

**CITY OF LUBBOCK  
REGULAR CITY COUNCIL MEETING  
September 21, 2005  
7:30 A. M.**

**The City Council of the City of Lubbock, Texas met in regular session on the 21st day of September, 2005, in the City Council Chambers, first floor, City Hall, 1625 13th Street, Lubbock, Texas at 7:30 A. M.**

**7:31 A. M. CITY COUNCIL CONVENED  
City Council Chambers, 1625 13th Street, Lubbock, Texas**

**Present: Mayor Marc McDougal, Mayor Pro Tem Tom Martin, Council Member Gary O. Boren, Council Member Linda DeLeon, Council Member Jim Gilbreath, Council Member Phyllis Jones, Council Member Floyd Price**

**Absent: No one**

**At this time, Mayor McDougal recessed regular meeting and opened the Emergency City Council Meeting,**

**7:34 A. M. Mayor McDougal adjourned the Emergency City Council Meeting and reconvened the regular City Council Meeting.**

**CITIZEN COMMENTS**

Numerous citizens expressed comments to the Council. They were:

- Jason Davis addressed Council against Items 27, 28, and 29, especially with regards to the formation of the three standing subcommittees, specifically the Entertainment Task Force. He is against the idea of an Entertainment Task Force that will set and dictate whether certain events will happen or run in Lubbock.
- Alvin G. Davis addressed Council to give thanks to the Lubbock Arts Alliance for their handling of the Grants Funding through the years. He suggested not making any changes to the Grants Funding and turning it over to some other governmental body.
- Pam Parkman addressed Council, representing the 42 members of the Board of Directors of the Lubbock Symphony Orchestra. She asked that Items 27, 28, and 29 be tabled for further discussion. She also asked that the members of the Entertainment Task Force and the Cultural Committee be part of the arts organizations in this

community and that everyone take a look at the best way to fund the arts organizations.

Council Member Gilbreath explained to the citizens that only Items 27 and 28 would be considered. Item 29 was on the prior agenda and has already been adopted.

- Carolyn Rowley addressed Council regarding Item 27. She asked Council really take a look at this issue, focus on it, and table this item for further discussion. The Entertainment Task Force may not be the best entity to be the umbrella organization for the arts.
- Randy Smith addressed Council regarding the Entertainment Task Force and the Lubbock Music Festival. He then gave Council an example of task force (i.e. Don Caldwell hiring Don Caldwell to produce an event by Don Caldwell, featuring Don Caldwell).
- David Ruebush addressed Council regarding the changes with the Lubbock Arts Alliance. His main concern was that he sees the City of Lubbock establishing an entity to basically become a competitor in an industry of promoting arts, events, and festivals. The people that are being put in charge of this are also the people that are getting funds. He doesn't agree with putting the Entertainment Task Force as one of the directors and administrators of this particular aspect of promoting arts in Lubbock.
- Murray Hensley, representing Civic Lubbock, addressed Council on Item 27, stating that this item is in the best interest of Lubbock. He stated he would be happy to meet with those wishing to speak with him, and there is no jeopardy of anyone in these changes. He also pointed out that City Council has the right to say how public tax monies are spent. Civic Lubbock does not anticipate any great variances and is a supporter of the Lubbock Symphony Orchestra. Hensley urged City Council not to table Item 27.

**At this time, the Consent Agenda was considered.**

#### **EXECUTIVE SESSION**

**Mayor McDougal stated: "City Council will hold an Executive Session today for the purpose of consulting with the City Staff with respect to pending or contemplated litigation; the purchase, exchange, lease, or value of real property; personnel matters; consulting with the City Attorney; and competitive matters of the public power utility, as provided by Subchapter D of Chapter 551 of the Government Code, the Open Meetings Law."**

**8:35 A. M. CITY COUNCIL RECESSED TO EXECUTIVE SESSION  
City Council/City Manager's Conference Room**

**All council members were present.**

- (1) Hold an executive session in accordance with V.T.C.A. Government Code, Section 551.071, for the purpose of consulting with the City Attorney (Emergency Operations).**
- (2) Hold an executive session in accordance with V.T.C.A. Government Code, Section 551.071(1)(A), to discuss pending or contemplated litigation (Codes Enforcement; Water Utilities).**
- (3) Hold an executive session in accordance with V.T.C.A. Government Code, Section 551.072, to deliberate the purchase, exchange, lease, or value of real property (Overton Park).**
- (4) Hold an executive session in accordance with V.T.C.A. Government Code, Section 551.074(a)(1), to discuss personnel matters (City Attorney; City Manager; City Secretary; Municipal Court Judge) and take appropriate action.**
- (5) Hold an executive session in accordance with V.T.C.A. Government Code, Section 551.074(a)(1), to discuss personnel matters regarding duties, responsibilities, and/or appointments to:  
  
Electric Utility Board  
Neighborhood Redevelopment Commission  
Planning & Zoning Commission**
- (6) Hold an executive session in accordance with V.T.C.A. Government Code, Section 551.086, on the following competitive matters (Electric Utilities):  
  
to deliberate, vote and take final action on electric rates of Lubbock Power and Light;  
  
to discuss, vote and take final action on a competitive matter regarding operation, financial and capital statements and budgets, revenue and expense projections, strategic and business plans and studies of Lubbock Power and Light;  
  
to deliberate, vote and take final action on executing a Full and Final Proof of Loss for damage to generating assets of Lubbock Power and Light and resulting in a loss;**

**to discuss and deliberate a competitive matter regarding the strategies, goals, funding and strategic purpose of the City of Lubbock's relationship with and membership in the West Texas Municipal Power Agency.**

- (7.) Hold an executive session in accordance with V.T.C.A. Government Code, Section 551.087 to discuss or deliberate regarding commercial or financial information that the governmental body has received from a business prospect that the governmental body seeks to have locate, stay, or expand in or near the territory of the governmental body and with which the governmental body is conducting economic development negotiations (Business Development).**

**9:35 A. M. CITY COUNCIL REGULAR MEETING RECONVENED  
City Council Chambers**

**Present:** Mayor Marc McDougal; Mayor Pro Tem Tom Martin; Council Member Gary O. Boren; Council Member Linda DeLeon; Council Member Jim Gilbreath; Council Member Floyd Price; Lee Ann Dumbauld, City Manager; Anita Burgess, City Attorney; and Rebecca Garza, City Secretary

**Absent:** Council Member Phyllis Jones

**Mayor McDougal reconvened the meeting at 9:35 A. M.**

**Invocation was given by Council Member Floyd Price.**

**Pledge of Allegiance was given in unison by those in the City Council Chambers to both the United States flag and the Texas flag.**

**CITIZEN APPEARANCES**

- (7A.) Presentation of a special recognition to Kelly Cruz for receiving the Silent Hero Award.**

Mayor McDougal presented a special recognition to Kelly Cruz, Public Safety Dispatcher, for receiving the Silent Hero Award. She began her career with the Lubbock Police Department Communications Center as a Public Safety Dispatcher I in 1996 and was then promoted to Public Safety Dispatcher II before becoming the Communications Center Shift Supervisor in July of 2005. Ms. Cruz has exhibited exceptional leadership skills and has received statewide recognition as the recipient of the Silent Hero Award from the Commission of State Emergency Communications Center. This award is given to people in the telecommunications profession for their exemplary daily performance and exceptional



**FISCAL IMPACT:**

1. Accept and appropriate a grant from the Texas Engineering Extension Service in the amount of \$530,169 to fund homeland security items as part of the State Homeland Security Grant Program.

Funding will be received in the amount of \$530,169. The items to be purchased include an XRS-3 X-ray machine with digital imaging to be used by the Police Bomb Squad to examine packages suspected to house explosive devices. A domestic law enforcement TALON robot is to be used also by the Police Bomb Squad and SWAT team in hazardous situations to remotely approach, examine, and mitigate those situations.

No City matching funds are required.

2. Accept and appropriate a grant in the amount of \$61,303 from the Department of State Health Services.

The grant provides Community Health Services population-based services such as public health preventive programs.

No City matching funds are required.

3. Transfer \$30,000 from the General Fund fund balance to the Donations Fund for Keep Lubbock Beautiful.

Keep Lubbock Beautiful Board members raised these funds to assist in their efforts.

4. Two Internal Service funds will be closed and eliminated and the net assets (including inventory, equipment, etc.) will be moved to the General Fund effective September 30, 2005.

These two funds are the Environmental Compliance Fund and the Facilities Management Fund.

5. The Radio Shop fund will be closed and eliminated and the net assets (including inventory, equipment, etc.) will be moved to the Information Technology Fund effective September 30, 2005.

6. Transfer \$25,000 from the Facilities Management Fund balance to the City Hall Renovations project.

Funding in the amount of \$25,000 will be moved from the Facilities Management Fund into the General Fund for necessary drainage repairs at City Hall.

7. Amending the Electric Fund Budget.

Revise the Electric Fund Budget for overages in capital projects. Specific information regarding this project is competitive information protected under 552.133 of the Texas Government Code.

8. Establish a \$50,000 CIP project for Electric Utility Plant 1 Environmental Assessment and Remediation Activities to address a notice from the Texas Commission on Environmental Quality (TCEQ).

9. The TCEQ has notified the City's Environmental Compliance Office that the City is to assume the responsibility to proceed with environmental assessment and remediation of Plant 1. To determine the full extent of the project, an initial study needs to be done. Fund balance from both the Electric Utility Fund and the Environmental Compliance Fund, \$25,000 each, will fund this project.

Staff recommended approval of the second reading of the ordinance amending the budget for FY 2004-05.

Motion was made by Mayor Pro Tem Martin, seconded by Council Member Gilbreath to pass on second and final reading Ordinance No. 2005-O0111 with the following addition:

Appropriate \$500,000 for Katrina relief efforts, to be reimbursed by the Federal Emergency Management Agency, with estimated revenues increased accordingly.

Motion carried: 7 Ayes, 0 Nays.

