

**MINUTES OF THE REGULAR MEETING OF THE CITY COUNCIL OF THE CITY OF
LUFKIN, TEXAS HELD ON THE 1ST DAY OF MARCH, 2005**

On the 1st day of March 2005, 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 Bronaugh	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
Jack Gorden, Jr.	Councilmember, Ward No. 5
Paul L. Parker	City Manager
Renee Thompson	City Secretary
Robert Flournoy	City Attorney
Keith Wright	City Engineer
Kenneth Williams	Public Works Director
Don Hannabas	Director- Parks and Leisure Services
Larry Brazil	Police Chief
David Koonce	Director of Human Resources
Scott Marcotte	Asst. Police Chief
Doug Wood	Director of Accounting
Dorothy Wilson	City Planner
Jim Wehmeier	Director of Economic Development
Rhonda McLendon	Director of Animal Control
Beauford Chapman	Director of Inspection
Steve Poskey	Street Department, Superintendent
Harold Cottle	Lieutenant, Police Dept.

being present, and

Dennis Robertson	Councilmember, Ward No. 6
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being absent, when the following business was transacted:

1. The meeting was opened with prayer by Reverend Thomas Darr, Angel of Joy Lutheran Church.
2. Mayor Louis Bronaugh welcomed visitors present. Councilmember Lynn Torres recognized LHS students who were present satisfying their government class requirement.
3. **APPROVAL OF MINUTES**

Minutes of the Regular Meeting on February 15, 2005 were approved on a motion by Councilmember Lynn Torres, and seconded by Councilmember R. L. Kuykendall. A unanimous affirmative vote was recorded.

OLD BUSINESS:

4. **SECOND READING OF AN ORDINANCE AN ORDINANCE AMENDING SECTION 91.047: CONCERNING IMPOUNDED ANIMALS BEING HELD ON COMPLAINT; OF THE CODE OF ORDINANCES OF THE CITY OF LUFKIN; ESTABLISHING AN EFFECTIVE DATE AND REPEALING ALL ORDINANCES OR PARTS THEREOF IN CONFLICT HEREWITH**

Mayor Louis Bronaugh stated that the next item for consideration was the Second Reading of an Ordinance amending Section 91.047: concerning Impounded Animals Being Held on Complaint; of the Code of Ordinances of the City of Lufkin; establishing an effective date and repealing all Ordinances or parts thereof in conflict herewith. City Manager Paul Parker stated that Council had this item before them in the last meeting and added that this Ordinance would allow the City Municipal Courts to hold animals from being released to their owners until the Court has disposed of the case being filed.

Councilmember Rose Faine Boyd moved to approve on Second Reading an Ordinance amending Section 91.047: concerning Impounded Animals Being Held on Complaint; of the Code of Ordinances of the City of Lufkin; establishing an effective date and repealing all Ordinances or parts thereof in conflict herewith. Councilmember Lynn Torres seconded the motion. A unanimous affirmative vote was recorded.

NEW BUSINESS:

5. ISSUED A PROCLAMATION TO BROOKSHIRE BROS. FOR BEING AN EXEMPLARY CORPORATE SPONSOR OF FAMILY ENTERTAINMENT, PATRIOTISM, AND HOLIDAY ATMOSPHERE FOR THE CITIZENS OF LUFKIN, TEXAS.

Mayor Louis Bronaugh stated that the next item for consideration was the pleasure of being able to recognize individuals and companies that have done an outstanding job in affecting the quality of life for the Citizens of Lufkin. Mayor Bronaugh added that the City would issue a Proclamation to Brookshire Brothers for being an exemplary corporate sponsor of family entertainment, patriotism, and providing a holiday atmosphere for the citizens of Lufkin, Texas. Mayor Bronaugh then read the Proclamation to those in attendance and proclaimed March 1, 2005 as a day of recognition for Brookshire Brothers as an exemplary corporate sponsor of family entertainment, patriotism, and holiday atmosphere. Mayor Bronaugh then presented the Proclamation to Jack Gabriel, Executive Vice-President of Retail Operations for Brookshire Brothers along with Jerry Johnson, Chief Administrative Officer, Donny Johnson, Chief Financial Officer, Kevin Flanagan, Vice President of Marketing, Kim McClung, Director of Public Relations and Larry Negrón, Director of Petroleum.

Jack Gabriel, Executive Vice-President of Retail Operations, stated that Brookshire Brothers was surprised that the City was honoring their Company. Mr. Gabriel added that on behalf of Brookshire Brothers and the 6000 employees who work there, he was pleased to accept the award and thanked the City of Lufkin for honoring them. Mr. Gabriel stated that almost eleven years ago the Brookshire Family recruited him to come to work for them and during the first week he worked for the company a banquet was held to honor Eugene Brookshire as "Man of the Year". Mr. Gabriel added that when Mr. Brookshire accepted his plaque his words stayed with him forever. Mr. Gabriel stated that Mr. Brookshire's words were "Why would you honor someone for something they were supposed to do anyway?", and Mr. Gabriel added that the City of Lufkin was honoring Brookshire Brothers for something that they were supposed to do. Mr. Gabriel concluded that Brookshire Brothers is happy to be a part of this great city and county and happy that the City of Lufkin feels that way about them as they certainly feel that way about the City.

