

**MINUTES OF THE REGULAR MEETING OF THE CITY COUNCIL OF THE CITY
OF LUFKIN, TEXAS HELD ON THE 20TH DAY OF MARCH, 2007**

On the 20th 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
Rufus Duncan	Councilmember, Ward No. 5
Phil Medford	Councilmember, Ward No. 6
Paul L. Parker	City Manager
Keith Wright	Asst. City Manager
Robert Flourimoy	City Attorney
Renee Thompson	City Secretary
Larry Brazil	Police Chief
Pete Prewitt	Fire Chief
Doug Wood	Finance Director
Dorothy Wilson	Planning Director
Steve Poskey	Street Department, Superintendent
Steve Floyd	Solid Waste and Recycling Director
Don Hannabas	Parks and Leisure Services Director
Barbara Thompson	Main Street Director
Jim Wehmeier	Economic Development Director
Scott Rayburn	City Planner
Linda Parker	Economic Development

being present, when the following business was transacted:

1. The meeting was opened with prayer by Pastor Randy Brown, Calvary Baptist Church.
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 March 6, 2007 were approved on a motion by Councilmember Rose Faine Boyd, and seconded by Councilmember Lynn Torres. A unanimous affirmative vote was recorded.

OLD BUSINESS:

4. **SECOND READING OF AN ORDINANCE AMENDING ORDINANCE NO. 3879 OF THE CITY COUNCIL OF THE CITY OF LUFKIN, - APPROVED - 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 Jack Gorden stated that the next item for consideration was the Second 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.

City Manager Paul Parker stated that this was the second reading of this item and the amendment was for adoption of the newly issued FEMA and floodplain maps.

Mayor Gorden then requested comments and/or motions.

Councilmember Don Langston moved to approve the Second 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. Councilmember R. L. Kuykendall seconded the motion. A unanimous affirmative vote was recorded.

NEW BUSINESS

5. **FIRST READING OF AN ORDINANCE ANNEXING THE HEREINAFTER DESCRIBED TERRITORY TO THE CITY OF LUFKIN, TEXAS, - APPROVED - AND EXTENDING THE BOUNDARY LIMITS OF THE CITY OF LUFKIN TO INCLUDE THE HEREINAFTER DESCRIBED PROPERTY WITHIN THE CITY LIMITS, AND GRANTING TO ALL INHABITANTS OF THE PROPERTY ALL OF THE RIGHTS AND PRIVILEGES OF OTHER CITIZENS AND BINDING THE INHABITANTS BY ALL OF THE ACTS, ORDINANCES, RESOLUTIONS, AND REGULATIONS OF THE CITY; AND ADOPTING A SERVICE PLAN AND ESTABLISHING AN EFFECTIVE DATE**

Mayor Jack Gorden stated that the next item for consideration was the First Reading of the Ordinance annexing the hereinafter described territory to the City of Lufkin, Texas, and extending the boundary limits of the City of Lufkin to include the hereinafter described property within the city limits, and granting to all inhabitants of the property all of the rights and privileges of other citizens and binding the inhabitants by all of the Acts, Ordinances, Resolutions, and Regulations of the City; and adopting a Service Plan and establishing an effective date.

City Manager Paul Parker stated that this annexation was for the Industrial Park area recently purchased by the 4B / Economic Development Corporation for the development of an industrial park area and that an additional eighteen (18) acres would also be annexed to prevent land locking property between the park and the existing City limits. City Manager Parker stated that the zoning for this property would be established at a later date, but the planned designation was to be industrial. City Manager Parker stated that all required Public Hearings had been conducted and that while several inquiries by residents had been made; there had been no opposition to the annexation plan and that Staff recommended approval of the proposed annexation.

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

Councilmember R. L. Kuykendall moved to approve the First Reading of the Ordinance annexing the hereinafter described territory to the City of Lufkin, Texas, and extending the boundary limits of the City of Lufkin to include the hereinafter described property within the city limits, and granting to all inhabitants of the property all of the rights and privileges of other citizens and binding the inhabitants by all of the Acts, Ordinances, Resolutions, and Regulations of the City; and adopting a Service Plan and establishing an effective date. Councilmember Rose Faine Boyd seconded the motion. A unanimous affirmative vote was recorded.

