item more before making a decision. Councilmember Don Langston stated that if he had to make a decision that night his answer would be “no” to the impoundment of vehicles for having no insurance. Councilmember Phil Medford stated that he would like more time to think it through, and that it wasn’t a decision that needed to be rushed. City Manager Parker stated that he was hearing the Council say that they did not want to put it on the agenda of the next Council Meeting, and that he would discuss the item with Police Chief Marcotte, and would put the item on a future agenda as a work session item.

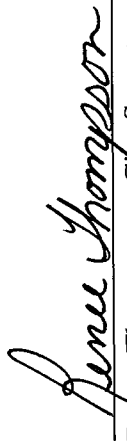
14. DISCUSSION OF ITEMS OF COMMUNITY INTEREST, INCLUDING EXPRESSIONS OF THANKS, CONGRATULATIONS OR CONDOLENCE; INFORMATION REGARDING HOLIDAY SCHEDULES; HONORARY RECOGNITIONS OF CITY OFFICIALS, EMPLOYEES OR OTHER CITIZENS; REMINDERS ABOUT UPCOMING EVENTS SPONSORED BY THE CITY OR OTHER ENTITY THAT IS SCHEDULED 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.

Mayor Gorden reminded the Council that the First Friday Luncheon would be held on Friday, June 4, 2010, at 12:00 noon at Crown Colony. Mayor Gorden added that the Runoff Election would be held on June 12, 2010, at the Lufkin ISD Administration Building. City Manager Parker stated that the Annual Council Budget Review would be held on Monday, June 21, 2010, at 12:00 noon at the Lufkin City Hall. City Manager Parker added that lunch would be served at 11:30 a.m. in Room 202, and that the meeting would be following in the Council Chambers (Room 102). City Manager Parker stated that Staff had not included in the budget the seven thousand five hundred dollar (\$7,500) donation to First Street Arts

Center, and the seven thousand five hundred dollar (\$7,500) donation to Alliance for Children. City Manager Parker added that Staff had put the original donation of thirty-five thousand dollars (\$35,000) to the Boys and Girls Club back into the Budget for the upcoming year. City Manager Parker explained that these were some of the items that the Council needed to be thinking about before the Budget Review on June 21. City Manager Parker stated that another item that had been discussed at the Budget Retreat, held earlier in the year, was setting some funds back for a construction fund. City Manager Parker explained that the Council would need to discuss this, and decide if they wanted to do this out of the Fund Balance. City Manager Parker mentioned that the Fund Balance was continuously dropping, and that the preliminary budget had approximately a million dollars (\$1,000,000) cut from expenditures. City Manager Parker added that all departments' travel had been cut by twenty-five percent (25%). City Manager Parker explained that this was a small preview of what to expect at the upcoming Budget Review Meeting.

15. There being no further business for consideration, the meeting adjourned at 7:54 p.m.


Renee Thompson – City Secretary


Jack Gorden, Mayor