Mayor Bronaugh stated that Brookshire Brothers is a great asset to the City of Lufkin and always have been. Mr. Gabriel stated that Brookshire Brothers hopes to continue that tradition and added that Brookshire Brothers has plans for another program to begin in the Fall of 2005 and that more details would follow concerning the program. Mr. Gabriel stated that Brookshire Brothers had recently adopted the Ellen Trout Zoo and that on Friday, March 4, 2005 almost one hundred (100) Brookshire Brothers employees would be at the Zoo to help clean and do repair work to prepare the Zoo for the Spring Season. Mayor Bronaugh added that the City of Lufkin is proud of the Zoo and Brookshire Brothers and especially happy to bring the two together for the benefit of the citizens of Lufkin.

6. FIRST READING OF AN ORDINANCE AMENDING THE "FUTURE LAND USE" PLAN - APPROVED - FOR APPROXIMATELY EIGHT (8) ACRES OF LAND FRONTING ATKINSON DRIVE, BETWEEN HEMLOCK ROAD AND TRENTON STREET AS REQUESTED BY ROBERT MASSINGILL AND CARROLL JOHNSON.

Mayor Louis Bronaugh stated that the next item for consideration was to consider on First Reading an Ordinance amending the "Future Land Use" plan for approximately eight (8) acres of land fronting Atkinson Drive, between Hemlock Road and Trenton Street as requested by Robert Massingill and Carroll Johnson. City Manager Paul Parker stated that City Council usually receives both the request to amend the Master Plan along with the Zoning Request. City Manager Parker added that this request would just be to amend the Master Plan and if it is approved by the City Council a Zoning Request would more than likely follow in the near future. City Manager Parker stated that the Planning and Zoning Commission had reviewed the request and recommended to Council by unanimous vote to approve amending the Master Plan to classify the eight (8) acre area as commercial. City Manager Parker explained that the extent of the change would not involve the entire property but would be limited to 420 feet from the respective front property lines along Atkinson Drive, which would allow the rear of the property to serve as a buffer limited to "low density residential" use.

Councilmember R. L. Kuykendall moved to approve on First Reading the Ordinance amending the "Future Land Use" plan for approximately eight (8) acres of land fronting Atkinson Drive, between Hemlock Road and Trenton Street as requested by Robert Massingill and Carroll Johnson. Councilmember Don Langston seconded the motion. A unanimous affirmative vote was recorded.

7. PRESENTATION BY STEVE POSKEY, STREET DEPARTMENT SUPERINTENDENT CONCERNING THE STREET DEPARTMENT "STREET OVERLAY PROGRAM"

Mayor Louis Bronaugh stated that the next item would be a presentation by Steve Poskey, Street Department Superintendent concerning the Street Department "Street Overlay Program". City Manager Paul Parker stated that Steve Poskey had outlined, in the City Council's packet, the streets that the City of Lufkin proposes this year for the program divided by Ward, length, width and square footage along with an estimated cost and a total cost with anticipated labor. City Manager Parker pointed out the entry road to Kit McConnico Park that is in poor shape due to the recent construction and improvements that have been done in the Park. City Manager Parker added that Mr. Poskey would be happy to answer any questions that City Council may have concerning this Street Overlay Project. City Manager Parker explained that Steve Poskey provides the City of Lufkin Water and Sewer Department with a list of streets to be overlaid. City Manager Parker added that the Water and Sewer

Department then reviews the water and sewer lines, to determine if they are adequate under those streets. City Manager Parker stated that this prevents having to damage the previous overlay of the street. City Manager Parker added the City is looking in the next two (2) years to identify streets in really poor condition. The Water and Sewer Department would then determine which lines need replacing and do so that year. Then the Street Department would overlay the street the second year. City Manager Parker stated that streets recommended for overlay in the current Overlay Project have been reviewed and the water and sewer lines are in good condition.

Steve Poskey stated that City Staff had picked the lowest pavement condition index per Ward along with consideration that the water and sewer lines are in good condition. Mr. Poskey added that the entry to Kit McConnico would be a recycle. The City staff would stabilize the existing materials, make a base, and then overlay the street. Mr. Poskey stated that on Ratcliff, there would be concrete repair and added that the price for Ratcliff would be based on a contract price. Mr. Poskey then recommended that Council refer to other information provided in the Council's packets.

