MINUTES OF THE REGULAR MEETING OF THE CITY COUNCIL OF THE CITY OF LUFKIN, TEXAS HELD ON THE 6TH DAY OF MARCH, 2007

On the 6th day of March, 2007, 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
Phil Medford	Councilmember, Ward No. 6
Paul L. Parker	City Manager
Robert Flournoy	City Attorney
Renee Thompson	City Secretary
Larry Brazil	Police Chief
Scott Marcotte	Asst. Police Chief
Pete Prewitt	Fire Chief
Dorothy Wilson	Planning Director
Steve Poskey	Street Department, Superintendent
Steve Floyd	Solid Waste and Recycling Director
Barbara Thompson	Main Street Director
Randy Innerarity	Fleet Maintenance Director
Jim Wehmeier	Economic Development Director
Scott Rayburn	City Planner
Linda Parker	Economic Development
Jeff Canterbury	TAC Americas, Inc.

being present, and

Rufus Duncan	Councilmember, Ward No. 5
Keith Wright	Asst. City Manager

being absent, when the following business was transacted:

1. The meeting was opened with prayer by City Attorney Bob Flournoy.

2. Mayor Jack Gorden 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 20th, 2007 were approved on a motion by Councilmember Lynn Torres, and seconded by Councilmember Rose Faine Boyd. A unanimous affirmative vote was recorded.

OLD BUSINESS:

4. **PUBLIC HEARING AND SECOND READING OF AN ORDINANCE OF THE CITY OF LUFKIN, TEXAS - APPROVED - BY GRANTING A "SPECIAL USE" PERMIT FOR A COMMUNICATIONS TOWER ON APPROXIMATELY .5 ACRES ZONED "CENTRAL BUSINESS" DESCRIBED AS TRACT 69 OF THE J.L. QUINALITY SURVEY, ABSTRACT 40 AND MORE COMMONLY KNOWN AS 206 ANGELINA STREET**

Mayor Jack Gorden stated that the next item for consideration was a Public Hearing and Second Reading of an Ordinance of the City of Lufkin, Texas by granting a "Special Use" Permit for a Communications Tower on approximately .5 acres zoned "Central Business" described as Tract 69 of the J.L. Quinality Survey, Abstract 40 and more commonly known as 206 Angelina Street. Mayor Gorden then requested comments from City Manager Paul Parker.

Mayor Gorden opened the Public Hearing at 5:09 p.m.

City Manager Paul Parker stated that this was the second reading of this item and unless Council had any specific questions in regard to the item, Staff would recommend approval.

Mayor Gorden reiterated that a Public Hearing in relation to the item was open and requested that anyone who wished to speak on the item to come forward. There appearing to be no one who wished to speak, Mayor Gorden closed the Public Hearing at 5:10 p.m.

Councilmember Don Langston moved to approve the Second Reading of the Ordinance of the City of Lufkin, Texas by granting a "Special Use" Permit for a Communications Tower on approximately .5 acres zoned "Central Business" described as Tract 69 of the J.L. Quinality Survey, Abstract 40 and more commonly known as 206 Angelina Street. Councilmember Lynn Torres seconded the motion. A unanimous affirmative vote was recorded.

5. **SECOND READING OF AN ORDINANCE CALLING AND ORDERING A GENERAL ELECTION FOR THE CITY OF LUFKIN, TEXAS TO BE HELD AT TWO POLLING PLACES IN LUFKIN, TEXAS – APPROVED - ON MAY 12, 2007 BETWEEN THE HOURS OF 7:00 A.M. AND 7:00 P.M. FOR THE PURPOSE OF ELECTING A COUNCILMEMBER FOR WARD 1 AND A COUNCILMEMBER FOR WARD 3, FOR THREE YEAR TERMS, AND PROVIDING FOR THE NECESSARY NOTICES, AND FIXING THE DATE**

Mayor Jack Gorden stated that the next item for consideration was the Second Reading of an Ordinance calling and ordering a General Election for the City of Lufkin, Texas to be held at two polling places in Lufkin, Texas on May 12, 2007 between the hours of 7:00 a.m. and 7:00 p.m. for the purpose of electing a Councilmember for Ward 1 and a Councilmember for Ward 3, for three year terms, and providing for the necessary notices, and fixing the date. Mayor Gorden then requested comments from City Manager Paul Parker.