**The next item considered was Item 10A.**

**(10.) Resolution No. 2005-0434 authorizing the Mayor to execute a lease agreement, and any associated documents, with Grave's Harley-Davidson by Wild West Harley-Davidson, the successor at interest at Graves Harley-Davidson (*Police Department*).**

**This item was considered following Item 8.**

The Lubbock Police Department leases motorcycles required by the Department to conduct enforcement of traffic laws by the Motorcycle

Unit. The police motorcycles are leased on an annual basis. The Department has, for the last four years, leased motorcycles from Grave's Harley-Davidson. Due to a change in the name of the dealership, from Graves Harley-Davidson to Wild West Harley-Davidson, the associated lease documents must be amended.

**FISCAL IMPACT:**

The lease agreement for police motorcycles is a recurring expense approved and funded in account 5735.8704 (Rent Lease Machine Equipment).

Staff recommended approval of the lease agreement with Wild West Harley-Davidson.

**The next items considered were Items 14-17.**

**Items 10A-13 were moved from consent agenda to regular agenda and considered following Item 9.**

**(10A.) Resolution No. 2005-R0451 authorizing the Mayor to approve an application for a State administered, federally financed comprehensive STEP Program, combining the Driving While Intoxicated and the Speed STEP Program into one grant (*Police Department*).**

This grant program utilizes off-duty personnel working overtime to detect and arrest alcohol and drug impaired drivers within targeted areas of the city. Additionally, this program utilizes off-duty personnel working overtime to enforce designated speed limits within targeted areas of the city.

In the past, TxDOT mandated one grant application for the Driving While Intoxicated STEP PROGRAM and a separate grant for the federally financed SPEED STEP PROGRAM. TxDOT now requests that both grants be combined into one, with productivity and overtime expenditures kept separately for each one.

**FISCAL IMPACT**

The STEP program for FY 2005-06 will be funded through the \$200,000 grant award and the City's \$200,000 grant match. The grant match was budgeted as part of the FY 2005-06 Police Department operating budget. The grant period will run from October 1, 2005 through September 30, 2006.

The Police Department recommended approval of this resolution.

Police Chief Claude Jones gave comments and answered questions from Council.

Motion was made by Council Member Gilbreath, seconded by Mayor Pro Tem Martin to pass Resolution No. 2005-R0451 as recommended by staff. Motion carried: 7 Ayes, 0 Nays.

- (11.) **Resolution No. 2005-R0452 authorizing the Mayor to execute an agreement with Texas Tech University Health Sciences Center for medical examinations of children who are alleged victims of sexual assault (*Police Department*).**

Children's sexual assault allegations require medical examinations by a physician or a sexual assault nurse examiner. The Texas Code of Criminal Procedures mandates that the requesting law enforcement agency pay all costs of the examination. Texas Tech University Health Sciences Center's Child Advocacy Research and Education (CARE) Center is the locally recognized provider for these services.

**FISCAL IMPACT:**

The agreement requires the City to pay \$450 per referred case. There is \$49,000 available in the FY 2005-06 Police Department budget for this purpose.

Staff recommended approval of the agreement with Texas Tech University Health Sciences Center.

Police Chief Claude Jones gave comments and answered questions from Council.

Motion was made by Council Member Gilbreath, seconded by Council Member DeLeon to pass Resolution No. 2005-R0452 as recommended by staff. Motion carried: 7 Ayes, 0 Nays.

- (12.) **Resolution No. 2005-R0453 authorizing the Mayor to execute the purchase of inland marine insurance coverage from the Great American Insurance Company, crime insurance coverage from the AIG Insurance Company, Airport Directors and Officers insurance coverage from the Texas Municipal League-Intergovernmental Risk Pool, and pipeline liability from the Chubb Group (*Risk Management*).**

For upcoming FY 2005-06, the City's Broker of Record (BOR) approached the incumbent insurance companies for a quote. After receiving the quote, the BOR was unable to obtain any additional quotes on pipeline liability or Airport Directors and Officers policies. Other

companies did not believe they could provide competitive pricing. The BOR was able to obtain an additional quote from St. Paul-Travelers on the inland marine insurance, however, their limits were lower and their coverage was less broad, although their pricing was \$1,000 less. The BOR was able to obtain an additional quote from AIG Insurance on crime coverage that contained broader coverage at a lower premium.

The City currently has inland marine insurance from Great American Insurance Company for all of its artwork, sound and broadcasting equipment while on premises, on loan to others or in transit, along with coverage for property of others for a total coverage amount of \$3,399,631 with a \$2,500 deductible. The current premium is \$10,199.

The City currently has crime coverage from Great American Insurance Company that includes employee dishonesty and forgery or alteration for a total coverage amount of \$1.5 million with a \$25,000 deductible. The current premium is \$9,941.

The City currently has Airport Directors and Officers insurance coverage from TML-IRP with a total coverage amount of \$10 million and a \$7,500 deductible. The current premium is \$10,602.

The City currently has pipeline liability coverage from Chubb Group with a total coverage amount of \$2 million with a \$2,500 deductible. The current premium is \$8,850.

Staff recommended the City retain its inland marine coverage with Great American Insurance Company for the same coverage levels of \$3,399,631. The premium quotation remains the same at \$10,199. Terrorism coverage is offered for an additional premium of \$102; however, it is not recommended that this endorsement be purchased because the Terrorism Risk Insurance Act expires during the policy period.

Staff recommended the City obtain crime coverage from AIG Insurance for a premium of \$8,604. This represents a 13% decrease, or \$1,337, from the current amount.

Staff recommended the City retain its coverage with TML-IRP for Airport Directors and Officers coverage for a cost of \$10,504, representing a minimal decrease from the current amount.

Staff also recommended the City retain its coverage with Chubb Group for its pipeline liability coverage at a 44% decrease, or \$5,150, from the current amount.

**FISCAL IMPACT:**

The premiums are included in the FY 2005-06 Risk Fund Operating Budget.

Staff recommended approval of this resolution.

Scott Snider, Human Resources Director, gave comments and answered questions from Council.

Council Member Gilbreath asked Snider to make sure the dollar amounts of the premiums are consistent with the resolution.

Motion was made by Council Member Gilbreath, seconded by Mayor Pro Tem Martin to pass Resolution No. 2005-R0453 as recommended by staff. Motion carried: 7 Ayes, 0 Nays.

**This item was reconsidered following reconsideration of Item 47.**

Motion was made by Council Member Gilbreath, seconded by Council Member DeLeon to reconsidered Item 12 to make changes in the Resolution.

Motion was made by Council Member Gilbreath, seconded by Council Member Boren to pass Resolution No. 2005-R0453 with the following amendment:

Change the amount of the premium for Great American Insurance Company to \$10,199; change the amount of the premium for the Texas Municipal League to \$10,504; and, changing the amount of the premium to Chubb Group to \$5,150.

Motion carried: 6 Ayes, 0 Nays.

Mayor Pro Tem Martin was away from the dais.

**(13.) Resolution No. 2005-R0454 authorizing the Mayor to execute the purchase of excess liability coverage from St. Paul Insurance Company (*Risk Management*).**

The City currently has excess liability insurance for all operations other than airport on one policy form. The current year's cost is \$468,992 for \$10 million in coverage with a \$250,000 self-insured retention (deductible) per claim. The current carrier is St. Paul-Travelers Insurance Company.

The City's Broker of Record solicited quotes from two carriers.

Quotes were received from:

**FY05 Proposed Premium**

**Comments**

St. Paul (Incumbent)	\$356,774 @ \$10M Limit, Except Employment Practices Liability with a \$1M Limit	\$500,000 SIR Incl. Terrorism
Recommended		
St. Paul (Incumbent)	\$480,915 @ \$10M Limit, Except Employment Practices Liability with a \$1M Limit	\$250,000 SIR Incl. Terrorism
St. Paul (Incumbent)	\$252,218 @ \$10M Limit, Except Employment Practices Liability with a \$1M Limit	\$1,000,000 SIR Incl. Terrorism
Princeton Excess and Surplus Lines Insurance	\$165,296 @ \$1M limit for all coverages with no excess	\$500,000 SIR Does Not Incl. Terrorism

Since the City began purchasing commercial insurance for its liability insurance needs in 1999, there have been two claims that have exceeded the City's \$250,000 self-insured retention. One claim totaled approximately \$790,000 and the other claim totaled approximately \$460,000. Currently there are no claims reserved for an amount greater than the self-insured retention.

Additionally, most claims presented to the City are tort claims that are capped at \$250,000 for one person and \$500,000 per occurrence. Claims that would not fall into this cap would be civil rights violations and employment law issues.

For this reason, staff recommended increasing the self-insured retention to \$500,000 from \$250,000 for an annual savings of \$124,141.

**FISCAL IMPACT:**

Premiums of \$492,442, in addition to \$50,000 for the off-road track contract, are included in the FY 2005-06 Risk Fund Operating Budget. St. Paul-Travelers Insurance Company underwriters determined that there was not an additional risk for the off-road track after the Parks Department and Risk Management addressed all of their concerns. Procurement of a liability policy at an increased self-insured retention will save the City \$124,141.

Staff recommended purchasing insurance coverage from St. Paul-Travelers Insurance Company for a total policy premium of \$356,774 for \$10 million in limits and a \$500,000 Self-Insured Retention for their excess liability coverage for FY 2005-06.

Scott Snider, Human Resources Director, gave comments and answered questions from Council.

Council Member Gilbreath asked Snider to make sure the dollar amounts of the premiums are consistent with the resolution.

Motion was made by Council Member Gilbreath, seconded by Mayor Pro Tem Martin to pass Resolution No. 2005-R0454 as recommended by staff. Motion carried: 7 Ayes, 0 Nays.

**The next item considered was Item 20.**

**This item was reconsidered following reconsideration of Item 12.**

Motion was made by Council Member Gilbreath, seconded by Council Member DeLeon to reconsider Item 12 to make changes in the Resolution.