City Councilmember Don Langston asked Mr. Poskey if there was possibly enough traffic on Platt Road to consider widening the road. Mr. Poskey stated that Staff could investigate the possibility of widening the road but would involve more than just widening during overlay.

City Councilmember Langston also commented that he was concerned about condition of Deerfield. Mr. Poskey explained that the reason that several streets in Crown Colony had not been overlaid was due to the fact that there would be waterline replacements in those areas in the near future and the Street Department was waiting until that project is completed before beginning overlaying the streets.

Councilmember Jack Gorden asked for the City to consider beginning work on Ellis as soon as possible. Mr. Poskey explained that this street is also waiting on the waterline replacement before it could be overlaid.

City Manager Parker stated that Staff would continue working on the Overlay Project but will look at Ellis Street to consider beginning the work as soon as possible and also look at Platt Road to consider whether it needed to be widened and possibly redirect money to accomplish the widening if needed.

8. RESOLUTION AUTHORIZING AN AMENDMENT TO THE 2004/2005 OPERATING BUDGET - APPROVED - (BUDGET AMENDMENT NO. 12), PROVIDING FOR THE SUPPLEMENTAL APPROPRIATION OF FUNDS IN THE GENERAL FUND; AND PROVIDING AN EFFECTIVE DATE

Mayor Louis Bronaugh stated that the next item for consideration was to consider adopting a Resolution authorizing an Amendment to the 2004/2005 Operating Budget (Budget Amendment No. 12), providing for the supplemental appropriation of funds in the General Fund; and providing an effective date. City Manager Paul Parker stated that he would like to explain the three amendments that Council would consider during this Council meeting. City Manager Parker explained that last year the City was concerned that due to the economic development tax there would be a need to revise the reserve policy to twenty percent (20%) of the adopted Budget to be able to continue current City services. City Manager Parker added that due to revenues increasing and City departments holding their expenses, the City ended the year with \$851,904 more revenue than was originally anticipated. City Manager Parker stated that earlier in the year there had been several transfers that affected the General Fund. City Manager Parker added that Council had before them during this meeting three proposed amendments to the General Fund Budget. City Manager Parker explained that these amendments, if approved, would include the City Hall repairs, the Street Department Maintenance Program, and a Hotel/Motel Tax Audit. City Manager Parker stated that if Council approved the three amendments at this meeting, along with the previously approved amendments, there would be a balance of funds available in last year's revenues over expenditures in the amount of \$258,060. City Manager Parker explained that the year began with a Fund Balance of \$7,582,184. City Manager Parker added that the combination of the \$7,582,184 in Fund Balance along with the excess revenues of \$851,904 would leave a total Fund Balance of \$8,434,088. City Manager Parker explained that the reserve policy of twenty-five percent (25%) of the adopted General Fund Budget would be \$5,808,286 and added that if Council approved all of the amendments requested the Fund Balance would still exceed the requirement by \$2,031,958. City Manager Parker reminded Council that this is the first year that the General Fund will decrease by approximately \$800,000 to fund the economic development program. Therefore, Staff is looking at one time expenditures instead of repetitive expenses.

City Manager Parker stated that due to the number of problems that the City has experienced during this year with the drainage program, the City has had several major repairs that had to be addressed. City Manager Parker explained that the unplanned projects included the replacement of 360 feet of 36" culvert at Jones Park and 60 feet of 54" culvert and pavement repair on Live Oak. City Manager Parker stated that these two projects alone totaled \$31,000. City Manager Parker added that the City had also completed street modifications at Ellis and Gaslight Medical Parkway that came to a total of \$8,000. City Manager Parker stated that TCEQ recently completed an inspection of the Jones Park and Ellen Trout Lake dams that resulted in requiring the City to complete several miscellaneous repairs. City Manager Parker explained that the most expensive repair would be to the concrete spillway at Ellen Trout Lake dam. City Manager Parker stated that the estimate for these repairs would be approximately \$15,000. City Manager Parker concluded that all of the above mentioned projects along with some required maintenance for the remainder of the budget year would require an increase of \$58,000 to the Street Department Maintenance Budget.

Councilmember Jack Gorden asked how often TCEQ inspects the dams. Keith Wright, City Engineer, explained that TCEQ inspects every five (5) years but added that this was triggered by the repairs to the dams.

Councilmember Don Langston moved to adopt a Resolution authorizing an Amendment to the 2004/2005 Operating Budget (Budget Amendment No. 12), 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.

