

MINUTES OF REGULAR MEETING OF THE CITY COUNCIL OF THE CITY OF
LUFKIN, TEXAS, HELD ON THE
20TH OF MAY 2003

On the 20th day of May 2003 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:

Louis A. Bronaugh	Mayor
Jack Gorden, Jr.	Mayor pro tem
R. L. Kuykendall	Councilmember, Ward No. 1
Lynn Torres	Councilmember, Ward No. 3
Don Langston	Councilmember, Ward No. 4
Dennis Robertson	Councilmember, Ward No. 6
C. G. Maclin	City Manager
Atha Martin	City Secretary
Bob Flournoy	City Attorney
Keith Wright	City Engineer
Kenneth Williams	Director of Public Works
David Koonce	Director of Human Resources
Stephen Abraham	Director of Planning

being present, and

Rose Faine Boyd	Councilmember, Ward No. 2
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being absent when the following business was transacted.

1. Meeting was opened with prayer by Rev. Mike Hunter, First Christian Church.
2. Mayor Bronaugh welcomed visitors present. Councilmember Lynn Torres recognized LHS students who were attending the Council meeting to satisfy their government class requirement.

3. APPROVAL OF MINUTES

Minutes of the Regular Meeting of May 6, 2003 were approved on a motion by Councilmember R. L. Kuykendall and seconded by Councilmember Lynn Torres. A unanimous affirmative vote was recorded.

4. RESOLUTION – APPROVED – APPLICATION - HOUSING FINANCE CORPORATIONS ACT TO PROPERTY WITHIN THE CITY

Mayor Bronaugh stated that the next item for consideration was a Resolution approving the application of the Housing Finance Corporations Act to Property within the City.

City Manager Maclin stated that this is a program the City has participated in several times before. Mr. Maclin stated that it provides an opportunity through this not for profit organization that then issues bonds for housing finance through the Housing Finance Corporation Act. Mr. Maclin stated that this includes several communities in East Texas of which Lufkin is one. Mr. Maclin stated that in the past this has been the program that provided what was called bond money for first time homebuyers or low interest rate loans for first time homebuyers. Mr. Maclin stated that the City's bond counsel, Mike Byrd, is a participant of this group that has put this together and has requested our participation again as we have done previously.

Motion was made by Councilmember Dennis Robertson and seconded by Councilmember R. L. Kuykendall that the Resolution approving the application of the Housing Finance Corporations Act to Property within the City be approved as presented. A unanimous affirmative vote was recorded.

5. **SPECIAL USE PERMIT – TABLED – TELECOMMUNICATIONS TOWER – SMALL SINGLE FAMILY DWELLING ZONING DISTRICT – NEXTEL PARTNERS – WILLIAM GEORGE REALTY COMPANY – 1007 MIZE STREET**

Mayor Bronaugh stated that the next item for consideration was the request of Nextel Partners, on behalf of William George Realty Company, to grant approval of a Special Use Permit for a 240 foot tall Telecommunication Tower within a “Small Single Family Dwelling” zoning district on approximately 0.23 acres of land within Tract 12 of the J. L. Quinalty Survey (Abstract No. 40) and being more commonly known as 1007 Mize Street.

City Manager Maclin stated that Council would notice that in the memorandum from the Director of Planning the applicant has requested that this item be tabled until July 1, 2003. Mr. Maclin stated that it is their intent to come back at that time with multiple locations for towers for Council consideration.

In response to question by Councilmember Jack Gorden, Mr. Maclin stated that there will be opposition from people who do not want the unsightliness of the towers as an aesthetic issue which Council will ultimately need to resolve as they deem what is appropriate for the community.

Motion was made by Councilmember Lynn Torres and seconded by Councilmember Dennis Robertson that the request of Nextel Partners, on behalf of William George Realty Company, to grant approval of a Special Use Permit for a 240 foot tall Telecommunication Tower within a “Small Single Family Dwelling” zoning district on approximately 0.23 acres of land within Tract 12 of the J. L. Quinalty Survey (Abstract No. 40) and being more commonly known as 1007 Mize Street be tabled until next meeting. A unanimous affirmative vote was recorded

6. **TAX ABATEMENT AGREEMENT – APPROVED – CONAGRA FOODS, INC.**

Mayor Bronaugh stated that the next item for consideration was the request of ConAgra Foods, Inc. for approval of a Tax Abatement agreement.

Bill Wellborn, who works for the Lufkin Economic Development Council, stated that it was his great pleasure to once again bring to Council’s attention a project that, in his opinion and the opinion of others, will significantly impact the economy of our great City. Mr. Wellborn stated that back in March, C. G. Maclin, Stephen Abraham, John Dunn of the Local Workforce Commission, and himself met with the vice presidents of ConAgra Foods, who told them that they had two underutilized plants within their division. One of the plants was located in Lufkin, Texas and the other one was located in the north. Mr. Wellborn stated that they laid out a couple of options to us. They said they had two – one was to close the Lufkin plant to move its equipment, machinery and product lines to the north or the second option was to close the northern plant and move their equipment, machinery and product lines to Lufkin. Mr. Wellborn stated that the Committee came back and drafted a point-by-point comprehensive list of reasons why they should expand in Lufkin, Texas. Mr. Wellborn stated that he arranged a meeting in the Governor’s office in Austin where the State Economic Development Department officials re-enforced their (the Committee’s) arguments for the Lufkin site. Mr. Wellborn stated that ConAgra took the Committee’s information and laid out a detailed spreadsheet comparing the pros and cons of each site over seven years. Mr. Wellborn stated that on May 7th local ConAgra plant manager Mike Faber and personnel manager, Keith New, announced their decision to expand the Lufkin plant with \$13 million in new equipment bringing a new roast beef product line into town and to employ about 125 Lufkinites, that is, if we are able to make good on our promise of an incremental property tax abatement phased in over the next 7 years. Mr. Wellborn stated that these events have led the Committee to this evening. Mr. Wellborn stated that the full board and executive board of the Economic Development Partnership and selected members of the Chamber of Commerce have reviewed ConAgra’s expansion plans and they humbly request Council’s consideration and approval tonight.