Motion was made by Council Member Gilbreath, seconded by Council Member Boren to pass Resolution No. 2005-R0453 with the following amendment:

Change the amount of the premium to St. Paul Insurance Company to an amount not to exceed \$356,744.

Motion carried: 6 Ayes, 0 Nay.

Mayor Pro Tem Martin was away from the dais.

**At this time, Item 41 was reconsidered.**

**Items 14-17 were considered following Item 10.**

- (14.) Resolution No. 2005-R0435 authorizing the Mayor to execute the purchase of Airport/Non-owned aircraft liability coverage from the ACE USA Insurance Company (*Risk Management*).**

The City currently has airport and non-owned aircraft liability insurance. The current year's policies include a primary \$50 million Airport Owners Liability with a \$35,715 premium and \$50 million in Non-owned Aircraft Liability with an \$11,585 premium, for a total current year premium of \$47,300. The policies have no deductible. The current carrier is ACE USA and the policy expires on September 30, 2005.

The City's Broker of Record solicited quotes from ACE USA and two other carriers. A summary of quotes follows:

<b>FY 05</b>	<b>Proposed Premium</b>	<b>Comments</b>
ACE USA – Airport Liability (Incumbent)	\$35,715	\$0 deductible/\$50M coverage limits.
ACE USA – Non Owned Aircraft Liability (Incumbent)	\$10,750	\$0 deductible/ \$50M Coverage limits.
<b>TOTAL</b>	<b>\$46,465</b>	
<b>Recommended</b>		
AIG Aviation	Did not quote	Unresponsive to requests
Phoenix Aviation Manager	49,000	Comparable terms

**FISCAL IMPACT:**

The \$46,465 premium is included in the FY 2005-06 Risk Fund Operating Budget. This premium represents a \$3,199 decrease over anticipated costs.

Staff recommended purchasing insurance from ACE USA, the City's existing carrier, for a total package premium of \$46,465 for their Airport/Non-owned aircraft liability coverage.

- (15.) Resolution No. 2005-R0436 authorizing the Mayor to execute the purchase of boiler and machinery insurance coverage from the Zurich Insurance Company (*Risk Management*).**

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The City's current boiler and machinery insurance carrier is Zurich Insurance Company. The current year's premium is \$400,160 for the policy period of October 1, 2004 through September 30, 2005, for \$50 million in coverage with varying deductibles.

The City's Broker of Record solicited quotes from Zurich Insurance Company and Hartford Steam Boiler. In 1999, Hartford Steam Boiler failed to renew the City's coverage. At that time, an extensive search of the market revealed that CNA was the only carrier interested in extending the coverage. In 2004, the terms of CNA's renewal were such that they restricted coverage and increased deductibles and premiums based on losses.

After requesting quotes from Hartford Insurance Company, the City's Broker of Record was advised that they were unable to offer a quote. Zurich, Hartford, and CNA are the three main carriers of boiler and machinery coverage.

A summary of the quotes follows:

<b>05-FY</b>	<b>Proposed Premium</b>	<b>Comments</b>
Zurich Insurance  <b>Recommended</b>	\$372,077	Mechanical breakdown coverage included on all power generating units Increased deductibles to \$250,000, \$325,000 and \$500,000 for power generating units and \$100,000 for all others
Hartford Steam Boiler	Did Not Quote	Unable to overcome prior loss history

Zurich will also provide loss prevention functions that include state inspections for all City owned boilers, and infrared thermographic testing, oil analysis, and Doble testing on electric generating and distribution equipment.

**FISCAL IMPACT:**

Risk Management budgeted \$400,160 for boiler and machinery coverage in the FY 2005–06 Risk Fund Operating Budget. The premium quote is \$483,450, which was not unexpected after the recent claim submitted under this policy. The additional \$83,290 will be offset by a reduction in the property policy of \$15,482, leaving a \$67,808 difference that can be absorbed in LP&L's existing operating budget.

Staff recommended purchasing boiler and machinery insurance coverage from Zurich Insurance Company for a total policy premium of \$483,450.

- (16.) **Resolution No. 2005-R0437 authorizing the Mayor to execute the purchase of property insurance coverage in layers from the Lexington Insurance Company, for the primary \$20 million; Westchester Insurance Company (50%) and Commonwealth Insurance Company (50%) for the second \$20 million; and RSUI Indemnity Insurance for the remaining \$260 million excess of the \$40 million above (*Risk Management*).**

The City purchases property insurance for all structures for a total value of \$415,234,751 and contents valued at \$316,904,462, including vehicles and equipment within 500 feet of the real property. The current year's total premium is \$530,986 for \$300 million blanket coverage with stated values. This includes a \$250,000 deductible on all but wind/hail damage, which carries a 1% deductible limited to a \$250,000 low and a \$1 million maximum. Terrorism coverage is included in the premium cost. The current carriers are Lexington Insurance Company for the primary \$20 million, Westchester Surplus Lines Insurance Company (50%) and Commonwealth Insurance Company (50%) for the second \$20,000,000 excess of the first \$20 million, and RSUI Indemnity Insurance Company for the \$260 million excess of the \$40 million.

The property list has been updated for changes and for replacement cost values. For the upcoming policy year structures are valued at \$441,684,885 and contents at \$323,164,344.

The City's Broker of Record solicited quotes from ten markets for coverage levels matching the current policies. All carriers solicited are "A" rated by A. M. Best Key Rating Guide.

Responses to quotes are listed below.

**FY04 Premium FY05 Premium Comments**

1. Lexington (ACE)	\$344,866	\$313,740	Primary \$20M @ Competitive Rate
2. Westchester Surplus	\$ 41,560	\$ 38,234	50% of \$20M xs.
3. Commonwealth	\$ 41,560	\$ 37,398	\$20M
4. RSUI Indemnity	\$108,098	\$ 99,583	50% of \$20M xs.
<b>Recommended</b>		<b>\$488,955</b>	\$20M
5. Arch Insurance Group	Did Not Quote	Did Not Quote	Excess of \$40M @ Competitive Rate Would only support
6. Chubb Custom Insurance	Did Not Quote	Did Not Quote	\$5M in excess
7. Discover Property and Casualty	Did Not Quote	Did Not Quote	Declined due to larger municipality Declined due to
8. IRI	Did Not Quote	Did Not Quote	Electric Utility  Would only support
9. First State/Hartford	Did Not Quote	\$733,000	\$5M primary limit at cost of current \$20M primary
10. LMG/Wausau	Did Note Quote	Did Not Quote	Quoted a \$10M primary layer Could not support rating structure

**FISCAL IMPACT:**

The \$488,955 premium is budgeted in the FY 2005–06 Risk Fund Operating Budget. Premiums submitted were actually \$15,482 less than anticipated. This reduction will assist in offsetting an increase in boiler and machinery coverage for LP&L.

Staff recommended purchasing the property insurance coverage package from Lexington Insurance Company, Westchester Surplus Lines Insurance Company, Commonwealth Insurance Company, and RSUI Indemnity Insurance Company for a total policy premium of \$488,955 for FY 2005-06. This represents a premium decrease of \$15,482 or about 11% from the FY 2004–05 amount.

- (17.) **Resolution No. 2005-R0438 authorizing the Mayor to execute the purchase of Workers' Compensation coverage from the Texas Municipal League-Intergovernmental Risk Pool (*Risk Management*).**

The City has workers' compensation exposures for all City employees, including its volunteers. For the last six years, the City has purchased insurance coverage for these exposures. Currently, the City is insured by TML-IRP through its guaranteed cost program, i.e., fully insured (both

claims handling and claims payments). The guaranteed premium for this coverage is \$1,868,649 for FY 2004-05. Because this is an insurance product, all claims reported during the FY 2004-05 period will be paid by TML-IRP, regardless of the year in which claims are presented.

With the expiration of the policy year, the City's Broker of Record solicited quotes on the City's behalf for workers' compensation coverage. Three responses were received: TML-IRP, the current insurer, Texas Mutual Insurance Company, and AIG Insurance Company. All quotes were requested as a guaranteed cost quotation. Texas Mutual Insurance Company reported that a probable estimated premium was \$3.5 million but that they would need additional information to put together a firm quote and did not want to do so in light of the incumbent's quote. AIG Insurance Company, likewise, declined to quote based on the incumbent's quote.

With the City's improved loss history over the past three years, TML-IRP lowered their guaranteed cost program premium by \$356,004, a 19% reduction from the current year, for a total program cost of \$1,512,645. Regardless of the number or magnitude of worker injuries, the cost to the City for FY 2005-06 will be \$1,512,645.

**FISCAL IMPACT:**

The premiums are included in the FY 2005-06 Risk Fund Operating Budget.

Staff recommended renewing coverage with the Texas Municipal League-Intergovernmental Risk Pool under their guaranteed cost program for a premium of \$1,512,645.

**The next item considered was Item 19.**

- (18.) **Consider a resolution authorizing the Mayor to execute a grant management agreement with the North and East Lubbock Community Development Corporation (*Business Development*).**

**This item was held until the October 13, 2005 City Council meeting.**

The City has contracted with the North and East Lubbock Community Development Corporation (CDC) for the past two fiscal years to oversee and promote economic development in North and East Lubbock. This agreement represents the third year of the grant to the CDC. The term of the agreement is one year, beginning October 1, 2005 and ending on September 30, 2006.

**FISCAL IMPACT:**

The grant amount is \$250,000 and is included in the FY 2005-06 budget.

Staff recommended approval of this resolution.

- (19.) **Resolution No. 2005-R0439 authorizing the Mayor to execute the necessary FY 2005-06 contract for renewal of the leasing of library books with Baker and Taylor, Inc. of Charlotte, North Carolina (*Library*).**

**This Item was considered following Item 17.**

The leasing of library books for the Lubbock Public Library system has been in place since the 1970s and continues to provide new books for citizens in an economic and efficient way. Library patrons enjoy receiving new titles and this program provides that service. The cost of renewal for FY 2005-06 is \$42,741.60.