9. **CITY HALL BUILDING MAINTENANCE PROPOSAL AND A RESOLUTION AUTHORIZING AN AMENDMENT TO THE 2004/2005 OPERATING BUDGET - APPROVED - (BUDGET AMENDMENT NO. 11), PROVIDING FOR THE SUPPLEMENTAL APPROPRIATION OF FUNDS IN THE GENERAL FUND AND PROVIDING AN EFFECTIVE DATE**

Mayor Louis Bronaugh stated that the next item for consideration was the City Hall Building Maintenance Proposal and a Resolution authorizing an amendment to the 2004/2005 Operating Budget (Budget Amendment No. 11), providing for the supplemental appropriation of funds in the General Fund and providing an effective date. City Manager Paul Parker stated that Council had before them a detailed list of the proposed repairs and maintenance items for City Hall. City Manager Parker added that the most imperative of all of the items listed would be the roof replacement for City Hall. City Manager Parker explained that this item would cost approximately \$92,400. City Manager Parker added that regardless of all other items on the list, the roof repairs are the most important and asked Council to consider this item above all others. City Manager Parker then asked Beauford Chapman, Director of Inspection, to explain the proposal to the City Council.

Beauford Chapman presented a slide show to illustrate the need for numerous repairs to the City Hall structure. Mr. Chapman explained that City Hall is approximately twenty (20) years old and has had only minor repairs occurring since it was built in 1985. Mr. Chapman explained the repairs that needed to be done to the roof and EFIS siding. Mr. Chapman added that Staff also recommends that the City Hall exterior be cleaned, planters be patched, caulked, and cleaned, water outlets repaired, sidewalks repaired, the atrium cleaned, gypsum board ceiling repaired, atrium plants replaced, exterior tile replaced, data cables rerouted, work on aesthetics in administrative building, entrance area of the Police Department repaired, and Council Chambers veneer repaired. Mr. Chapman explained that there are many elements involved in the proposal as outlined in the City Council's packets.

City Manager Parker added that Keith Bickley would explain the Second Phase of the Proposal. Mr. Bickley stated that when he began working in Communications at the Lufkin Police Department there was one computer monitor and one radio console. Mr. Bickley explained that the Lufkin Police Department now has four computer monitors and the same radio console. Mr. Bickley stated that Lufkin is the most populated and busiest city in a twelve (12) county area. Mr. Bickley explained that the Communication Center handles approximately one hundred (100) "911" calls daily which is more than half of all of the other counties combined. Mr. Bickley added that the Communication Center takes over 40,000 emergency calls in one year. Mr. Bickley explained that even with the growth in technology, the Communication Center square footage has not grown and has resulted in a crowded and cluttered work area for dispatchers. Mr. Bickley also explained that due to the large volume of equipment there is a barrier between the dispatcher and the window that serves the public. Mr. Bickley explained that there are also problems with the large volume of cables and wiring in the area. Mr. Bickley concluded that the Communication Center for the Police Department really needed to be renovated and asked City Council to consider the request for Phase II of the Proposal.

City Manager Paul Parker added that there is money available to fund both Phase I and Phase II and would like City Council to consider both.

Councilmember Jack Gorden asked if the Staff had considered future space planning. City Manager Parker explained that Staff had indeed considered the future needs for City Hall and the Police Department and added that Phase III would address some of the need for additional space in the Police Department. City Manager Parker added that City Hall is in relatively good shape where space is concerned but the real need lies in the Police Department. City Manager Parker stated that Staff had even considered moving the Police Department to the Civic Center, if the City eventually builds a Convention Center and vacates that facility. Councilmember Gorden then asked about the possibility of building an Emergency Management Center. City Manager Parker explained that Staff had addressed this issue by planning to move the Human Resource Department to the now vacant area where the Purchasing Department was previously located. City Manager Parker stated that the vacated Human Resource Department would then be renovated to become the future Emergency Operations Center.

Councilmember Don Langston asked if the renovation of the entire Police Department should be considered as a separate item and in one phase instead of breaking it into two phases. Police Chief Larry Brazil explained that there is extensive work needing to be done to complete the entire renovation and would total approximately \$500,000. Chief Brazil explained that Phase II would total

approximately \$70,700 and would alleviate some immediate problems in the Communications Center and was badly needed. Chief Brazil added that dispatch would have to stay in the current location to be available to the public.

Councilmember Lynn Torres added that she would like to see a yearly maintenance allocation for City Hall. City Manager Parker agreed that ongoing maintenance is a realistic concern and should be addressed. Councilmember Don Langston stated that he wishes to see Council set up a "maintenance reserve" for City facilities. Councilmember Jack Gorden asked if the City's accounting system would give information on depreciation. City Manager Parker stated that other funds have money allocated for future needs but there has not been money set aside for building maintenance from the General Fund. Councilmember Langston added that there should be a "Maintenance Fund" earmarked for future repairs and needs for the facility.