City Manager Parker stated that this item was to set the General Election for May12, 2007 for Ward 1 and 3.

Mayor Gorden then requested comments and/or motions from the Council.

Councilmember Rose Faine Boyd moved to approve the Second Reading of the Ordinance calling and ordering a General Election for the City of Lufkin, Texas to be held at two polling places in Lufkin, Texas on May 12, 2007 between the hours of 7:00 a.m. and 7:00 p.m. for the purpose of electing a Councilmember for Ward 1 and a Councilmember for Ward 3, for three year terms, and providing for the necessary notices, and fixing the date. Councilmember R. L. Kuykendall seconded the motion. A unanimous affirmative vote was recorded.

NEW BUSINESS

6. **SECOND PUBLIC HEARING FOR THE PROPOSED ANNEXATION OF APPROXIMATELY 152 ACRES LOCATED NEAR EAST LOOP 287 BETWEEN HWY 103 EAST AND OLD MOFFETT ROAD**

Mayor Jack Gorden stated that the next item for consideration was the second Public Hearing for the proposed annexation of approximately 152 acres located near East Loop

287 between Hwy 103 East and Old Moffett Road. Mayor Gorden then requested comments from City Manager Paul Parker.

Mayor Gorden opened the public hearing at 5:12 p.m.

City Manager Parker requested that Dorothy Wilson, Planning Director explain the annexation procedure to the Council.

Dorothy Wilson stated that the annexation process in place was the procedure required by the State of Texas. Ms. Wilson then defined the area to be annexed on the map and stated that the basis for the annexation was to continue to achieve the Council's goals in regard to planning for the City's future and economic development. Ms. Wilson further explained that the property to be annexed was specifically for the development of an industrial park and that the property to be annexed included properties between the proposed industrial park site and the current City limits. Ms. Wilson stated that the City would be following the standard annexation timeline of one hundred thirty-six (136) days, with the two (2) Public Hearings currently being conducted, to be followed with two (2) Readings of the Annexation Ordinance. Ms. Wilson further stated that Planning staff had sent out all necessary information to all property owners affected, developed the service plan, as well as informed property owners of the City services that would be available to them. Ms. Wilson stated that in summary the annexation would include one hundred fifty-two (152) acres, and would be a major investment for the community and the growth of the City and that there would be no major cost for the annexation. Ms. Wilson then asked for any questions.

Mayor Gorden stated that a Public Hearing in relation to this item was open and requested that anyone who wished to speak on this item to please come forward. There appearing to be no one who wished to speak, Mayor Gorden closed the Public Hearing at 5:14 p.m.

7. **AUTHORIZATION FOR TAC AMERICAS, INC. TO PERFORM AN ENERGY AUDIT – TABLED - FOR THE CITY OF LUFKIN**

Mayor Jack Gorden stated that the next item for consideration was authorizing TAC Americas, Inc. to perform an energy audit for the City of Lufkin. Mayor Gorden then requested comments from City Manager Paul Parker.

City Manager Parker stated that over the past few months Staff had reviewed several proposals from companies to perform an energy audit on the City and was pleased to present the request to authorize TAC Americas, Inc. to perform the audit on several City buildings to determine the savings in the City's energy use. City Manager Parker further stated that TAC had performed a preliminary audit on the City and believed that there were significant areas of savings in relation to energy use in the approximate amount of one hundred twenty thousand dollars ($120,000) which would be used to implement changes to increase the energy efficiency of the City. City Manager Parker explained the cost of the detailed audit, if approved, would be in the amount of twenty-eight thousand five hundred dollars ($28,500), and that if the measures recommended were put into place, that the savings from the measures, would cover the cost of completing them. City Manager Parker then introduced Jeff Canterbury with TAC to further explain this item.