The program provides an inventory of current, hardcover titles that are selected by professional book buyers based on reviews and anticipated general public demand. Monthly pre-publication title lists are prepared with annotations to assist Library staff with selections. The Library may also order titles not on the selection lists to be included in the books shipment.

The Lubbock Public Library currently has a base collection of 2,640 volumes that are located in the four library facilities. Each month the Library will receive 220 new titles and will return books that have been circulating for at least six months. For every five books returned to Baker and Taylor, the Library is allowed to keep one book for free.

During FY 2004-05, 39,719 leased books were checked out throughout the library system. For the current fiscal year, to date 36,159 books have been checked out. Library patrons rely on the Baker and Taylor Lease Plan to provide current and popular titles, both fiction and nonfiction.

**FISCAL IMPACT:**

The total cost for this service is \$42,741.60. It is a budgeted item for FY 2005-06 in cost centers 5214, 5215, 5216, and 5217, account 8705.

Staff recommended approval of this resolution.

**The next item considered was Item 21.**

- (20.) **Resolution No. 2005-R0455 making the commitment to sell wholesale water, in principle, to the Lubbock-Cooper Independent School District, subject to the City and Lubbock-Cooper Independent School District entering into a definitive sales contract (*Water Utilities*).**

**This item was moved from consent agenda to regular agenda and considered following Item 13.**

In December 2004, the Lubbock-Cooper Independent School District (LCISD) sent a letter to the City requesting that the City agree to sell water to LCISD. LCISD would like to include funding for the necessary infrastructure to obtain water from the City as part of an upcoming bond package. This request is for approximately 14 acre-feet (about 5 million gallons) of water per year.

The request is for water to be used by students and employees at LCISD schools located in the vicinity of Woodrow, Texas. The request will not allow the resale of water to third parties. Mr. Pat Henderson, LCISD Superintendent, and the Board of Trustees believe that the acquisition of a reliable, long-term alternative water source is absolutely essential for the survival of the district.

The City currently provides water to some LCISD facilities that are within the city. This request would expand the provision of water to areas outside the current city limits (near 146th Street and Olive Avenue). In the proposed agreement, the City would provide water lines to the existing city limits, and LCISD would provide water lines beyond that point to school facilities.

Many students who attend LCISD live within Lubbock city limits. LCISD is a governmental entity, and the City has participated in supplying, treating, and/or transporting water to other governmental entities and communities in the area.

An agreement will be prepared to outline the responsibilities of both parties related to the provision of water to LCISD. Once the agreement is prepared, it will be presented to the Mayor and City Council and the LCISD Board of Trustees for consideration.

**FISCAL IMPACT:**

Most of the responsibility for necessary infrastructure (water lines, water pumps, etc.) will be paid for by LCISD. The City will be primarily responsible for supplying and treating the water supply at its adopted rates. Financial details will be prepared for City Council consideration with the proposed agreement.

Staff recommended approval of this resolution.

Motion was made by Mayor Pro Tem Martin, seconded by Council Member Jones to pass Resolution No. 2005-R0455 as recommended by staff. Motion carried: 7 Ayes, 0 Nays.

**The next item considered was Item 25.**

- (21.) **Resolution No. 2005-R0440 authorizing the Mayor to execute an option agreement to purchase an oil and gas lease by and between the City and Cone and Petree Oil & Gas Exploration, Inc., covering 480 acres of land, more or less, being the east one-half (E/2) and the northwest quarter (NW/4) of Section 14, Block I, Certificate 360, Abstract No. 742, Lubbock County, Texas, and further authorizing the Mayor to execute all related documents thereto, including without limitation, the oil and gas lease attached as Exhibit A, upon the exercise by Cone and Petree Oil & Gas Exploration, Inc., of the option granted herein (*Water Utilities*).**

**This item was considered following Item 19.**

The sole purpose of this agreement is to grant an option (six-month term) to Cone & Petree to enter into an oil and gas lease to explore, drill, operate for, and produce oil, liquid hydrocarbons, gas, and other respective constituent products. The oil and gas lease, if the option is exercised, allows Cone & Petree to lay pipelines, store oil, build tanks (but not tank farms), roads, and other structures necessary to produce, save, care for, treat, store, and transport said products from the specific tracts of land that are a part of the Lubbock Land Application Site, which is estimated to contain 480 acres.

**FISCAL IMPACT:**

There are no known costs associated with the City's participation in the option agreement and the oil and gas lease if the option is exercised. Revenues under the oil and gas lease (if the option is exercised) are based on a 25% royalty on oil and gas plus a \$100 per net mineral acre bonus.

Staff recommended approval of this resolution.

**The next items considered were Items 23-24.**

- (22.) **Resolution No. 2005-R0462 evaluating and establishing the Municipal Court Judge's salary (*Municipal Court*).**

**This item was moved from consent agenda to regular agenda and considered following Item 7A.**

City Council has committed to reviewing and setting the salary of the Presiding Municipal Court Judge on an annual basis. This review is accomplished in conjunction with the City's annual budget.

**FISCAL IMPACT:**

Last year's salary amount is included in the Municipal Court budget for FY 2005-06 along with a budgeted 3% increase. The only adjustment to the budget will be the amount of any increase decided upon by City Council. Municipal Court will generate revenues more than sufficient to provide the funds necessary to cover this expenditure.

Staff recommended approval of this resolution.

Motion was made by Council Member Gilbreath, seconded by Council Member Price to pass Resolution No. 2005-R0462 as recommended by staff. Motion carried: 6 Ayes, 0 Nays.

Council Member Jones was away from the dais.

**The next item considered was Item 46.**

**Item 23-24 were considered following Item 21.**

- (23.) **Resolution No. 2005-R0441 authorizing the Mayor to execute an interlocal agreement with the Lubbock Independent School District regarding operation funding of the Specialized Treatment and Rehabilitation program for FY 2005-06 (*Municipal Court*).**

Specialized Treatment and Rehabilitation is a cooperative venture among the Lubbock Independent School District, Lubbock County, and the City that addresses the needs of school children, ages 11-16, who have engaged in conduct generally described as delinquent. The program combines educational components with regimented discipline and probation supervision.

**FISCAL IMPACT:**

The City's annual cost is \$135,636, and that amount has been included in the Municipal Court FY 2005-06 budget.

Staff recommended approval of this resolution.

- (24.) **Resolution No. 2005-R0442 authorizing the Right-of-Way Department to make an offer to Murphy Addition, LLC for a 519-square-foot tract of land out of Lot 5, Murphy Place Addition to the City of Lubbock, for the Memphis Avenue and 19th Street Northbound Right-Hand Turn Lane Project (3723 19th Street) (*Right-of-Way*).**

At the July 28, 2005 City Council meeting, a resolution was approved to make an offer to acquire a tract of land from Murphy Addition, LLC for a northbound right-hand turn lane for Memphis Avenue at its intersection with 19th Street. The offer consisted of the purchase of the right-of-way (1,023 square feet) for \$15,345 and damages to the remainder of \$15,240 for a total offer of \$30,585. The damages to the remainder was the property owner's cost of obtaining a street-use license from the City. The license is for the use of 503 square feet of the land being sold to the City, which would be used for a parking lot and driveway area for the business. The offer was made to the property owner, and he expressed a concern that he had a 30-year lease on the building with his tenant and the license would expire in 20 years. The Right-of-Way Department then discussed with him a proposal for him to retain the 503 square feet and give the City a utility easement and an ingress-egress easement across this tract of land that, after constructed, will be part of the parkway area of Memphis Avenue.

Murphy Addition, LLC agreed to this proposal and the appraiser, Merle Blosser, M.A.I., revalued the property. Mr. Blosser appraised the 519 square feet (1,023 square feet – 503 square feet) at \$15 per square foot for a value of \$7,785 and the easement to be granted to the City for a value of \$3,773 for a total appraised value of \$11,558, which is the new offer to Murphy Addition, LLC.

In this acquisition, the property owner will lose four parking spaces that are critical to his business. To resolve this loss, the City will sell an excess portion (645 square feet) of 19th Street right-of-way to the property owner at a later date to allow the property owner to regain his four parking spaces through a revised parking lot space arrangement.

The City obtained this tract of 19th Street excess right-of-way from TxDOT as part of the Memphis Avenue-19th Street Turn Lane project. This portion has been appraised by Mr. Blosser for \$9,675. By the time this acquisition has been completed, the City will have a net right-of-way acquisition expense of \$1,883.

**FISCAL IMPACT:**

\$11,558 is available in account 9513-8302-40000 (East-West Freeway Capital Projects) for this purpose.

The Right-of-Way Department recommended approval of this resolution.

**The next item considered was Item 26.**

- (24A.) Resolution No. 2005-R0457 authorizing the Mayor to execute a subordination of deed of trust, subordinating the City's lien created by that certain deed of trust, dated April 28, 2005, recorded in Volume 9824, Page 300, Official Public Records, Lubbock County, Texas, encumbering a portion of land located in Section 37, Block AK, Lubbock County, Texas, as more particularly described therein (*Legal*).**

**This item was moved from consent agenda to regular agenda and considered following Item 25.**

Pursuant to that certain Development Agreement for Design and Construction of Milwaukee Avenue (the "Development Agreement"), dated on or about April 28, 2005, the City of Lubbock and Christian City View Fellowship (the "Church") entered into an agreement whereby the Church would pay the City for its share of the paving, drainage, water and sewer construction of Milwaukee Avenue. To secure the contractual obligations of the Church as provided in the Development Agreement, the Church executed and delivered, in favor of the City of Lubbock, a certain Deed of Trust (the "Deed of Trust"), dated on or about April 28, 2005, and recorded in Volume 9824, Page 300, Official Public Records, Lubbock County, Texas. The Development Agreement and Deed of Trust provide that, at the request of the Church, the City would subordinate its lien to the lien contemplated by the Church to be created by a bond issue described as "Christian City View Fellowship, Issuer, First Mortgage Bonds, 2005 Series" (the "Third Party Lien"), said funds to be utilized by Developer solely for the construction of buildings and parking facilities on the property encumbered by the City's lien.