Councilmember Lynn Torres moved to approve the City Hall Building Maintenance proposal to include Phases I and II and adopt the Resolution authorizing an amendment to the 2004/2005 Operating Budget (Budget Amendment No. 11), providing for the supplemental appropriation of funds in the General Fund and providing an effective date. City Manager Parker noted that the amount for the Budget Amendment No. 11 would then come to a total of \$355,700. Councilmember Rose Faine Boyd seconded the motion. A unanimous affirmative vote was recorded.

10. RESOLUTION AUTHORIZING AN AMENDMENT TO THE 2004/2005 OPERATING BUDGET - APPROVED - (BUDGET AMENDMENT NO. 13) PROVIDING FOR THE SUPPLEMENTAL APPROPRIATION OF FUNDS IN THE GENERAL FUND; AND PROVIDING AN EFFECTIVE DATE AND AUTHORIZE THE CITY MANAGER TO ENTER INTO CONTRACT WITH MBIA MUNI-SERVICES COMPANY TO PERFORM A HOTEL OCCUPANCY TAX AUDIT

Mayor Louis Bronaugh stated that the next item for consideration was to adopt a Resolution authorizing an Amendment to the 2004/2005 Operating Budget (Budget Amendment No. 13) providing for the supplemental appropriation of funds in the General Fund; and providing an effective date and authorize the City Manager to enter into contract with MBIA Muni-Services Company to perform a Hotel Occupancy Tax Audit. City Manager Paul Parker stated that the City has not recently conducted an audit of our existing hotels and motels. City Manager Parker explained that most cities have audits of the hotel and motel properties to ensure that adequate funds due to the City are being transmitted to the City. City Manager Parker stated that MBIA MuniServices Company would provide this service for \$9,000 and added that Staff recommends that Council authorize the City to enter into contract with MBIA MuniServices to perform the hotel occupancy tax audit. City Manager Parker added that based on other cities' past histories, this amount will be recouped in addition to revenues identified through the audit.

Councilmember Don Langston commented that he thinks the audit is a bargain for \$9,000 and agreed the audit should be done. Councilmember Jack Gorden asked if there were currently any properties in arrears. City Manager Parker stated that there is one property that has been a repetitive problem for at least two years. Councilmember Rose Faine Boyd asked if the accounts were received monthly. City Manager Parker explained that accounts were to be paid quarterly.

Councilmember Rose Faine Boyd moved to adopt a Resolution authorizing Amendment to the 2004/2005 Operating Budget (Budget Amendment No. 13) providing for the supplemental appropriation of funds in the General Fund; and providing an effective date and authorize the City Manager to enter into contract with MBIA Muni-Services Company to perform a Hotel Occupancy Tax Audit. Councilmember Jack Gorden seconded the motion. A unanimous affirmative vote was recorded.

11. BID FOR REPLACEMENT OF BOILER/CHILLER - APPROVED - FOR POLICE DEPARTMENT

Mayor Louis Bronaugh stated that the next item for consideration was a bid for the replacement of the boiler/chiller for the Police Department. City Manager Paul Parker stated that the City received two bids for the replacement of the chiller and boiler system that serves the Police Department. City Manager Parker added that the low bidder for this project was Ferrara's Heating and Air Conditioning in the amount of \$63,275. City Manager Parker explained that the construction budget allocated for this project was \$65,035; therefore this bid would be under the budget appropriations and that Staff recommended awarding the bid to Ferrara's Heating and Air Conditioning.

Councilmember Lynn Torres moved to approve the bid for replacement of the boiler/chiller for the Police Department. Councilmember R. L. Kuykendall seconded the motion. A unanimous affirmative vote was recorded.

12. BID - APPROVED - FOR KILN STREET ELEVATED TANK REHABILITATION

Mayor Louis Bronaugh stated that the next item for consideration was the bid for Kiln Street elevated tank rehabilitation. City Manager Paul Parker stated that TCEQ had recently notified the City that there are two elevated storage tanks that the City of Lufkin needs to repaint. City Manager Parker added that the tanks at Kiln Street would be painted this year, if approved by Council. City Manager

Parker stated that there is \$228,000 budgeted for this project with the apparent low bidder being Cherokee Painting and Sandblasting with a total bid of \$175,000. City Manager Parker explained that the bid includes the repair of pitted surfaces, removal of the existing paint system, surface preparation, disposal of contaminated lead paint, shrouding of tank exterior, new coating system, cathodic protection equipment, painting of City logo and hatch/ladder repair. City Manager Parker added that there would also be an additional cost of \$25,000 for a new antenna to be placed in the vicinity of the Animal Control Department, because almost half of the City's system operates off of the antenna on the Kiln Street Water Tank. City Manager Parker explained that the antenna would be replaced as part of the total cost of the project to prevent losing communication during the repainting of the water tank. City Manager Parker added that Staff recommends awarding the contract for rehabilitation of the Kiln Street elevated tank to Cherokee Painting and Sandblasting in the amount of \$175,000.