Mr. Jeff Canterbury, TAC Americas, Inc. began by expressing his appreciation to City staff and Council for the opportunity to present the information in relation to the energy audit proposal. Mr. Canterbury gave a brief history of TAC and its location and stated that TAC had performed over one hundred (100) energy audit contracts in the State of Texas. Mr. Canterbury stated that over the last four (4) years, along with assistance of Keith Wright, Assistant City Manager, a preliminary energy audit had been conducted and then detailed some of the areas of the audit. Mr. Canterbury stated that the project would be paid for by the savings generated from installing the improvements. Mr. Canterbury explained that there were projects that would provide quick savings, such as lighting retrofits; and that the project would use these savings to offset the expenditures of longer pay back items, such as HVAC (heating vent and air conditioning) improvements, window or roof systems or power systems, but that over all the concept was to combine these projects for an overall savings. Mr. Canterbury stated that TAC would guarantee that the savings would cover the cost of all improvements for the City and should the savings fall short of the amount projected, TAC would cover the shortage amount. Mr. Canterbury stated that TAC had implemented projects in numerous cities in the State of Texas including Dallas, Carrollton, and Harlingen and highlighted the savings achieved for these cities and that currently TAC had just completed performing a detailed energy study for the Lufkin State School and installation should begin soon. Mr. Canterbury explained some of the reasons for completing energy audits, including offsetting electric rate increases, the City showing an interest in the environment and potentially being an energy star rated City. Mr. Canterbury highlighted some areas of the proposed audit and plans and asked that Council approve moving forward with this project allowing the first phase to begin; the detailed energy audit and that this process would take about three (3) months to complete. Mr. Canterbury further explained that the approval only allowed to TAC to conduct the audit, not to move forward with suggested measures, and that those measures would be presented for approval once the audit was completed. Mr. Canterbury then asked for any questions pertaining to his presentation.

Councilmember Don Langston questioned whether or not usage restrictions would be part of the audit recommendations and stated that the City did not want to be too conservative on the usage restrictions and that the operation requirements were of interest in the decision to move forward.

Mr. Canterbury replied that operational efficiency would be included in the audit and that a baseline parameter would have to be determined to discover how much money could be saved. Mr. Canterbury stated that TAC would work with City Staff to find out how the City currently operates and use that information for the audit and help the City understand the cost impact of the daily operations.

City Manager Parker clarified this with an example using the library.

Mr. Canterbury reiterated that the audit was not to place usage restrictions on the City, but help the City with the overall energy consumption through both conservation and equipment changes.

Councilmember Langston stated that it appeared that the savings were in the details of the contract and that should Council choose to move forward, that Council and Staff should require a detailed contract for the project so that the City can clearly understand the obligations that the City would be subjected to.

Mayor Gorden stated that the City needed to pursue the idea, but requested further time, clarification, and information to explore and understand the options of the contract and the cost associated with the savings.

Councilmember Langston reiterated that the City needed to be very clear on what the expectations and obligations of the contract and project might be.

Mr. Canterbury explained that TAC had a long standing track record of positive project performance and that prior performance would be the best indicator of future performance and in that regard TAC would be able to deliver.

City Manager Parker stated that it did bear further investigation to show that the savings would be real and not on paper only and suggested tabling the item to allow Mr. Canterbury and Staff to provide a more detailed explanation.

Councilmember Don Langston moved to table authorizing TAC Americas, Inc. to perform an energy audit for the City of Lufkin. Councilmember Rose Faine Boyd seconded the motion. A unanimous affirmative vote was recorded.