The Church has now requested that the City, pursuant to the express terms of the Development Agreement and Deed of Trust, subordinate its lien to the Third Party Lien described above.

**FISCAL IMPACT:**

Due to the fact that the City has previously agreed, per express terms of the Development Agreement and Deed of Trust, to subordinate its lien to the Third Party Lien, the execution and delivery of the Subordination of Deed of Trust will have no further fiscal impact on the City.

Staff recommended approval of the Subordination of Deed of Trust.

Motion was made by Council Member Jones, seconded by Council Member Gilbreath to pass Resolution No. 2005-R0457 as recommended by staff. Motion carried: 7 Ayes, 0 Nays.

**The next item considered was Item 27.**

- (25.) **Resolution No. 2005-R0456 amending Resolution No. 2002-R0472 as extended by Resolution No. 2003-R0338, as extended by Resolution No. 2005-R0415, concerning payment of supplemental pay to employees, who are called to active military duty, for an additional one year period to end September 30, 2006 (*Human Resources*).**

**This item was moved from consent agenda to regular agenda and considered following Item 20.**

Resolution No. 2002-R0472 was passed by City Council on October 24, 2002. This resolution authorizes paying full-time employees who are called to active military duty an amount necessary to ensure no loss in wages between military pay and the employee's gross wages. Gross wages are less car allowance and expense allowance after all military leave is used. Resolution No. 2002-R0472 was extended by Resolution No. 2003-R0338 on August 28, 2003, to September 30, 2004, and Resolution No. 2005-R0415 on August 26, 2004, to September 30, 2005. Seven employees have received supplemental pay.

**FISCAL IMPACT:**

The actual impact of this resolution is unknown and depends upon how many reservists are called. A maximum cost of \$50,000 can be expected for the current participants. The fiscal impact from December 13, 2002 to September 2, 2005 is approximately \$108,683.41.

These supplemental salaries are included in the FY 2005-06 department budgets.

Staff recommended continuation of this policy. Under the Texas Constitution, City Council must determine that this action serves a public purpose.

Scott Snider, Director of Human Resources, gave comments and answered questions from Council.

Motion was made by Council Member Gilbreath, seconded by Council Member Boren to pass Resolution No. 2005-R0456 as recommended by staff. Motion carried: 7 Ayes, 0 Nays.

**The next item considered was Item 24A.**

- (26.) **Resolution No. 2005-R0443 authorizing the Mayor to execute on behalf of the City of Lubbock, a severance agreement with Lee Ann Dumbauld, City Manager (*City Council/City Manager*).**

**This item was considered following Item 24.**

The City of Lubbock has employed Lee Ann Dumbauld as its City Manager. In order to ensure continued service with Ms. Dumbauld, the City and Ms. Dumbauld desire to enter into a severance agreement to go into effect in the event of involuntary termination of Ms. Dumbauld for a reason other than "Cause" as defined in the severance agreement.

Under this severance agreement, Ms. Dumbauld would be entitled to a payment equivalent to her salary for six months and for one additional month for each year of service completed at the time of the involuntary termination.

If Ms. Dumbauld resigns voluntarily or is disabled and unable to perform her duties, she will be entitled to the same severance benefits as any other employee of like longevity and position.

The severance agreement is specifically worded so as not to constitute a contract for personal services for a set term prohibited by Chapter 1, Article IX, and Section 21 of the Lubbock City Charter.

**FISCAL IMPACT:**

The cost to the City will be contingent upon the length of Ms. Dumbauld's service if she is terminated involuntarily for a reason that is not "Cause" for termination under the terms of the severance agreement.

Staff recommended approval of this Severance Agreement with Ms. Dumbauld.

**The next items considered were Items 28-33.**

- (27.) **Resolution No. 2005-R0458 authorizing the Mayor to execute an amendment to the agreement between the City and Civic Lubbock, Inc. with regard to adjusting concession commissions and salary reimbursements, collection of catering and merchandise fees, and the creation of three standing subcommittees (*Civic Services*).**

**This item was moved from consent agenda to regular agenda and considered following Item 24A.**

Per the current agreement, Civic Lubbock, Inc. pays a commission to the City of 5% on concession food/soft drinks, 20% on alcohol sales, and 30%

on beer sales from hockey games. Civic Lubbock, Inc. also reimburses the City for salaries and benefits for 7.75 full time employees associated with the concession and ticketing operations. A proposed change to these percentages will result in Civic Lubbock, Inc. paying a 5% commission to the City on all sales from both the Civic Center and Auditorium/Coliseum. With a reduction in staffing levels, this amendment will reduce the number of employees needing to be reimbursed from 7.75 to 5.75 employees.

The addition of four Directors will assist in the oversight of three newly created sub-committees that will report to the Civic Lubbock, Inc. Board of Directors. One of the sub-committees will function as the advisory board to the Silent Wings Museum and the Buddy Holly Center. A second sub-committee will oversee the Cultural Arts Grant Program, which is funded through the Hotel Occupancy Tax allocation formula. The Board will present its recommendation to the City Council after accepting applications, per guidelines developed for this program.

A third sub-committee will provide recommendations related to the development, organization, coordination, and funding of events that will take advantage of the various talent and venues associated with the City's entertainment industry that will have a positive impact on tourism within the city.

The key provisions in the proposed amendment to the agreement are:

1. Adjustments to the commissions paid to the City by Civic Lubbock, Inc.
2. A reduction in the staffing levels that impact the reimbursements from Civic Lubbock, Inc. to the City.
3. Additional responsibilities associated with the arts and entertainment.
4. Administering the Cultural Arts Grant Program for the City.

The changes will become effective October 1, 2005.

**FISCAL IMPACT:**

The annual funding for the Cultural Arts Grant Program will be provided to Civic Lubbock, Inc. from the Hotel Occupancy Tax Fund. A budget amendment for these changes will be presented at the October 13, 2005 City Council meeting.

Staff recommended City Council approval of the proposed amendment to the agreement with Civic Lubbock, Inc. and the creation of the three sub-committees.

Elizabeth Regner, Executive Director of Lubbock Arts Alliance, gave comments regarding the Civic Lubbock Position Statement and answered questions from Council.

Murray Hensley gave comments and answered questions from Council.

Council Member Jones called the question. Question carried: 5 Ayes, 2 Nays. Council Members Boren and Gilbreath voted Nay.

Motion was made by Council Member Jones, seconded by Mayor Pro Tem Martin to pass Resolution No. 2005-R0458 as recommended by staff. Motion carried: 6 Ayes, 1 Nay. Council Member Gilbreath voted Nay.

**The next items considered were Items 39-45.**

**Items 28-33 were considered following Item 26.**

- (28.) **Resolution No. 2005-R0444 approving changes to the Civic Lubbock, Inc. by-laws providing for the appointment of additional Board members, defining the frequency of meetings to be held, and addition of language related to the indemnification of directors (*Civic Services*).**

While reviewing the current Civic Lubbock, Inc. by-laws, it was noted that no language existed that referenced indemnifying any of the Board members. Staff researched the subject and found language regarding the subject of indemnification in the Lubbock Economic Development Alliance by-laws. Since Civic Lubbock, Inc. Board members are appointed in a similar manner as the Lubbock Economic Development Alliance, the language related to indemnification is being added to Civic Lubbock, Inc.'s by-laws.

A housekeeping item is also included in the by-laws revision that involves the frequency of regular meetings. The current by-laws state that regular meetings shall be held quarterly. With the daily operation of the concessions and ticketing activity, it is often necessary for the Board of Directors to meet on a more frequent basis. Therefore, language is being added to provide for regular meetings to be held at least quarterly.

The existing Civic Lubbock, Inc. by-laws state that there will be seven members of the Board of Directors. Staff has recommended, and the Civic Lubbock, Inc. Board has approved, increasing the number of Board members to eleven. With the additional responsibilities being undertaken by Civic Lubbock, Inc., the expanded number of Directors will assist in

carrying out their mission. Another change in the by-laws is related to the required number of Board of Directors to vote in favor of any amendment, supplement, or change. This number will be increased from five to seven members.

Key provisions of the amended by-laws include:

1. Increase the number of Board members from seven to eleven.
2. Increase the number of Board members required to approve any changes to the by-laws from five to seven.
3. Addition of language that references indemnification of the Board of Directors.

The changes will become effective October 1, 2005.

**FISCAL IMPACT:**

Not applicable.

Changes in the Civic Lubbock, Inc. bylaws require that they be presented to City Council for review and approval. Staff recommended approval.

- (29.) **Resolution No. 2005-R0445 authorizing the Mayor to execute a FY 2005-06 contract for general provisions for subrecipient grant contracts and associated sub-grant contracts, and any documents between the City and the Texas Department of State Health Services (*Health Department*).**

The following grants are appropriated with Budget Amendment #1 (Item 39). Said budget amendment requires two readings, with the second reading scheduled for October 13, 2005.

Regional and Local Services Section (RLSS/LPHS) - Attachment 01  
\$59,277 total. No change from last year for 5-month period.

HIV Surveillance (Change 01) - Attachment 02  
\$50,251 total. No change from last year.

Immunization/Locals (Change 02) - Attachment 03  
\$138,264 total. No change from last year.

CPS-Bioterrorism Preparedness (Change 03) - Attachment 04  
\$349,318 total. No significant change from last year except for the one-time expenditures for equipment last year.

CPS-Bioterrorism Preparedness—Lab (Change 04) - Attachment 05  
\$199,760 total. No significant change from last year.

Total contract (attachments 01, 02, 03, 04, 05) amount: \$796,870

Health Department staff recommends approval.

- (30.) **Resolution No. 2005-R0446 authorizing the Mayor to execute a contract for milk and dairy products services, and any associated documents, between the City and the Texas Department of State Health Services (*Health Department*).**

The Milk and Dairy Testing Attachment No. 01 to Document No. 7560005906A 2006 is part of the annual contract with the Texas Department of State Health Services. The term of the contract is September 1, 2005 through August 31, 2006. The Lubbock Health Department Regional Laboratory is reimbursed for laboratory analysis of milk and dairy samples at a specified rate, depending on what kind of analysis is performed. The Lab performs over 3,000 tests on the more than 700 samples submitted each year. The milk and dairy testing program maintains technologist proficiency in laboratory methods that would be used to respond to food-borne disease outbreaks. These activities are directly related to protection of the public.