Councilmember Don Langston asked where Cherokee Painting and Sandblasting is located. Keith Wright, City Engineer, explained that they are out of Jacksonville, Texas. City Manager Parker explained that there were some initial concerns with this particular company but Staff has addressed the past issues and concerns. Councilmember Langston asked how often the elevated tanks must be repainted. Mr. Wright explained that a good paint job on the elevated tanks should last approximately ten (10) to twelve (12) years. Mr. Wright added that this particular tank had never been sandblasted to the bare metal and this tank has several coats that include some lead paint and that there would be some regulations that the City would have to follow to remove the lead paint. Mayor Louis Bronaugh asked Mr. Wright about replacing the City's logo on the side of the tank. Mr. Wright explained that the City's logo would be repainted exactly as it was on the side of the tank.

Councilmember Rose Faine Boyd moved to approve the bid for Kiln Street elevated tank rehabilitation. Councilmember Don Langston seconded the motion. A unanimous affirmative vote was recorded.

13. PUBLIC HEARING AND AUTHORIZE STAFF TO APPLY FOR THE U. S. DEPARTMENT OF JUSTICE, "2005 JUSTICE ASSISTANCE GRANT" - APPROVED

Mayor Louis Bronaugh stated that the next item for consideration was to conduct a Public Hearing and authorize Staff to apply for the U. S. Department of Justice, "2005 Justice Assistance Grant". City Manager Parker stated that the City of Lufkin has received grants from the Local Law Enforcement Block Grant through the Department of Justice. City Manager Parker explained that these grants are now referred to as the Justice Assistance Grants and no longer require a local match. City Manager Parker added that the City must open a Public Hearing and then authorize Staff to apply for Justice Assistance Grant in the amount of \$23,250, which will allow the Police Department to purchase \$4000 worth of community-based policing materials and \$19,250 worth of specialized tactical team equipment.

Mayor Bronaugh then opened the Public Hearing concerning the U. S. Department of Justice, "2005 Justice Assistance Grant" at 6:08 p.m. Mayor Bronaugh then asked the audience for comments or anyone wishing to speak about this grant. Mayor Bronaugh again asked those attending the Council Meeting if there was anyone who wanted to speak concerning the grant. Mayor Bronaugh then closed the Public Hearing at 6:09 p.m.

Councilmember Lynn Torres moved to authorize Staff to apply for the U. S. Department of Justice, "2005 Justice Assistance Grant". Councilmember R. L. Kuykendall seconded the motion. A unanimous affirmative vote was recorded.

14. ACCEPT A GRANT FROM THE PINEWOODS FOUNDATION FOR A COVER FOR THE SPRAY PLAY PAD AT CHAMBERS PARK

Mayor Louis Bronaugh stated that the next item for consideration was to accept a grant from the Pineywoods Foundation for a cover for the spray play pad at Chambers Park. City Manager Paul Parker stated that the Pineywoods Foundation approached Don Hannabas, Parks and Leisure Services Director, about providing a grant for a project for the City of Lufkin. City Manager Parker explained that Mr. Hannabas put together a request for the cover for the spray play pad at Chambers Park and it totaled approximately \$33,000 but was more than the Pineywoods Foundation could offer at that time. City Manager Parker added that the Pineywoods Foundation asked Mr. Hannabas to resubmit the proposed request again this year and the Foundation approved funding of one-half of the request, or \$16,500, with the balance to be provided by other funding sources. City Manager Parker stated that the type material that would be used in the spray play cover would be similar to the cover over the new playground at First Christian Church. City Manager Parker explained that Mr. Hannabas is requesting that Council accept the donation and authorize him to raise the remaining \$16,500 needed to complete the project. City Manager Parker added that in the event the funds were not raised, the Staff would then have to request Council to fully fund the additional amount needed for the project.

Don Hannabas, Parks and Leisure Services Director, stated that as previously reported in monthly reports, the Parks and Recreation Department is working with the Landscape Task Force to do some renovations at Chambers Park. Mr. Hannabas explained that the Landscape Task Force had suggested, at a meeting held earlier that day, that they could possibly assist with raising the \$16,500 needed to complete the spray play cover project. Mr. Hannabas added that the Landscape Task Force would actually consider assisting with this project at the next planning meeting for Chambers Park the following Monday. Mr. Hannabas explained that the Angelina Rotary Club also indicated an interest

in funding this project. Mr. Hannabas added that the Park Board would also be looking at the project on Monday evening and would have recommendations as well.

Councilmember Don Langston asked if the City had already accepted the grant. City Manager Parker explained that the City has not accepted the grant and acceptance was what was before Council on this agenda item. Councilmember Rose Faine Boyd suggested waiting to decide until information is received from the Park Board. Mr. Hannabas added that he felt confident that the City would receive the additional money from other sources. Councilmember Don Langston expressed a concern about the true cost of this project without knowing the interest from other sources for the matching funds. Councilmember Jack Gorden stated that his view would be that the City could return the money if the matching funds were not raised.