8. <u>FIRST READING OF AN ORDINANCE AMENDING ORDINANCE NO. 3879 OF THE CITY COUNCIL OF THE CITY OF LUFKIN, TEXAS – APPROVED - ADOPTING RULES AND REGULATIONS HEREIN SET FORTH</u>

ESTABLISHING CERTAIN FLOOD PREVENTION AND MITIGATION MEASURES; PROVIDING FOR THE PROTECTION OF THE HEALTH AND SAFETY OF THE CITIZENS OF LUFKIN; PROVIDING A PENALTY FOR VIOLATION; CONTAINING A SAVINGS CLAUSE, A SEVERABILITY CLAUSE, AND A REPEALER CLAUSE; PROVIDING FOR PUBLICATION, CODIFICATION, AND AN EFFECTIVE DATE; AND CONTAINING OTHER PROVISIONS RELATING TO THE SUBJECT

Mayor Jack Gorden stated that the next item for consideration was the First Reading of an Ordinance amending Ordinance No. 3879 of the City Council of the City of Lufkin, Texas adopting rules and regulations herein set forth establishing certain flood prevention and mitigation measures; providing for the protection of the health and safety of the citizens of Lufkin; providing a penalty for violation; containing a savings clause, a severability clause, and a repealer clause; providing for publication, codification, and an effective date; and containing other provisions relating to the subject. Mayor Gorden then requested comments from City Manager Paul Parker.

City Manager Parker stated that the Ordinance was basically to adopt the new FEMA Flood Insurance Maps that had recently been received by the City.

Mayor Jack Gorden asked if the maps included changes that would affect City residents.

City Manager Parker explained that if residents were located in the flood areas, that there were certain insurance programs available to them and that residents could verify their location by viewing the maps in the City Engineering Department. City Manager Parker further explained that these maps were also essential in development.

Mayor Gorden asked if the maps could be viewed online.

City Manager Parker stated that they would eventually be available for viewing online and that if any citizens were interested in viewing the maps they could contact the Engineering Department.

Councilmember Phil Medford questioned whether or not the maps included the recently annexed areas.

City Manager Parker stated that some areas were included, but not all of the annexed areas and that Staff would clarify which areas were included.

Councilmember Don Langston questioned as to whether the construction of the detention ponds had helped to mitigate the flood concerns.

City Manager Parker stated that the detention ponds had improved some flood areas.

Councilmember Phil Medford moved to approve the First Reading of the Ordinance amending Ordinance No. 3879 of the City Council of the City of Lufkin, Texas adopting rules and regulations herein set forth establishing certain flood prevention and mitigation measures; providing for the protection of the health and safety of the citizens of Lufkin; providing a penalty for violation; containing a savings clause, a severability clause, and a repealer clause; providing for publication, codification, and an effective date; and containing other provisions relating to the subject. Councilmember R.L. Kuykendall seconded the motion. A unanimous affirmative vote was recorded.

9. **RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LUFKIN, TEXAS – APPROVED - AUTHORIZING THE CITY OF LUFKIN TO ENTER INTO AN AGREEMENT WITH THE LUFKIN INDEPENDENT SCHOOL DISTRICT FOR THE PURPOSE OF CONDUCTING A JOINT ELECTION PURSUANT TO THE TEXAS ELECTION CODE, SECTION 271.002**

Mayor Jack Gorden stated that the next item for consideration was a Resolution of the City Council of the City of Lufkin, Texas authorizing the City of Lufkin to enter into an

Agreement with the Lufkin Independent School District for the purpose of conducting a joint election pursuant to the Texas Election Code, Section 271.002. Mayor Gorden then requested comments from City Manager Paul Parker.

City Manager Parker stated that this was to allow ease of voting for citizens and was regulated by the Texas Election Code and allowed for cities and school districts to hold joint elections. City Manager Parker further explained that this would cause the voting location of Ward No. 1 to be moved from the Museum of East Texas to the LISD Administration, Ward No. 2 from Dunbar school to Brandon Elementary, Ward No. 3 from Herty School to the Lufkin High School campus with the remaining Ward No. 4, 5, and 6 to remain at the same locations as in previous elections. City Manager Parker further explained that a copy of three agreement was included in the packet which detailed the obligations of both the City and the School District and that City Secretary Renee Thompson and Larry Parsons of LISD had developed the agreement and would also be responsible for conducting the elections.