**FISCAL IMPACT:**

Per the contract, the cost of lab services will be reimbursed up to \$14,000. A grant for these services is appropriated with Budget Amendment #1 (Item 39). Said budget amendment requires two readings with the second reading scheduled for October 13, 2005.

Health Department staff recommended approval.

- (31.) **Resolution No. 2005-R0447 authorizing the Mayor to execute Contract Change No. 12 to a contract, and any associated documents, with the Texas Department of State Health Services for milk and dairy products (*Health Department*).**

The Milk and Dairy Testing Attachment No. 07 (Change No. 12) to Document No. 7560005906 2005, passed by City Council on August 16, 2004 with Resolution No. 2005-R0392, provides for the purchase of two pieces of equipment to support the milk and dairy testing and surveillance program. The term of the contract is August 15, 2005 through August 31, 2005. The equipment purchases include a New Charm SL6 Reader (\$2,600) and a New Charm SL6 45 degree C Incubator (\$450).

The Health Department Regional Laboratory is reimbursed for laboratory analysis of milk and dairy samples at a specified rate, depending on what kind of analysis is performed. The Lab performs more than 3,000 tests on the more than 700 samples submitted each year. The milk and dairy testing program maintains technologist proficiency in laboratory methods that would be used to respond to food-borne disease outbreaks. These activities are directly related to protection of the public.

**FISCAL IMPACT:**

Total equipment purchases allowed under this contract amount to \$3,050, which covers the full cost of the equipment. A grant for these products is appropriated with Budget Amendment #1 (Item 39). Said budget amendment requires two readings with the second reading scheduled for October 13, 2005.

Health Department staff recommended approval.

**(32.) Resolution No. 2005-R0448; Resolution No. 2005-R0449 - BID #05-102/MA—for Forklifts (*Fleet Services*).**

This bid is for the purchase of two forklifts for the Central Warehouse. The current forklifts are at the end of their useful service life and require frequent maintenance. This equipment will be used at the Central Warehouse daily to transport inventoried items, like reels of electrical cable, concrete vaults, and pallets of items that are issued in bulk to City departments.

Pursuant to Texas Local Government Code 271.905(b), in purchasing real property or personal property that is not affixed to real property, if the City receives one or more bids from a bidder whose principal place of business is in the city and whose bid is within 3% of the lowest bid price received by the City from a bidder who is not a resident of the city, the City may enter into a contract with:

- (1) the lowest bidder; or
- (2) the bidder whose principal place of business is in the city if City Council determines, in writing, that the local bidder offers the City the best combination of contract price and additional economic development opportunities for the City created by the contract award, including the employment of residents of the city and increased tax revenues to the City.

In order to receive consideration of the location of the bidder's principal place of business for bid award, bidders are required to submit an Affidavit of Eligibility.

The bid submitted by Associated Supply Company, Inc. of Lubbock, Texas for Item 2 on the bid tabulation is within 3% of the low bid from a non-resident bidder and meets all required bid specifications. Stewart & Stevenson is the low bidder and maintains corporate headquarters in Houston, Texas, with a branch office in Lubbock, Texas.

**Pursuant to the abovementioned statute, City Council has the authority to award the bid for these items to the local bidder "if the governing body of the local government determines, in writing, that the local bidder offers the local government the best combination of contract price and additional economic development opportunities for the local government created by the contract award, including the employment of residents of the local government and increased tax revenues to the local government".** To facilitate the determination, a completed and signed Affidavit of Eligibility from the abovementioned local bidder is included in City Council backup documents.

Twenty-seven local businesses were notified of the Invitation to Bid.

**FISCAL IMPACT:**

A total of \$7,665,285 was appropriated with \$3,350,695 available in various fund level accounts. This equipment will be financed using the City's master lease-purchase program.

Staff recommended bid award to Associated Supply Company of Lubbock, Texas for \$73,134.

**(33.) Resolution No. 2005-R0450 - RFA #05-074/VK—for Bank Depository Services (*Finance*).**

This contract will provide a full complement of banking services in coordination with the City's Cash Management Program. The contract term with the selected financial institution is three years, with a provision for two one-year extensions.

The City solicited applications for depository services from all banks in the city on August 5, 2005. The banks had 24 days to review the Request for Application (RFA). Applications were reviewed by the Depository Selection Committee, which is made up of City and Lubbock Power & Light staff members.

An extensive scorecard comparison of all bank responses was created in order to evaluate the banks on the selection criteria listed in the RFA. The scorecard incorporated bank services, cost of services, and interest earnings.

State law governing the depository selection process does not permit negotiations after the applications have been received; therefore, staff did not approach the banks for a final negotiation of their prices.

Consideration of Separation of City and LP&L Bank Accounts: Due to the November 2004 charter election that changed the management scope of Lubbock Power & Light, the RFA addressed a possible separation of bank activities of LP&L and the City. The City requested that responding banks provide alternate pricing scenarios:

- Alternate 1: The response will provide depository services for all accounts held by the combined entities of the City and LP&L.
- Alternate 2: The response will provide depository services for City accounts only.
- Alternate 3: The response will provide depository services for LP&L accounts only.

Bank of America, PlainsCapital, and Wells Fargo offered the same pricing for all three alternatives. American State Bank offered separate pricing for services as follows:

- Alternative 1: \$14,000
- Alternative 2: \$8,000
- Alternative 3: \$10,000

A separation of bank activities between the City and LP&L would result in the duplication of efforts, and the necessity for additional accounting/bookkeeping personnel at LP&L. Therefore, the recommendation of the Committee is to retain the consolidated account structure for the two entities (Alternative 1). The remainder of the analysis will focus on the bank services with the combined LP&L and City accounts.

RFA Calendar - The following calendar of events was used for the Depository Services RFA:

- |                 |                                                             |
|-----------------|-------------------------------------------------------------|
| August 5, 2005  | RFA distributed to prospective financial institutions       |
| August 29, 2005 | Receive applications from interested financial institutions |

Regular City Council Meeting  
September 21, 2005

August 27-September 5, 2005	Review applications
September 6, 2005	The Depository Selection Committee meets to agree upon a recommendation to City Council
September 7-11, 2005	Finalize terms of depository contract with financial institution
September 21, 2005	Proposed City Council approval
November 20, 2005	Current contract with Wells Fargo expires
November 21, 2005	Depository contract begins

Evaluation Criteria: The Committee reviewed the responses to the RFA and attached weights to the following five criteria:

Required service availability and performance (including automated systems support)	35 %
Cost of Services	35 %
Earnings potential from interest, sweep and ECR rates	10 %
Financial strength and stability	10 %
Convenience of services (branch locations, local reps)	10 %

Evaluation Results:

A. Required Service Availability and Performance: The required service ranking, as approved by the Depository Selection Committee, ranked the banks on a system with a maximum point scale of 417. The banks ranked as follows:

Depository	Score	Points (out of 35 max.)	Rank
Wells Fargo:	384.4	32.2	1
Bank of America:	355.2	29.8	2
PlainsCapital Bank:	295.0	24.8	3
American State Bank:	277.6	23.3	4

This ranking compared each of the banks in 19 areas of bank services. The areas with heaviest weight in this analysis included: required financial institution information (including location, references, CRA rating), automated transaction systems/daily balance reporting, wire transfer services, reconciliation/positive pay, collection and deposit services, reporting/account analysis, and collateralization of deposits.

A summary of those scores has been provided in Attachment A – “Bank Services Evaluation Matrix”.

- B. Cost of Services: The Cost of Services is ranked equally with Required Service Availability and Performance as the most important criterion in this RFA. A scorecard of bank costs was created to compare the costs of services among all banks based on estimated monthly activity volumes. Following are the results of that analysis:

Financial Institution	Cost per month	Rank
Wells Fargo:	\$ 9,071	1
Bank of America:	\$12,629	2
PlainsCapital Bank:	\$13,080	3
American State Bank:	\$14,000	4

Wells Fargo is the low-cost applicant in this RFA. For the contract, American State is 54% above, Bank of America is 39% above, and PlainsCapital Bank is 44% above Wells Fargo’s cost of services. The major difference in prices between Wells Fargo and the other banks is in the Depository Services and ACH Services categories.

A summary of those scores has been provided in Attachment B – “Bank Charges”.

- C. Earnings potential from interest, sweep, and earnings credit rates: A twelve-month history of interest earnings was provided by each of the financial institutions. Between July 2004 and June 2005, American State Bank had paid the highest amount on overnight investment alternatives. American State Bank’s rates were followed by Wells Fargo (-8%), Bank of America (-15%), and PlainsCapital Bank (-17%).

A summary of those scores has been provided in Attachment C – “Historic Interest Rates”.

- D. Convenience of services: American State Bank, Bank of America, PlainsCapital Bank, and Wells Fargo rated equally in this area as all have locations within the city limits.
- E. Financial Strength and Stability: All banks ranked equally on this category. All banks are regarded as financially sound.

Total Score: The total scores, based on a compilation of the evaluation results, are based on a total possible score of 100 points, and are as follows (See Selection Criteria Scorecard):

Depository:	Score	Rank:
Wells Fargo:	96.42	1
Bank of America:	79.54	2
PlainsCapital Bank:	75.58	3
American State Bank:	69.31	4

Based on the Depository Selection Committee evaluation, Wells Fargo Bank provides the highest level of services at the lowest cost. The Committee recommended City Council award the depository services contract to Wells Fargo based on these results.

**FISCAL IMPACT:**

A total of \$185,000 was appropriated with \$185,000 available in account 360.8307 (Professional Bank Service Charges) for FY 2005-06.

