MINUTES OF THE REGULAR MEETING OF THE CITY COUNCIL OF THE CITY OF LUFKIN, TEXAS HELD ON THE 15th DAY OF MAY, 2007

On the 15th day of May, 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
Rufus Duncan	Councilmember, Ward No. 5
Phil Medford	Councilmember, Ward No. 6
Paul L. Parker	City Manager
Keith Wright	Asst. City Manager
Robert Flournoy	City Attorney
Renee Thompson	City Secretary
Larry Brazil	Police Chief
Scott Marcotte	Asst. Police Chief
Pete Prewitt	Fire Chief
Doug Wood	Finance Director
David Koonce	Human Resource Director
Barbara Thompson	Main Street Director
Randy Innerarity	Fleet Maintenance Director
Jim Wehmeier	Economic Development Director
Linda Parker	Economic Development
Don Campbell	District Forester, Texas Forest Service
Judge Paul White	U. S. 159th District Court

being present, and

Don Langston	Councilmember, Ward No. 4

being absent, when the following business was transacted:

1. The meeting was opened with prayer by the Honorable Judge Paul White, U. S. 159th District Court

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 May 1, 2007 were approved on a motion by Councilmember Rose Faine Boyd, and seconded by Councilmember Lynn Torres. A unanimous affirmative vote was recorded.

NEW BUSINESS :

4. **OATH OF OFFICE FOR COUNCIL MEMBERS R. L. KUYKENDALL AND LYNN TORRES**

Mayor Jack Gorden stated that the next item for consideration was to administer the Oath of Office to Council Members R. L. Kuykendall and Lynn Torres. Mayor Gorden then turned the meeting over to the Honorable Paul White, Judge 159th District Court to administer the oaths of office.

The Honorable Paul White, Judge 159th District Court, administered the Oath of Office to Council Members R. L. Kuykendall and Lynn Torres.

5. **PRESENTATION OF TREE CITY USA CERTIFICATION TO MAYOR JACK GORDEN AND CITY OF LUFKIN COUNCIL BY DON CAMPBELL, TEXAS FOREST SERVICE**

Mayor Jack Gorden stated that the next item for consideration was a presentation of Tree City USA Certification to Mayor Jack Gorden and City of Lufkin Council by Don Campbell, Texas Forest Service.

Mr. Campbell gave a brief presentation about Tree City USA and commended the City of Lufkin for its participation. Mr. Campbell then called on the Tree Board Members to make the flag presentation to Mayor and Council. Mr. Campbell then presented the flag to the City.

Mayor Gorden accepted the flag on behalf of all of the citizens of Lufkin and thanked the Tree Board for their work. Mayor Gorden stated that Lufkin's heritage was its trees.

Councilmember Lynn Torres stated that being named Tree City USA was a great honor and was obviously something that the City of Lufkin and the community viewed as important. Councilmember Torres added that she hoped the City would continue to support "Keeping Lufkin Green".

6. **ACCEPTANCE OF A HAZARD MITIGATION GRANT AND A RESOLUTION AUTHORIZING AN AMENDMENT TO THE 2006/2007 OPERATING BUDGET (BUDGET AMENDMENT NO. 22), - APPROVED - PROVIDING FOR THE SUPPLEMENTAL APPROPRIATION OF FUNDS IN THE FEMA GRANT FUND; AND PROVIDING AN EFFECTIVE DATE**

Mayor Jack Gorden stated that the next item for consideration was the acceptance of a Hazard Mitigation Grant and a Resolution authorizing an amendment to the 2006/2007 Operating Budget (Budget Amendment No. 22), providing for the supplemental appropriation of funds in the FEMA Grant Fund; and providing an effective date.

City Manager Paul Parker stated that approximately one year ago the City of Lufkin applied for a Hazard Mitigation Grant through FEMA to help relieve some of the flooding problems that the City encountered periodically. City Manager Parker explained that the grant would allow the purchase of approximately thirteen (13) homes that had been repeatedly flooded over the years. City Manager Parker added that the process was completely voluntary and would allow the removal of those homes and the vacated areas would be used for added detention to help alleviate flooding for other adjoining properties. City Manager Parker stated that the grant would total one million seventy-two thousand six hundred fifty-eight dollars ($1,072,658) with a City match of two hundred seventy-five thousand dollars ($275,000) that would be appropriated from the General Fund Unobligated Fund Balance if approved by the Council through Budget Amendment No. 22. City Manager Parker stated that Staff recommended that Council consider approval of the Resolution.