Mayor Gorden stated that this should ease the voting procedures for the residents and encourage more residents to vote.

Councilmember Rose Faine Boyd questioned whether or not this would carry forward or would have to be done every year.

City Manager Parker answered that the agreement would carry forward and any modification would have to be agreed on by both entities.

Councilmember Rose Faine Boyd moved to approve the Resolution of the City Council of the City of Lufkin, Texas authorizing the City of Lufkin to enter into an Agreement with the Lufkin Independent School District for the purpose of conducting a joint election pursuant to the Texas Election Code, Section 271.002. Councilmember Don Langston seconded the motion. A unanimous affirmative vote was recorded.

10. **RESOLUTION AUTHORIZING AN AMENDMENT TO THE 2006/2007 OPERATING BUDGET (BUDGET AMENDMENT NO. 13), - APPROVED - PROVIDING FOR THE SUPPLEMENTAL APPROPRIATION OF FUNDS IN THE CONVENTION CENTER CAPITAL IMPROVEMENT FUND; AND PROVIDING AN EFFECTIVE DATE**

Mayor Jack Gorden stated that the next item for consideration was a Resolution authorizing an amendment to the 2006/2007 Operating Budget (Budget Amendment No. 13), providing for the supplemental appropriation of funds in the Convention Center Capital Improvement Fund; and providing an effective date. Mayor Gorden then requested comments from City Manager Paul Parker.

City Manager Paul Parker stated that just over a year ago the City of Lufkin was notified by Senator Kay Bailey Hutchinson's office that the City would receive a three hundred thousand dollar ($300,000) grant to go toward the planning and development of a Civic Center for the City of Lufkin. City Manager Parker added that due to the recent one percent (1%) reduction for the war effort, the amount was now two hundred ninety-seven thousand dollars ($297,000) that the City of Lufkin would actually receive. City Manager Parker explained that Staff had not budgeted the funds and would now need a Budget Amendment to be able to expend any of the money. City Manager Parker stated that the grant had been divided into fifty-nine thousand dollars ($59,000) for engineering, environmental, architectural, surveying and other administrative fees and two hundred thirty-eight thousand dollars ($238,000) for land acquisition for the preliminary budget. City Manager Parker added that obviously the preliminary budget could be modified by additional action by the City Council. City Manager Parker stated that Staff recommended that the City Council authorize the staff to accept the grant of two hundred ninety-seven thousand dollars ($297,000) and approve Budget Amendment No. 13, which would establish a budget item for the expenditure of funds.

Councilmember R. L. Kuykendall moved to approve the Resolution authorizing an amendment to the 2006/2007 Operating Budget (Budget Amendment No. 13), providing for the supplemental appropriation of funds in the Convention Center Capital Improvement Fund; and providing an effective date. Councilmember Don Langston seconded the motion. A unanimous affirmative vote was recorded.

11. PURCHASE OF A 2007 FORD F350 ONE TON PICKUP – APPROVED - WITH UTILITY BODY FOR THE STREET DEPARTMENT

Mayor Jack Gorden stated that the next item for consideration was the purchase of a 2007 Ford F350 one ton pickup with utility body for the Street Department. Mayor Gorden then requested comments from City Manager Paul Parker.

City Manager Parker stated that this item was part of the ongoing Amortization Program. City Manager Parker added that there was initially twenty-five thousand dollars ($25,000) budgeted for the unit but that the actual cost of the unit would be thirty thousand one hundred nineteen dollars and eighty-eight cents ($30,119.88). City Manager Parker explained that the purchase would include four hundred eighty-nine dollars and eighty-eight cents ($489.88) for the BuyBoard administrative fee. City Manager Parker stated that the difference from the budgeted amount to the purchase cost would be taken from the Amortization Fund Balance. City Manager Parker added that the unit would be for the Street Department and was a 2007 Ford F350 one ton pickup with the utility body and that Staff recommended it to the Council for approval.