Staff recommended contract award to Wells Fargo Bank of Lubbock, Texas for \$108,852 annually.

**The next Item considered was Item 9.**

**PUBLIC HEARINGS**

**10:06 A. M. Zoning**

- (34.) **Ordinance No. 2005-00117 - ZONE CASE NO. 2294-E (103rd Street and Indiana): Hold a public hearing to consider the request of Craig Wallace Construction (for L. B. F. Properties) for a zoning change from A-2 to GO for general and professional office on Tract 3, All Saints Addition. (first reading).**

Mayor McDougal opened the public hearing at 10:06 a. m. No one appeared on behalf of L. B. F. Properties. No one appeared in opposition. Mayor McDougal closed the hearing at 10:07 a. m.

The request will zone a portion of the original All Saints tract to accommodate Garden Office development.

Adjacent land uses:

North – commercial

South – garden office and residential

East – private school

West - residential

The proposal meets the intent of both the Comprehensive Land Use Plan and zoning policy. GO is considered a buffer district and will work well in conjunction with the location of the school and the adjacent department store. There were no adjacent residents at the hearing to comment regarding the case.

The project will not have a significant impact on the thoroughfare system.

The Planning Commission recommended the request with one traffic-related condition:

The parcel will be allowed one curb cut on the Indiana Avenue frontage.

**FISCAL IMPACT:**

Not applicable.

Staff supports the Planning Commission recommendation.

Motion was made by Mayor Pro Tem Martin, seconded by Council Member Gilbreath to pass on first reading Ordinance No. 2005-00117 as recommended by staff. Motion carried: 7 Ayes, 0 Nays.

- (35.) **Ordinance No. 2005-00118 - ZONE CASE NO. 2458-H (Loop 289, west of Knoxville Avenue): Hold a public hearing to consider the request of David Turek – Colonial Communities, Inc. (for OHC/Lubbock, Ltd.) for a change from C-4 and R-1 to C-3 and A-1 Specific Use for a senior apartment community on a 27.252 acre tract of unplatted land out of Section 18, Block A. (first reading).**

Mayor McDougal opened the public hearing at 10:06 a. m. No one appeared on behalf of OHC/Lubbock, Ltd. No one appeared in opposition. Mayor McDougal closed the hearing at 10:07 a. m.

The applicant is proposing a down zone to a portion of C-4 along the service road west of Clovis Highway, to C-3, and the balance of the parcel north of an apartment project as a gated apartment community targeted for senior citizens.

Adjacent land use:  
North – Loop 289  
South – apartment complex  
East – town home project  
West – vacant

The project meets the objectives of both the Comprehensive Land Use Plan and zoning policy. The area is targeted on the Plan as high density and the frontage as commercial. The applicants are intentionally down zoning the frontage to prevent some of the heavier commercial uses adjacent to their residential community.

The request is filed as a Specific Use Permit to accommodate the perimeter fence for the gated community. The vision triangle is protected at the street corners illustrated in their initial plan. Some adjustments will be made in the final plan for building locations related to drive alignment and drainage solutions. TxDOT will have governance of curb cuts on the Loop 289 service road.

The Planning Commission recommended the project with conditions:

1. The perimeter fence may be installed as proposed with consideration for any vision triangle associated with the project.
2. Tied to the proposed site plan with adjustments allowed for building location due to future platting requirements.

**FISCAL IMPACT:**

Not applicable.

Staff recommended approval of the Planning Commission request.

Motion was made by Mayor Pro Tem Martin, seconded by Council Member Gilbreath to pass on first reading Ordinance No. 2005-00118 as recommended by staff. Motion carried: 7 Ayes, 0 Nays.

- (36.) **Ordinance No. 2005-O0119 - ZONE CASE NO. 2936-B (11002 Quaker Avenue): Hold a public hearing to consider the request of Mark G. Anderson/ADC, Inc. (for Dr. Randall Billings) for a zoning change from R-1 Specific Use to GO for general and professional offices on Lots 16 and 17, Tivoli Estates Addition. (first reading).**

Mayor McDougal opened the public hearing at 10:06 a. m. No one appeared on behalf of Dr. Randall Billings. No one appeared in opposition. Mayor McDougal closed the hearing at 10:07 a. m.

The request will rezone two residential lots adjacent to a Garden Office tract that abuts Quaker Avenue. The final design of the project has not been finished, so the ultimate use of the two lots (building or parking) has yet to be determined.

Adjacent land uses:

North – residential

South – residential

East – garden office zoning, vacant

West – residential

The Garden Office District is considered a buffer district, so the proposed zoning is consistent with policy as stated by the Comprehensive Land Use Plan. Two proposed conditions below should make the proposal acceptable to the adjacent residential in terms of zoning policy; the homes to the west and south will be protected with a screening fence that is already required by the Zoning Code. In addition, a low fence along 110th Street with a fifteen-foot setback from the property line will preserve the “look” of the remaining garden homes to be constructed to the west.

One couple was in attendance - the letter of opposition from an owner on 110th Street. After visiting with the applicant, they left with no comment and presumably are not in opposition to the project.

The project will not have a negative effect on the thoroughfare system.

The Planning Commission recommended the request with the following conditions:

1. A minimum six-foot screening fence shall be installed on the west and south boundaries of the lots.
2. A three-foot screening fence of masonry construction shall be installed on the north of the lot with a fifteen-foot setback from the property line of 110th Street. No curb access will be allowed to 110th Street from the two lots.

**FISCAL IMPACT:**

Not applicable.

Staff supports the Planning Commission recommendation.

Motion was made by Mayor Pro Tem Martin, seconded by Council Member Gilbreath to pass on first reading Ordinance No. 2005-00119 as recommended by staff. Motion carried: 7 Ayes, 0 Nays.

**10:07 A. M. CITY COUNCIL RECESSED**

**10:10 A. M. CITY COUNCIL RECONVENED**

**At this time, Item 47 was reconsidered**

**10:15 A. M. Planning**

**Items 37-38 were considered following reconsideration of Item 41.**

**(37.) Hold a public hearing to consider annexation of a tract of land within the current limits of the Lubbock Preston Smith International Airport, located at an area bounded approximately by the short north/south runway on the west, the east/west runway on the north, a line west of the water treatment facility on the east, and Bluefield Avenue on the south (East Port).**

Mayor McDougal opened the public hearing at 10:16 a. m. No one appeared on behalf of the annexation. Mark Piercy and Stan Blanton appeared in opposition. Mayor McDougal closed the hearing at 10:17 a. m.

In 1983 portions of the Lubbock Preston Smith International Airport (LPSIA) were annexed, as well as the property owned by the Texas A & M Extension Service north of the Airport to allow extension of water to the A & M facility. Annexation of parts of the Airport was necessary to provide a contiguous landmass to get to the A & M office complex on FM 1294. At the time, the proposal to annex all of the Airport property, and the areas referred to as East Port and West Port, where private aviation activities and other industrial activities were in place, created a contentious hearing by those individuals not wanting to be annexed and subject to city taxes. Since the initial objective was to provide water to the A & M facility, the annexation area was reduced to include only the runways, vacant areas, and the new airline passenger terminal building.

Recently, both the Planning and Aviation Departments have discussed the fact that Airport tenants are receiving city services, as they are tenants on city-owned land (the services include water, sewer, fire protection, and police), but they are not tax paying entities of the city. Airport tenants are responsible for paying for their own water and sewer bills, but the items provided from the general fund (City police and the Fire Department) are not paid for in their contracts as additional rent and are not available to any

other business locations outside the city due to the City Council policy. The airport does provide crash/rescue service and security.

Since the discussion has been resurrected, a number of the fixed-wing aircraft owners with airplanes based at the Airport have submitted an opposition letter suggesting that since they are rent paying tenants, they should be allowed to remain outside the city limits, but be served with services paid by the tax base. As noted during the discussion during adoption of the resolution, no other businesses within the city have the same privilege, and each of them pays either rent or a mortgage on their building and land. Not discussed at the meeting, when the resolution was adopted, is the fact that if an airplane is based at LPSIA and is personal property, or is owned by a tax exempt organization, no additional taxes will apply to the plane. The City portion of taxes included as sales tax in fuel would apply to all fuel sales. The only affected aircraft are those owned by businesses that are subject to the business personal tax, as they are now by the other taxing entities within Lubbock County.

In addition, the Lubbock Police Department has no jurisdiction in the areas known as East Port and West Port. The Airport Police do have jurisdiction and respond to calls in these areas. If a major crime were to occur on the areas under discussion, the responsibility for handling the crime scene and investigation would be the Airport Police and the Sheriff's Department.

**FISCAL IMPACT:**

The public hearing does not have a fiscal impact.

The Airport Advisory Board has discussed the issue of annexation and does not object should City Council take action to annex.

The process is a petition annexation, with the single and majority landowner being the City submitting the annexation request. The City's petition supports the concept of tax equity between the airport tenants and other city business operators.

- (38.) **Hold a public hearing to consider annexation of a tract of land within the current limits of the Lubbock Preston Smith International Airport, located at an area bounded by I-27 on the west, the current city limits south of the Tyco installation on the north, the center of the north/south runway on the east, and Bluefield Avenue on the south (West Port).**

Mayor McDougal opened the public hearing at 10:16 a. m. No one appeared on behalf of the annexation. Mark Piercy and Stan Blanton

appeared in opposition. Mayor McDougal closed the hearing at 10:17 a. m.

In 1983 portions of the Lubbock Preston Smith International Airport (LPSIA) were annexed, as well as the property owned by the Texas A & M Extension Service north of the Airport to allow extension of water to the A & M facility. Annexation of parts of the Airport was necessary to provide a contiguous landmass to get to the A & M office complex on FM 1294. At the time, the proposal to annex all of the Airport property, and the areas referred to as East Port and West Port, where private aviation activities and other industrial activities were in place, created a contentious hearing by those individuals not wanting to be annexed and subject to city taxes. Since the initial objective was to provide water to the A & M facility, the annexation area was reduced to include only the runways, vacant areas, and the new airline passenger terminal building.