Mr. Wellborn introduced Mike Faber, Lufkin Plant Manager of ConAgra Food. Mr. Faber stated that he would answer any questions the Council may have.

In response to question by Councilmember Gorden, Mr. Faber stated that in addition to the City of Lufkin they had worked with Angelina County and Angelina College for Tax Abatement and are working with the Texas Workforce Commission for potential training grants that may be available through the State for new employees.

In response to question by Councilmember Robertson, Mr. Faber stated that the majority of all employment would come from this general area. Mr. Faber stated that they had not ruled out bringing in employees from outside the community but the majority of all new employees would be from within the community.

In response to question by Councilmember Robertson, Mr. Faber stated that there is always a possibility that they will bring in some management people from another facility or that they would bring in people with specific job skills.

In response to question by Councilmember Kuykendall, Mr. Faber stated that they have not identified any negatives or downsides to the expansion.

Councilmember Langston stated that he appreciates the hard work that has gone on not only on Mr. Faber's part, but also the economic development partnership, because it is a difficult task. Mr. Langston stated that being new on the Council he wanted to say that this is a small thing that the City can do to encourage economic growth in our city and he thinks that the Tax Abatement is a wonderful thing that is available through the city. Mr. Langston stated that it speaks well of the community to come together and try to make this thing happen for Texas and for Lufkin especially. Mr. Langston stated that he commended everyone involved on their hard work and thinks that it is going to show a better economic benefit than what we might be giving up initially.

In response to question by Councilmember Robertson, Mr. Maclin stated that in regard to water and sewer, the City has a sewer main and a lift station adjacent to that area. Mr. Maclin stated that staff has talked to ConAgra about possible infrastructure and a new street access for trucking, etc. as far as going through Texas Capital Fund or other state funded programs. Mr. Maclin stated that those are still potentially available based on the needs of the company.

Motion was made by Councilmember Lynn Torres and seconded by Councilmember R. L. Kuykendall that the Tax Abatement Agreement as requested by ConAgra Foods, Inc. be approved as presented, and based upon the recommendation of the City Planner that this Tax Abatement be approved subject to the mandatory notification period of the other taxing entities which will be made through May 23, 2003. A unanimous affirmative vote was recorded.

7. EXECUTIVE SESSION

Mayor Bronaugh recessed Regular Session at 5:16 p. m. to enter into Executive Session. Regular Session reconvened at 5:55 p.m. and Mayor Bronaugh stated that the Council had discussed real estate matters and appointments to the Planning & Zoning Commission.

8. CONDEMNATION OF PROPERTY – APPROVED – RIGHT-OF-WAY – GOBBLER'S KNOB ROAD – BROOKHOLLOW NO. 13

Mayor Bronaugh stated that the next item for consideration was condemnation of Lot 9, Block 1 of Brookhollow No. 13 for the purpose of road right-of-way from the addition to Gobbler's Knob Farm Road.

City Manager Maclin stated that the reconstruction of Copeland Drive along with utility replacements have accentuated the need for an additional outlet in the Brookhollow neighborhood. Mr. Maclin stated that as a result of the improvements staff has seen an increased need particularly for emergency access. Mr. Maclin stated that staff is seeking Council authorization to obtain a tract of property as outlined in the Council packet notes by the City Attorney and City Engineer.

There was discussion regarding the intersection at Live Oak and Old Union Road. Mayor Bronaugh stated that Bob Brown of Oncor had put a light at this intersection to make it a little more visible for oncoming traffic.

Motion was made by Councilmember Jack Gorden, Jr. and seconded by Councilmember R. L. Kuykendall that due to a serious public need Council authorizes the City Attorney to condemn this property to build a short street that would connect Bluebonnet to Gobblers Knob Road, and in addition Council would request a study by TxDOT for traffic concerns at Gobbler's Knob Road and the old Diboll Highway and the intersection of Live Oak and Old Union Road. A unanimous affirmative vote was recorded.

9. APPOINTMENT – TABLED – PLANNING & ZONING COMMISSION

Motion was made by Councilmember Lynn Torres and seconded by Councilmember Dennis Robertson that the appointment to the Planning & Zoning Commission be tabled until the next Council meeting. A unanimous affirmative vote was recorded.

10. CALENDAR NOTATIONS FROM MAYOR, COUNCILMEMBERS AND CITY MANAGER

City Manager Maclin stated that Council pictures would be taken at the first meeting in June.

City Manager Maclin stated that the DETCOG annual meeting would be Thursday, May 22 at the Civic center. Mr. Maclin stated that there would be a special presentation at 10:00 a.m. by the Innovation Group and RF Depot.

City Manager Maclin stated that Monday, May 26th is Memorial Day and is a City holiday.

City manager Maclin stated that at the Planning Retreat there was discussion of the potential of Council workshops prior to the Budget Workshop. Proposed workshops would include the US 59 TxDOT near term improvements and Economic Development Sales Tax. Possible workshop dates include June 11 and 12 and 24th and 25th.

11. There being no further business for consideration, meeting adjourned at 6:00 p.m.

ATTEST:


Atha Martin – City Secretary


Louis A. Bronaugh – Mayor