Mayor Jack Gorden commended Assistant City Manager Keith Wright and his staff for the hard work and added that it was a great step in the direction of trying to correct the ongoing problem.

Councilmember R. L. Kuykendall moved to accept a Hazard Mitigation Grant and a Resolution authorizing an amendment to the 2006/2007 Operating Budget (Budget Amendment No. 22), providing for the supplemental appropriation of funds in the FEMA Grant Fund; and providing an effective date. Councilmember Lynn Torres seconded the motion. A unanimous affirmative vote was recorded.

7. **CONTRACT WITH GARY R. TRAYLOR AND ASSOCIATES, INC. – APPROVED - AS GRANT CONSULTANT IN THE AMOUNT OF $29,816**

Mayor Jack Gorden stated that the next item for consideration was a contract with Gary R. Traylor and Associates, Inc. as grant consultant in the amount of $29,816.

City Manager Paul Parker stated that the item was to administer the grant that was approved in the previous item. City Manager Parker stated that Gary Traylor and Associates had worked with the City previously and the City had good results with them handling the enormous amount of paperwork and processes that went into administering a grant of that nature. City Manager Parker added that Staff recommended that Council approve the contract with Gary R. Traylor and Associates, Inc. in the amount of $29,816.

Councilmember Rose Faine Boyd moved to approve the contract with Gary R. Traylor and Associates, Inc. as Grant Consultant in the amount of $29,816. Councilmember Rufus Duncan seconded the motion. A unanimous affirmative vote was recorded.

8. AWARD A BID TO CHEROKEE PAINTING AND SANDBLASTING FOR THE WATER PLANT GROUND WATER TANKS AND ELLEN STREET ELEVATED TANK REHABILITATION IN THE AMOUNT OF $425,000 AND A RESOLUTION AUTHORIZING AN AMENDMENT TO THE 2006/2007 OPERATING BUDGET (BUDGET AMENDMENT NO. 23), - APPROVED - PROVIDING FOR THE SUPPLEMENTAL APPROPRIATION OF FUNDS IN THE WATER/WASTEWATER RENEWAL AND REPLACEMENT AND ASBESTOS PIPE REPLACEMENT FUNDS; AND PROVIDING AN EFFECTIVE DATE

Mayor Jack Gorden stated that the next item for consideration was to award a bid to Cherokee Painting and Sandblasting for the Water Plant ground water tanks and Ellen Street elevated tank rehabilitation in the amount of four hundred twenty-five thousand dollars ($425,000) and a Resolution authorizing an amendment to the 2006/2007 Operating Budget (Budget Amendment No. 23), providing for the supplemental appropriation of funds in the Water/Wastewater Renewal and Replacement and Asbestos Pipe Replacement Funds; and providing an effective date.

City Manager Paul Parker stated that the item was to authorize the painting of two (2) Water Plant ground water storage tanks and the Ellen Street elevated tank. City Manager Parker added that Cherokee Painting and Sandblasting had recently completed painting the Kiln Street water tower and had a good completed product but were slow to complete the project. City Manager Parker stated that Staff recommended the award of bid to Cherokee Painting and Sandblasting for a total of four hundred twenty-five thousand dollars ($425,000) for the rehabilitation of two (2) ground water storage tanks and Ellen Street elevated tank and the approval of Budget Amendment No. 23.

Assistant City Manager Keith Wright stated that the money was part of the original sixteen million dollar ($16,000,000) loan that the City had from the Texas Water Development Board and due to having funds left over from the construction project the City was able to complete the project from that loan.

Councilmember Phil Medford moved to award a bid to Cherokee Painting and Sandblasting for the Water Plant ground water tanks and Ellen Street elevated tank rehabilitation in the amount of four hundred twenty-five thousand dollars ($425,000) and a Resolution authorizing an amendment to the 2006/2007 Operating Budget (Budget Amendment No. 23), providing for the supplemental appropriation of funds in the Water/Wastewater Renewal and Replacement and Asbestos Pipe Replacement Funds; and providing an effective date. Councilmember R. L. Kuykendall seconded the motion. A unanimous affirmative vote was recorded.