6. **REQUEST FROM THE DEEP EAST TEXAS TRAIL AND ROUTE ACCESS COALITION FOR FUNDING - APPROVED - TO COMPLETE THE HIKING/BIKING/WALKING TRAIL PROJECT AT KIT MCCONNICO PARK AND A RESOLUTION AUTHORIZING AN AMENDMENT TO THE 2006/2007**

OPERATING BUDGET (BUDGET AMENDMENT NO. 16), 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 the request from the Deep East Texas Trail and Route Access Coalition for funding to complete the Hiking/Biking/Walking Trail Project at Kit McConnico Park and a Resolution authorizing an amendment to the 2006/2007 Operating Budget (Budget Amendment No. 16), providing for the supplemental appropriation of funds in the General Fund; and providing an effective date.

City Manager Paul Parker stated that the Deep East Texas Trail and Route Access Coalition has been working in conjunction with the City of Lufkin Parks and Recreation Department in the development of a biking/hiking/jogging trail at Kit McConnico Park and that through the efforts of the Coalition and the Parks department, a one and one-half (1 ½) mile track has been developed through the Park and that the desire of the Coalition was to complete a four (4) mile trail to further racing and bike riding in that area. City Manager Parker added that The Coalition had raised ten thousand dollars (\$10,000) for this trail and was requesting eight thousand dollars (\$8,000) from the City to complete the four (4) mile trail and that the Parks and Recreation Department recommended that this request to be approved.

Mayor Gorden then requested that J.J. Hollie, a Coalition member, give further comments and recognize the other Coalition members present. Mr. J.J. Hollie stated that the Coalition had spent several hundred hours preparing the trail and asked those present from the Coalition to stand and be recognized. Mr. Hollie added that work had been ongoing for several years on this project and that once completed, the mountain bike trail would conform to the National Mountain Bike Trail Association standards which would mean the trail would need minimal upkeep, would have minimal impact on the environment and would last for a long time and provide a place for hiking, biking, bird watching, as well as recreation for families. Mr. Hollie then asked for questions. Mr. Hollie also stated that it would be a recreational place that would attract visitors to the area, and gave examples of other trails that had that impact on similar areas..

Mayor Gorden thanked Mr. Hollie and then entertained motions and/or comments from the Council.

Councilmember R. L. Kuykendall moved to approve the request from the Deep East Texas Trail and Route Access Coalition for funding to complete the Hiking/Biking/Walking Trail Project at Kit McConnico Park and a Resolution authorizing an amendment to the 2006/2007 Operating Budget (Budget Amendment No. 16), providing for the supplemental appropriation of funds in the General Fund; and providing an effective date. Councilmember Rufus Duncan seconded the motion. A unanimous affirmative vote was recorded.

7. ABATEMENT REQUEST - APPROVED - ON BEHALF OF LUFKIN INDUSTRIES

Mayor Jack Gorden stated that the next item for consideration was an abatement request on behalf of Lufkin Industries.

Mayor Gorden then requested comments from Mr. Jim Wehmeier, Economic Development Director.

Mr. Wehmeier stated that Lufkin Industries had proposed to make a \$5.5 million dollar technology upgrade to the foundry operations which would retain five hundred seventy-three (573) jobs at that location, increase sales tax by thirty-seven thousand eight hundred dollars (\$37,800), and increase production in the main bay by twelve percent (12%) and by five percent (5%) in the large casting facility and that these improvements would maintain a competitive edge for Lufkin Industries. Mr. Wehmeier stated that since the bulk of the improvements would be on equipment and technology, the tax abatement

would be scaled back to fifty percent (50%) of the value of the improvements for five (5) years instead of seven (7) years.

Mayor Gorden then requested comments and/or questions from Council.

Councilmember Rufus Duncan stated that the request went against the guidelines of the current tax abatement policy and questioned what would prevent a one-hundred percent (100%) abatement request being approved in the future.

Mr. Wehmeier explained that the abatement policy was a guideline only; which allowed for flexibility of the policy for individual situations, but per State law only a partial abatement was allowed on improvements due to the risk of abating value already on the tax roll.

Mayor Gorden then recognized representatives from Lufkin Industries. Mr. Durham of Lufkin Industries thanked Council and the 4B Board for their assistance with the approval of the tax abatement request.

Mayor Gorden then requested motions from the Council.

Councilmember Rufus Duncan moved to approve the abatement request on behalf of Lufkin Industries. Councilmember Don Langston seconded the motion. A unanimous affirmative vote was recorded.