Councilmember Don Langston asked if the City was retiring a vehicle from the fleet. City Manager Parker stated that a vehicle would be retired from the fleet. Councilmember Langston asked if the vehicle that was being retired had a utility body on it. Street Superintendent Steve Poskey stated that the vehicle did have a utility body. Councilmember Langston inquired if the utility body of that vehicle could be reused. Mr. Poskey stated that the present vehicle had outlived its useful life and that the utility body was in worse condition than the vehicle itself.

Councilmember Lynn Torres moved to approve the purchase of a 2007 Ford F350 one ton pickup with utility body for the Street Department. Councilmember Rose Faine Boyd seconded the motion. A unanimous affirmative vote was recorded.

12. RESOLUTION AUTHORIZING AN AMENDMENT TO THE 2006/2007 OPERATING BUDGET (BUDGET AMENDMENT NO. 14), - APPROVED - PROVIDING FOR THE SUPPLEMENTAL APPROPRIATION OF FUNDS IN THE ECONOMIC DEVELOPMENT CORPORATION FUND; AND PROVIDING AN EFFECTIVE DATE

Mayor Jack Gorden stated that the next item for consideration was a Resolution authorizing an amendment to the 2006/2007 Operating Budget (Budget Amendment No. 14), providing for the supplemental appropriation of funds in the Economic Development Corporation Fund; and providing an effective date. Mayor Gorden then requested comments from City Manager Paul Parker.

City Manager Parker stated that the City Council had authorized the City to purchase the land for the industrial park and the City borrowed four hundred thousand dollars ($400,000) for a three (3) year period. City Manager Parker stated that the interest was not budgeted at that time and that Budget Amendment No. 14 would provide the fifteen thousand five hundred eighty-nine dollars and ninety-five cents (15,589.95) for the two interest payments for 2007.

Councilmember Phil Medford moved to approve the Resolution authorizing an amendment to the 2006/2007 Operating Budget (Budget Amendment No. 14), providing for the supplemental appropriation of funds in the Economic Development Corporation Fund; and providing an effective date. Councilmember Lynn Torres seconded the motion. A unanimous affirmative vote was recorded.

13. Mayor Jack Gorden recessed the Regular Session at 5:50 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 6:29 p.m.

14. AUTHORIZE THE ECONOMIC DEVELOPMENT DIRECTOR JIM WEHMEIER – APPROVED - TO EXTEND AN INCENTIVE OFFER TO PROJECT CONDUIT

Mayor Jack Gorden stated that the next item for consideration was to authorize the Economic Development Director Jim Wehmeier to extend an incentive offer to Project Conduit. Mayor Gorden then requested comments from City Manager Paul Parker.

Councilmember Phil Medford moved to approve authorize the Economic Development Director Jim Wehmeier to extend an incentive offer to Project Conduit. Councilmember R. L. Kuykendall seconded the motion. A unanimous affirmative vote was recorded.

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

Mayor Jack Gorden then stated that the next item for consideration was the Council Calendar. City Manager Paul Parker stated that Wednesday, March 21, 2007 would be the Strategic Planning Retreat for the City Council and some City Staff. City Manager Parker added that breakfast would be served at 8:00 a.m. with the meeting beginning at 8:30 a.m. and would be held at the Chamber Red Barn. City Manager Parker stated that the Strategic Planning Meeting was being planned as more of a discussion and visionary meeting rather than like the yearly budget meeting that contains items that would require action. City Manager Parker explained that the meeting would be a discussion of projects and scope for the future. City Manager Parker stated that Council Members who wished to have specific items on the Strategic Planning Meeting Agenda needed to let him know so they could be included. City Manager Parker then went over some of the conceptual ideas that would be incorporated into the agenda.

Mayor Gorden then reminded the Council to set their clocks forward one (1) hour on Saturday, March 24, 2007 for the Daylight Savings time change.

16. There being no further business for consideration, the meeting adjourned at 6:33 p.m.

Jack Gorden

Jack Gorden – Mayor

Renee Thompson

Renee Thompson – City Secretary