9. PURCHASE – APPROVED - OF TWO (2) 2007 FREIGHTLINER 6-8 YARD DUMP TRUCKS

Mayor Jack Gorden stated that the next item for consideration was the purchase of two (2) 2007 Freightliner 6-8 Yard Dump Trucks.

Paul Parker stated that the Sewer Collections Department was requesting to purchase two (2) 2007 Freightliner Model M2 Dump Trucks, six to eight (6-8) yards, through the Texas Local Government Purchasing Cooperative or HGAC. City Manager Parker added that the bid was fifty-nine thousand five hundred seventy-nine dollars ($59,579) each and a one thousand dollar ($1000) HGAC administrative fee for a total of one hundred nineteen thousand one hundred fifty-eight dollars ($119,158). City Manager Parker stated that the vehicles were included in the 2006-2007 Amortization Fund and would replace a 1994 GMC Dump Truck and a 1990 Chevrolet Dump Truck. City Manager Parker added that Staff recommended that Council approve the purchase of two (2) 2007 Freightliner Model M2 Dump Trucks with a total cost of one hundred nineteen thousand one hundred fifty-eight dollars ($119,158) or fifty-nine thousand five hundred seventy-nine dollars ($59,579) each.

Councilmember Rufus Duncan moved to approve the purchase of two (2) 2007 Freightliner 6-8 Yard Dump Trucks. Councilmember Lynn Torres seconded the motion. A unanimous affirmative vote was recorded.

10. <u>AUTHORIZE THE ECONOMIC DEVELOPMENT DIRECTOR TO EXECUTE ALL NECESSARY DOCUMENTS WITH KLOTZ AND ASSOCIATES – APPROVED - FOR THE PRE-ENGINEERING SERVICES FOR THE LUFKIN INDUSTRIAL RAIL PARK</u>

Mayor Jack Gorden stated that the next item for consideration was to authorize the Economic Development Director to execute all necessary documents with Klotz and Associates for the pre-engineering services for the Lufkin Industrial Rail Park.

Paul Parker stated that the Council had previously authorized Staff to negotiate with Klotz and Associates to do the pre-engineering services for the Lufkin Industrial Rail Park. City Manager Parker added that Economic Development Director Jim Wehmeier negotiated the agreement along with assistance from the Engineering Department. City Manager Parker stated that the fees were included in the Council packets and noted that there was included in the agreement amounts for the land if it was pre-cleared and amounts if the land was not cleared. City Manager Parker explained that the City had a contract to have the area cleared and unless unforeseen events occurred the services would go forward at the pre-cleared costs. City Manager Parker then went through the fee schedule. City Manager Parker stated that Staff recommended that Council approve the contract with Klotz and Associates for the pre-engineering services for the Lufkin Industrial Rail Park as explained in the packets.

Mayor Jack Gorden added that the timber on the land had been sold for seventy-nine thousand dollars ($79,000).

Councilmember R. L. Kuykendall moved to authorize the Economic Development Director to execute all necessary documents with Klotz and Associates for the pre-engineering services for the Lufkin Industrial Rail Park. Councilmember Lynn Torres seconded the motion. A unanimous affirmative vote was recorded.