8. **CERTIFICATION FROM CITY SECRETARY CANCELING CITY COUNCILMEMBER WARDS NUMBER ONE (1) AND THREE (3) MUNICIPAL ELECTION SCHEDULED FOR MAY 12, 2007 AND FIRST READING OF AN ORDINANCE DECLARING UNOPPOSED CANDIDATES IN THE MAY 12, 2007 GENERAL CITY ELECTION, ELECTED TO OFFICE; CANCELING THE ELECTION; - APPROVED - PROVIDING A SEVERABILITY CLAUSE, AND PROVIDING AN EFFECTIVE DATE**

Mayor Jack Gorden stated that the next item for consideration was to accept Certification from the City Secretary canceling City Councilmember Wards Number One (1) and Three (3) Municipal Election scheduled for May 12, 2007 and First Reading of an Ordinance declaring unopposed candidates in the May 12, 2007 General City Election, elected to office; canceling the election; providing a severability clause, and providing an effective date.

City Manager Paul Parker stated that no one had filed in opposition of either Councilmember R.L. Kuykendall of Ward 1 or Councilmember Lynn Torres of Ward 3 for the May General Election. City Manager Parker explained that would eliminate the need for the election.

City Attorney Bob Flournoy stated for the record that the City of Lufkin had been working in conjunction with the Lufkin Independent School District and the Central School District to hold joint elections in the future per State law.

Councilmember Rose Faine Boyd moved to accept the Certification from City Secretary canceling City Councilmember Wards Number One (1) and Three (3) Municipal Election scheduled for May 12, 2007 and First Reading of an Ordinance declaring unopposed candidates in the May 12, 2007 General City Election, elected to office; canceling the election; providing a severability clause, and providing an effective date. Councilmember Don Langston seconded the motion. A unanimous affirmative vote was recorded.

9. **APPROVAL OF THE FY 06-07 STREET RECONSTRUCTION LIST - APPROVED - FROM THE STREET DEPARTMENT**

Mayor Jack Gorden stated that the next item for consideration was to approve the FY 06-07 Street Reconstruction List from the Street Department

City Manager Paul Parker stated that after the Council allocated funding for the Street Reconstruction Program each budget year, City Staff reviewed and evaluated City streets

in need of repair, as well as water and sewer lines that were in need of repair and determined which would be submitted to the Council for approval. City Manager Parker added that the documentation was included in the packet and that Mr. Steve Poskey, Street Department Director was on hand for any questions or further explanation.

Mr. Poskey stated that the first page of the documentation was a breakdown of the total cost of the submitted repairs, followed by the street listing and a map highlighting the proposed streets to be repaired.

Councilmember Don Langston stated that Council was aware that there was a significant amount of water and sewer lines to be repaired in the Crown Colony area and questioned if that was the reason that street repair in that area was being delayed.

Mr. Poskey answered that was correct, and that any repair or overlay would be postponed until the water and sewer line construction in that area was completed.

Councilmember Langston also stated that Fuller Springs residents had questioned the status of the Street Overlay Project in their area. Mr. Poskey stated that the streets in that area were in good repair.

Mayor Gorden then requested comments and or motions on the item.

Councilmember R. L. Kuykendall moved to approve the FY 06-07 Street Reconstruction List from the Street Department. Councilmember Lynn Torres seconded the motion. A unanimous affirmative vote was recorded.

10. REPAIRS TO WATER WELL NO. 14 AND REPAIRS TO THE GRACE DUNNE PARK SEWER MAIN AND A RESOLUTION AUTHORIZING AN AMENDMENT TO THE 2006/2007 OPERATING BUDGET (BUDGET AMENDMENT NO. 18), - APPROVED - PROVIDING FOR THE SUPPLEMENTAL APPROPRIATION OF FUNDS IN THE WATER/WASTEWATER FUND; AND PROVIDING AN EFFECTIVE DATE

Mayor Jack Gorden stated that the next item for consideration was to approve the repairs to Water Well No. 14 and repairs to the Grace Dunne Park sewer main and a Resolution authorizing an amendment to the 2006/2007 Operating Budget (Budget Amendment No. 18), providing for the supplemental appropriation of funds in the Water/Wastewater Fund; and providing an effective date.

City Manager Paul Parker stated that as Council was aware, the City had experienced two major problems in the last few months, the first being Water Well No. 14, which blew out due to a major hole in the well itself. City Manager Parker added that the total cost of the repairs would be in the amount of one hundred twenty-one thousand nine hundred ninety dollars (\$121,990) and that the amount had been transferred from the Maintenance Program Fund and the budget amendment would return those funds to the Maintenance Program Fund so that routine maintenance could continue.