Councilmember Rose Faine Boyd moved to table accepting a grant from the Pineywoods Foundation for a cover for the spray play at Chambers Park until further information could be supplied to the City Council. Councilmember Don Langston seconded the motion. The following vote was recorded:

Aye: Council Members Boyd, Langston, Kuykendall, and Mayor Bronaugh

Nay: Council Members Gorden and Torres

The motion carried with four affirmative votes.

Councilmember Lynn Torres then commented that her concern would be that City Council is sending a message to the Pineywoods Foundation that Council does not welcome their money and that Council is not in support of the grant and project. Councilmember Torres asked what would make the other entities want to support the project with funds if the Council did not also support the project. Councilmember Don Langston added that he only wanted to give the volunteers the opportunity to show what they could raise, and then Council would understand what would be needed to make up the additional funds. Councilmember Langston explained that he wanted to make sure that his second to the motion to table this item would not be construed as negative attitude for the project, but more as allowing the time for the volunteers to address what they could contribute. Councilmember Rose Faine Boyd added that she echoed those same sentiments and that her only concern would be the City not be liable for the additional \$16,500. Councilmember Jack Gorden expressed concerns about the City refusing to accept the money due to the fact that there were no conditions for the City of Lufkin to be obligated. Councilmember Langston added that he understood that if the funds were not raised the City would then come forward to make up the difference. Councilmember Langston added that if the funds were not raised, he would still be in favor of the project but wanted more information before accepting the grant. Councilmember Jack Gorden asked Don Hannabas if his intention was for the City to have to come forth with the money. Mr. Hannabas stated that as indicated in his letter, it would be a last resort. Councilmember Gorden stated that he could not remember the City Council ever turning down grant money. Councilmember Gorden added that he could understand setting conditions that the City would not obligate funds, but he could not remember a time where the City said they would raise the matching funds and then agree to take the money. Mr. Hannabas stated that at the time he filed the application, he did not know that the Pineywoods Foundation would give the City half of the money needed for the project. Mr. Hannabas added that when the application was reviewed and the Pineywoods Foundation's offer was half, he felt like the additional money could be raised. Councilmember Langston added that if the funds were not raised he would still support moving forward with the project and that he did not want to indicate in any way that the offer was rejected. Mr. Hannabas stated that he would bring the information and a plan to the Council as requested.

15. RESOLUTION IN SUPPORT OF A STATUTORY INCREASE IN THE PRODUCTION FEE – APPROVED - CHARGED BY THE PINEYWOODS GROUNDWATER CONSERVATION DISTRICT.

Mayor Louis Bronaugh stated that the next item for consideration was to adopt a Resolution in support of a statutory increase in the production fee charged by the Pineywoods Groundwater Conservation District. City Manager Paul Parker stated that the Pineywoods Groundwater Conservation District is requesting the cities of Lufkin and Nacogdoches and the counties of Angelina and Nacogdoches to support a Resolution to Senator Staples to introduce legislation that would give them the capability to raise their cap from \$.01 to \$.025, per thousand gallons, for the operation of the Pineywoods Conservation District. City Manager Parker added that Nacogdoches County had approved the Resolution on February 28, 2005 and the City of Nacogdoches had it on their Council agenda for their March 1, 2005 meeting also. City Manager Parker stated that Angelina County would introduce it to their Commission next month. City Manager Parker added that if all entities concur, then Senator Staples would introduce legislation giving them this capability. City Manager Parker stated that Keith Wright, City Engineer, represents the City of Lufkin on the Pineywoods Groundwater District Board. City Manager Parker explained that the City of Lufkin is the largest contributor to the operation. City Manager Parker added that the Pineywoods Groundwater District would not necessarily raise their fees to \$.025 but would like the capability to do so in the future. City Manager Parker explained that the Groundwater District is currently operating on a minimum amount of funds and has only one employee.

Keith Wright, City Engineer, explained that most groundwater districts have a cap of \$.04 to \$.05 or are tax based. Mr. Wright explained that when this Groundwater District was formed they did not want any taxation capabilities and they had initially tried to cut the amount to be as close as possible to

what was needed for operations. Mr. Wright added that they had cut the funds so close that they are struggling to stay afloat and still implement the management plan that is mandated by State law.

Councilmember Don Langston asked what amount was budgeted for the Groundwater District. Mr. Wright stated that the budget was \$75,000. Mayor Louis Bronaugh asked if the Groundwater District would have to have the City of Lufkin City Council's approval in order to raise their rates. Mr. Wright stated that they would not, but that he is the representative for the City of Lufkin and would vote as Council and the City Manager directed. Mr. Wright explained that revenue had dropped \$35,000 in one year and had left the Groundwater District with tight funds. Mayor Louis Bronaugh stated that he believes the Groundwater Conservation District to be an excellent organization and that the District controls the groundwater in our area which is extremely important. Mr. Wright explained the responsibilities and functions of the Groundwater District.