11. <u>CITY MANAGER'S REPORT</u>

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

Paul Parker stated that he would briefly go through the financials since the Council had recently gone through them at a recent retreat. City Manager Parker stated that the City's Sales Tax was up approximately ten percent (10%) during the past month from the previous year which was a good turn around from the last three (3) or four (4) months. City Manager Parker stated that the City was slightly below the three percent (3%) increase that was estimated in the budget. City Manager Parker added that the other revenues appeared to be right in line with the estimate for the year. City Manager Parker stated that expenditures were being held down throughout all of the City Departments and that the General Fund remained healthy. City Manager Parker stated that the Water/Wastewater Utility Fund revenues were lagging a little at that time but was not unusual due to the upcoming summer months being the heavy-usage months. City Manager Parker stated that it was too premature to know if the Water/Wastewater Utility Funds would be as estimated. City Manager Parker stated that the expenditures in the fund were on target. City Manager Parker stated that the Solid Waste Fund was on track with its revenue projections and that expenditures were in line in that department. City Manager Parker stated that Hotel/Motel Tax Revenues were coming in close to budget and expenditures were skewed somewhat due to some payments being paid in advance. City Manager Parker stated that the Recreation Fund was in balance and was a fund where the revenues paid for the expenditures. City Manager Parker stated that the Zoo Fund was running a little ahead but the Zoo was getting in to its heavy use period so the fund was in good shape. City Manager Parker added that the new Zoo fees went into effect on June 1, 2007. City Manager Parker stated that the Court Technology Fund was on budget along with the other City funds. City

Manager Parker added that he would answer any questions that Council had regarding the financial status.

City Manager Parker stated that the Council had included in their packets the complete Project Status Report on all projects going on in the City. City Manager Parker stated that the only project he would highlight unless the Council had questions on a specific project was the City had been informed that the plans for Whitehouse Phase III would be forwarded to the state on Wednesday, May 16, 2007. City Manager Parker added that hopefully the City would be able to begin the project soon as it was critical to the development of the area around the heart of Lufkin's shopping. City Manager Parker stated that Lotus Lane was moving forward and that he would be happy to answer any questions that the Council had concerning the numerous project around the City of Lufkin.

12. <u>RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LUFKIN, TEXAS – APPROVED - DECLARING A PUBLIC NEED AND THE NECESSITY FOR ACQUIRING BY CONDEMNATION REAL PROPERTY FOR THE CONSTRUCTION OF WATERLINES FROM LUFKIN TO SAM RAYBURN LAKE; AND ORDERING THE CONDEMNATION OF SAID PROPERTY TO PROCEED</u>

Mayor Jack Gorden stated that the next item for consideration was a Resolution of the City Council of the City of Lufkin, Texas declaring a public need and the necessity for acquiring by condemnation real property for the construction of waterlines from Lufkin to Sam Rayburn Lake; and ordering the condemnation of said property to proceed.

City Attorney Bob Flournoy stated that the City had been working to acquire the rights-of-way for the Sam Rayburn Waterline Project. City Attorney Flournoy added that the City had been moving along very well but had run into a problem with negotiations with Mr. Gregory Curtis Korn who had approximately two thousand two hundred (2200) feet and another nine hundred feet (900) of property along the old railroad right-of-way that the City needed to acquire. City Attorney Flournoy explained that the City had been unsuccessful in reaching an amenable settlement with Mr. Korn. City Attorney Flournoy stated that it appeared that the City would have to go forward with condemnation of the two (2) parcels. City Attorney Flournoy stated that the Council would need to approve the Resolution to declare a public need and the necessity for acquiring by condemnation the property for the construction of the waterlines to Sam Rayburn Lake.

Councilmember Rufus Duncan moved to approve a Resolution of the City Council of the City of Lufkin, Texas declaring a public need and the necessity for acquiring by condemnation real property for the construction of waterlines from Lufkin to Sam Rayburn Lake; and ordering the condemnation of said property to proceed. Councilmember R. L. Kuykendall seconded the motion. A unanimous affirmative vote was recorded.

13. <u>CALENDAR NOTATIONS FROM MAYOR, COUNCIL MEMBERS, AND CITY MANAGER</u>

City Manager Paul Parker reminded Council that the Annual Expo Anniversary Party would be held on Wednesday, May 16, 2007. City Manager Parker added that on Monday, May 21, 2007 would be the Undoing Racism Meeting with Chief Brazil as the speaker. City Manager Parker stated that the Annual DETCOG Membership Meeting would be held on Thursday, May 24, 2007 and that the City offices would be closed for Memorial Day on Monday, May 28, 2007. City Manager Parker also reminded the Council that the City of Lufkin Employee Picnic would be held on Saturday, June 2, 2007.

14. There being no further business for consideration, the meeting adjourned at 5:40 p.m.

Jack Gorden

Jack Gorden – Mayor

Renee Thompson

Renee Thompson – City Secretary