City Manager Parker continued that an additional problem at Grace Dunn Park had occurred as well when a major sewer line collapsed; and the total cost of the clean up and repair totaled one hundred seven thousand five hundred twenty-seven dollars and sixty-six cents (\$107,527.66) and that those two (2) items combined reflected the total amount of the proposed budget amendment in order to replenish the respective funds. City Manager Parker recommended approval of the item.

Councilmember Lynn Torres moved to approve the repairs to Water Well No. 14 and repairs to the Grace Dunne Park sewer main and a Resolution authorizing an amendment to the 2006/2007 Operating Budget (Budget Amendment No. 18), providing for the supplemental appropriation of funds in the Water/Wastewater Fund; and providing an effective date. Councilmember Rose Faine Boyd seconded the motion. A unanimous affirmative vote was recorded.

11. AUTHORIZE THE FIRE DEPARTMENT TO ACCEPT THE DETCOG 2006 SHSP GRANT AND APPROVAL OF A RESOLUTION AUTHORIZING AN AMENDMENT TO THE 2006/2007 OPERATING BUDGET (BUDGET AMENDMENT NO. 15), - 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 authorize the Fire Department to accept the DETCOG 2006 SHSP Grant and approval of a Resolution authorizing an amendment to the 2006/2007 Operating Budget (Budget Amendment No. 15), providing for the supplemental appropriation of funds in the General Fund; and providing an effective date.

City Manager Paul Parker stated that the Fire Department had received a grant from DETCOG in the amount of twenty-one thousand eighty-six dollars and thirty-three cents (\$21,086.33) to provide laptop computers to be utilized by fire command to receive data in the field during an emergency or disaster event, and the remainder of the funds would be for the purchase of the software allowing the data to be received remotely and that no matching City funds were being requested.

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

Councilmember Lynn Torres moved to authorize the Fire Department to accept the DETCOG 2006 SHSP Grant and approval of a Resolution authorizing an amendment to the 2006/2007 Operating Budget (Budget Amendment No. 15), providing for the supplemental appropriation of funds in the General Fund; and providing an effective date. Councilmember Rose Faine Boyd seconded the motion. A unanimous affirmative vote was recorded.

12. AUTHORIZE APPLICATION - APPROVED - FOR THE 2007 FIRE ACT GRANT

Mayor Jack Gorden stated that the next item for consideration was to authorize the application for the 2007 Fire Act Grant

City Manager Paul Parker stated that each year the City had the opportunity to apply for the Fire Act Grant; but there was no guarantee that the City would receive the grant. City Manager Parker further explained that if the Grant was awarded to the City, the City would be responsible for matching funds in the amount of ten percent (10%) of the total grant amount, which would be in the amount of twenty thousand five hundred dollars (\$20,500) and thus the reason for obtaining Council approval prior to applying for the grant. City Manager stated that the Fire Department would be applying for the grant in the amount of two hundred five thousand dollars (\$205,000) to be used for the purchase of a new ambulance, four (4) Stryker hydraulic stretchers, and three (3) defibrillators. City Manager Parker added that should the City receive the grant, a request would for the matching funds would be submitted for Council approval, but that the funds for the new ambulance were already included in the vehicle amortization fund, so the matching grant funds would be taken from that fund.

Mayor Gorden then requested comments or motions from Council.

Councilmember R. L. Kuykendall moved to authorize the application for the 2007 Fire Act Grant. Councilmember Don Langston seconded the motion. A unanimous affirmative vote was recorded.

13. BID FROM MORRIS TIMBER HOLDINGS FOR HARVESTING TIMBER FROM THE LUFKIN INDUSTRIAL RAIL PARK - APPROVED - IN THE AMOUNT OF SEVENTY-NINE THOUSAND NINE HUNDRED THIRTY DOLLARS (\$79,930) AND A RESOLUTION AUTHORIZING AN AMENDMENT TO THE 2006/2007 OPERATING BUDGET (BUDGET AMENDMENT NO. 17), PROVIDING FOR THE SUPPLEMENTAL APPROPRIATION OF FUNDS IN

THE ECONOMIC DEVELOPMENT FUND, AND PROVIDING AN EFFECTIVE DATE

Mayor Jack Gorden stated that the next item for consideration was to accept a bid from Morris Timber Holdings for harvesting timber from the Lufkin Industrial Rail Park in the amount of seventy-nine thousand nine hundred thirty dollars (\$79,930) and a Resolution authorizing an amendment to the 2006/2007 Operating Budget (Budget Amendment No. 17), providing for the supplemental appropriation of funds in the Economic Development fund, and providing an effective date.