Councilmember Lynn Torres moved to adopt a Resolution in support of a statutory increase in the production fee charged by the Pineywoods Groundwater Conservation District. There was no second and the motion died for lack of a second.

Mr. Wright then explained that if the Groundwater Conservation District is not able to fulfill their obligations and the District was no longer in place, then a State Groundwater District would be put in charge of the groundwater for our area. Mr. Wright added that if the State were in charge, the City of Lufkin would have to deal with their regulations and expenses. Mr. Wright said the local influence could possibly be lessened and the State would have control of the groundwater in this area. Councilmember Jack Gorden asked if the District could cut funds from the current budget. Mr. Wright clarified that the current budget had been cut and the District is currently operating with only one employee for working in both the field and office. Mr. Wright gave further details about the advantages and benefits of having a locally controlled groundwater district. Mr. Wright explained that there were several laws that will probably be implemented this session that will affect groundwater districts. Mr. Wright added that water is fast becoming the primary focal point, other than education, within the State of Texas. Mr. Wright explained that in the year 2040 there are expectations of water shortages around the state and explained that water is going to be a priority and expectations are that there will be battles fought over the "rule of capture" or rights you have to water under your property. Mr. Wright explained that there are many companies coming in that are looking to buy property, taking the water out of the ground, and selling and exporting water from water wealthy areas. Mr. Wright added that they could buy property next to City of Lufkin wells and pump the water and transport it out in trucks and sell it. Mr. Wright stated that there are currently battles being fought over that specific item in West Texas. Mr. Wright concluded that the purpose of the Groundwater Conservation District is to protect the water in our area and has some regulations for exporting and some fees that could be implemented when someone takes water out of this area.

Councilmember Gorden asked about the expenses in the Groundwater Conservation District's budget. Mr. Wright explained that a majority of the expense are salary and benefits for one employee with some training, a vehicle, and office supplies. Mr. Wright added that the budget is tight, with nothing frivolous, and that he would be happy to provide City Council with a copy of the Groundwater Conservation District's budget and that he would be happy to listen to all of the City Council's concerns.

Councilmember Lynn Torres moved to adopt a Resolution in support of a statutory increase in the production fee charged by the Pineywoods Groundwater Conservation District. Councilmember Jack Gorden seconded the motion. The following vote was recorded:

Aye: Council Members Torres, Gorden, Boyd, Kuykendall, and Mayor Bronaugh

Nay: Councilmember Langston

The motion carried with five affirmative votes.

16. REPORT FROM PAUL PARKER, CITY MANAGER

Mayor Louis Bronaugh stated that the next item for consideration was a report from Paul Parker, City Manager.

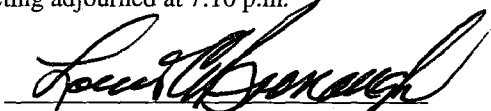
City Manager Paul Parker stated that the monthly Firemen's Pension Fund Board information is included in the Council's packet and offered to answer any questions the Council may have concerning this information. City Manager Parker added that the information also included a letter and newspaper article that points out that the Firemen's Fund may never be vested. City Manager Parker explained that with a change in the law, the responsibility was placed on the City. City Manager Parker added that the committee is working diligently to minimize these long term liabilities.

17. Mayor Louis Bronaugh recessed the Regular Session at 6:46 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 demolition of buildings may be discussed.

Mayor Louis Bronaugh reconvened the Regular Session at 7:09 p.m. City Attorney Bob Flournoy stated that during Executive Session, Council discussed demolition of buildings located at 706 Weaver and 1815 Culverhouse Street and that staff requests authorization to demolish the buildings and file a lien against the property for the cost of the demolition. Councilmember Rose Faine Boyd moved to approve the demolition of the buildings. Councilmember R. L. Kuykendall seconded the motion. A unanimous affirmative vote was recorded.

18. City Manager Paul Parker reminded Council that on March 24, 2005 at 7:00 p.m. the Angelina County Citizens Chamber of Commerce would hold its annual banquet at the Hope Center and asked Council to let the City Secretary know if they planned to attend. City Manager Parker added that on Friday, March 4, 2005, at 12:00 noon, the First Friday Luncheon would be held at Crown Colony Country Club and noted that the keynote speaker would be Kirk A. Calhoun, President of the University of Texas Health Center at Tyler.
19. There being no further business for consideration, the meeting adjourned at 7:10 p.m.


Louis A. Bronaugh - Mayor

ATTEST


Renee Thompson - City Secretary