City Manager Paul Parker stated that the new industrial park area previously considered for annexation had a large amount of timber that needed to be harvested to better prepare the site for industrial purposes and that this had been bid out with the high bidder being Morris Timber Holdings in the amount of seventy-nine thousand nine hundred thirty dollars (\$79,930) payable to the City of Lufkin and the 4B corporation, with these funds being designated for further development of the industrial park site. City Manager Parker stated that Staff recommended this item for approval.

Mayor Gorden stated his appreciation for the work involved in this project and then requested comments from Council.

Councilmember Rose Boyd questioned if these funds from the timber sales would be going to the 4B Board.

City Manager Parker replied the funds would be returned to the 4B account, to be used in the further development of the site.

Councilmember Phil Medford stated that the City needed to ensure that the timber company used correct procedures in the harvesting of the timber as to not damage the creek on the site.

Economic Development Director Jim Wehmeier stated that all procedures were outlined in the contract.

Councilmember Don Langston asked whether there had been any discussion as to the monitoring of the progress of the timber company.

Economic Development Director Wehmeier stated that there would be someone designated to oversee the project, and the cost would be funded through the 4B budget.

Mayor Gorden expressed his thanks to Director Wehmeier and entertained motions from Council.

Councilmember Lynn Torres moved to accept a bid from Morris Timber Holdings for harvesting timber from the Lufkin Industrial Rail Park in the amount of seventy-nine thousand nine hundred thirty dollars (\$79,930) and a Resolution authorizing an amendment to the 2006/2007 Operating Budget (Budget Amendment No. 17), providing for the supplemental appropriation of funds in the Economic Development fund, and providing an effective date. Councilmember R. L. Kuykendall seconded the motion. A unanimous affirmative vote was recorded.

14. CITY MANAGER'S REPORT

Mayor Jack Gorden stated that the next item for consideration was the presentation of the City Manager's report.

City Manager Paul Parker stated the report was included in packet, but due to the fact that Council would be attending a retreat on Wednesday to address most issues facing the City, he would not detail the report unless the Council had specific questions.

15. Mayor Jack Gorden recessed the Regular Session at 5:40 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 6:30 p.m.

16. **AUTHORIZE THE ECONOMIC DEVELOPMENT DIRECTOR JIM WEHMEIER TO EXTEND AN INCENTIVE OFFER – APPROVED - TO A PROJECT AS DISCUSSED IN EXECUTIVE SESSION**

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 a project as discussed in Executive Session.

Mayor Gorden then entertained a motion on this item.

Councilmember Lynn Torres moved to authorize the Economic Development Director Jim Wehmeier to extend an incentive offer to a project as discussed in Executive Session. Councilmember Rose Faine Boyd seconded the motion. A unanimous affirmative vote was recorded.

17. **APPOINTMENT – APPROVED - TO ARB BOARD**

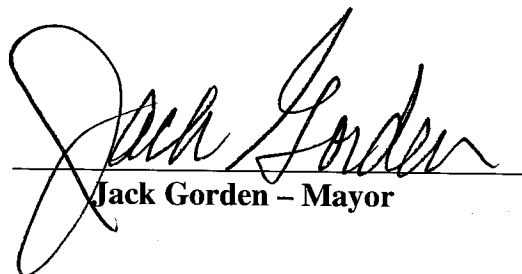
Mayor Jack Gorden stated that the next item for consideration was the appointment to the ARB Board and that Staff had recommended approval of this item as previously discussed in Executive Session.

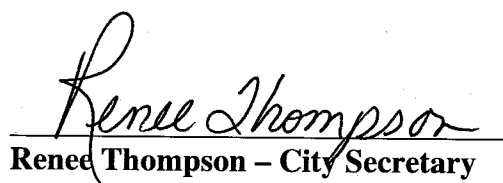
Councilmember Don Langston moved to appoint Terry Morgan to the ARB Board. Councilmember R. L. Kuykendall seconded the motion. A unanimous affirmative vote was recorded.

18. **CALENDAR NOTATIONS FROM MAYOR, COUNCIL MEMBERS, AND CITY MANAGER**

City Manager Paul Parker distributed the agenda for the special called meeting to be held on Wednesday and highlighted some items from the agenda, including the Solid Waste proposal to be presented, the Zoo master plan, a general discussion session, the proposed convention center as well as the financial report of the City.

19. There being no further business for consideration, the meeting adjourned at 6:37 p.m.


Jack Gorden – Mayor


Renee Thompson – City Secretary