Recently, both the Planning and Aviation Departments have discussed the fact that Airport tenants are receiving city services, as they are tenants on city-owned land (the services include water, sewer, fire protection, and police), but they are not tax paying entities of the city. Airport tenants are responsible for paying for their own water and sewer bills, but the items provided from the general fund (City police and the Fire Department) are not paid for in their contracts as additional rent and are not available to any other business locations outside the city due to the City Council policy. The airport does provide crash/rescue service and security.

Since the discussion has been resurrected, a number of the fixed-wing aircraft owners with airplanes based at the Airport have submitted an opposition letter suggesting that since they are rent paying tenants, they should be allowed to remain outside the city limits, but be served with services paid by the tax base. As noted during the discussion during adoption of the resolution, no other businesses within the city have the same privilege, and each of them pays either rent or a mortgage on their building and land. Not discussed at the meeting, when the resolution was adopted, is the fact that if an airplane is based at LPSIA and is personal property, or is owned by a tax exempt organization, no additional taxes will apply to the plane. The City portion of taxes included as sales tax in fuel would apply to all fuel sales. The only affected aircraft are those owned by businesses that are subject to the business personal tax, as they are now by the other taxing entities within Lubbock County.

In addition, the Lubbock Police Department has no jurisdiction in the areas known as East Port and West Port. The Airport Police do have jurisdiction and respond to calls in these areas. If a major crime were to occur on the areas under discussion, the responsibility for handling the crime scene and investigation would be the Airport Police and the Sheriff's Department.

**FISCAL IMPACT:**

The public hearing does not have a fiscal impact.

The Airport Advisory Board has discussed the issue of annexation and does not object should City Council take action to annex.

The process is a petition annexation, with the single and majority landowner being the City submitting the annexation request. The City's petition supports the concept of tax equity between the airport tenants and other city business operators.

**10:18 A. M. CITY COUNCIL RECESSED**

**FINANCE**

**Items 39-45 were considered following Item 27.**

- (39.) Ordinance No. 2005-O0112 amending the FY 2005-2006 budget respecting 1) the General Fund, 2) the Electric Fund, and 3) the Water Fund (Amendment #1) (*first reading*).**

**FISCAL IMPACT:**

- 1) Transfer \$160,000 from the Water Fund to the Electric Fund for modifications to the Banner billing system associated with an average winter consumption water rate structure.
- 2) Accept and appropriate a \$373,151 grant from the Texas State Library and Archives Commission to provide for operation of the offices and personnel of the West Texas Library System.

Funding in the amount of \$373,151 will be received. This grant funds operation of the West Texas Library System, including personnel and benefits, travel, supplies, and indirect costs.

No City matching funds are required.

- 3) Accept and appropriate an \$80,000 grant from the Texas State Library and Archives Commission in the amount of to provide for technical assistance to area libraries.

Funding in the amount of \$80,000 will be received. This grant funds personnel, benefits, travel, supplies, and indirect costs.

No City matching funds are required.

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- 4) Accept and appropriate a \$77,605 grant from the Texas State Library and Archives Commission to provide for operation of the offices of the Interlibrary Loan Office.

Funding in the amount of \$77,605 will be received. This grant funds the interlibrary loan office, including personnel, benefits, travel, supplies, and indirect costs.

No City matching funds are required.

- 5) Accept and appropriate a \$50,251 grant from the Texas Department of State Health Services to provide for HIV/AIDS Surveillance.

Funding in the amount of \$50,251 will be received. This grant funds the active surveillance and reporting activities for Human Immunodeficiency Virus/Acquired Immunodeficiency Syndrome (HIV/AIDS) – includes personnel, benefits, travel, and supply costs.

No City matching funds are required.

- 6) Accept and appropriate a grant from the Texas Department of State Health Services in the amount of \$349,318 to provide for CPS Bioterrorism Preparedness.

Funding will be received in the amount of \$349,318. The program is designed to upgrade and integrate state and local public health jurisdictions preparedness for and response to terrorism and other public health threats and emergencies – includes personnel, benefits, travel, equipment, supplies, and contractual costs.

No City matching funds are required.

- 7) Accept and appropriate a \$199,760 grant from the Texas Department of State Health Services to provide for CPS Bioterrorism Preparedness Lab.

Funding will be received in the amount of \$199,760. The program will provide assistance in upgrading state and local public health jurisdictions' preparedness for, and response to, terrorism and other public health threats and emergencies. This will also enhance the ability of hospitals and health care systems to prepare for, and respond to bioterrorism and other public health emergencies – includes funding personnel, benefits, travel, equipment and supplies.

No City matching funds are required.

- 8) Accept and appropriate a \$3,050 grant from the Texas Department of State Health Services to provide for Milk and Dairy Product Services Equipment.

Funding will be received in the amount of \$3,050 for the purchase of equipment and supplies to further enhance the laboratory analyses of milk samples.

No City matching funds are required.

- 9) Accept and appropriate grant from the Texas Department of State Health Services in the amount of \$59,277 to provide for Regional and Local Services Section.

Funding will be received in the amount of \$59,277. The program will improve or strengthen local public health infrastructure by utilizing resources provided to conduct activities and services that provide or support the delivery of essential public health services – includes funding for personnel and benefits.

No City matching funds are required.

- 10) Accept and appropriate a \$138,264 grant from the Texas Department of State Health Services to provide immunizations.

Funding will be received in the amount of \$138,264. The program will prevent, control, and eliminate vaccine-preventable diseases by providing and administering biologicals, promoting immunizations, conducting vaccine-preventable disease surveillance, assessing vaccine coverage levels, and applying principles of epidemiology and outbreak control measures within budgetary constraints – includes funding for personnel and benefits.

No City matching funds are required.

- 11) Accept and appropriate a grant from the Texas Department of State Health Services in an amount not to exceed \$14,000 to provide for Milk and Dairy Products Services.

Funding will be reimbursed in an amount not to exceed \$14,000. The program provides laboratory analysis of milk samples and is reimbursed per test.

No City matching funds are required.

- 12) Accept and appropriate a \$200,000 grant from the Texas Department of Transportation to provide for the STEP Program and transfer \$200,000 from the General Fund to fund the City's portion.

Funding will be reimbursed in the amount of \$200,000. The program combines the Driving While Intoxicated STEP Program and the SPEED STEP Program. This is a grant program utilizing off-duty personnel working overtime to detect and arrest alcohol and drug impaired drivers within targeted areas of the city.

The City's portion for FY 2005-06 was funded in the Police Department's operating budget. This funding will be moved to the grant fund for the City's match.

Staff recommended approval of the first reading of the ordinance amending the budget for FY 2005-06.

Motion was made by Mayor Pro Tem Martin, seconded by Council Member Gilbreath to pass on first reading Ordinance No. 2005-O0112 as recommended by staff. Motion carried: 7 Ayes, 0 Nays.

**(40.) Resolution No. 2005-R0459 amending Planning Department plat fees.**

The FY 2005-06 Operating Budget for the General Fund includes the addition of two full-time positions in the Planning Department to provide enhanced customer service. The Planning Department is amending plat fees to accommodate the additional support required for new development occurring in the city.

**FISCAL IMPACT:**

Fee increases support the addition of the additional positions. Therefore, if the fee increases are not approved, the positions will be eliminated.

Staff recommended approval of this resolution.

Motion was made by Mayor Pro Tem Martin, seconded by Council Member Gilbreath to pass Resolution No. 2005-R0459 as recommended by staff. Motion carried: 7 Ayes, 0 Nays.

**(41.) Ordinance No. 2005-O0113 amending Chapter 28 of the Code of Ordinances in regard to water rates (*first reading*).**

In September 2002 the City Council approved a 3% rate increase for four years through October 1, 2005. This is the last year of the approved rate increase for the Water Fund. This rate increase is necessary and was

included in the Water Rate Model presented to City Council during the FY 2005-06 proposed budget process.

**FISCAL IMPACT:**

Fee increases support various services and programs, therefore if the fee increases are not approved, the budget will be reduced accordingly.

Staff recommended approval of the first reading of this ordinance.

Motion was made by Mayor Pro Tem Martin, seconded by Council Member Gilbreath to pass on first reading Ordinance No. 2005-00113 as recommended by staff. Motion carried: 7 Ayes, 0 Nays.

**This item was reconsidered following Item 13 when Council reconvened at 10:10 a.m.**

Motion was made by Council Member DeLeon, seconded by Council Member Boren to reconsider this item so that she may change her vote. Motion carried: 5 Ayes, 1 Nay. Council Member Gilbreath voted Nay.

Mayor Pro Tem Martin was away from the dais.

Motion was made by Council Member Gilbreath, seconded by Council Member Boren to pass on first reading Ordinance No. 2005-00113 as recommended by staff. Motion carried: 5 Ayes, 1 Nay. Council Member DeLeon voted Nay.

Mayor Pro Tem Martin was away from the dais.

**The next items considered were Items 37-38.**

**(42.) Ordinance No. 2005-00114 amending Chapter 28 of the Code of Ordinances in regard to sewer rates (*first reading*).**

With the FY 2002-03 budget, City Council approved a 5% increase in sewer rates for four consecutive years, including FY 2005-06. It has been determined that no rate increase is necessary for FY 2005-06 and the ordinance has been amended to reflect this change.

**FISCAL IMPACT:**

Not applicable.

Staff recommended approval of the first reading of this ordinance.

Jeff Yates, Director of Fiscal Policy and Strategic Planning, gave comments and answered questions from Council.

Motion was made by Mayor Pro Tem Martin, seconded by Council Member Gilbreath to pass on first reading Ordinance No. 2005-00114 as recommended by staff. Motion carried: 7 Ayes, 0 Nays.

**(42A.) Ordinance No. 2005-00115 amending Chapter 23 of the Code of Ordinances in regard to solid waste rates (*first reading*).**

A surcharge of \$2 per ton for all waste generated outside the city limits and disposed of at the designated City landfill is included in the current ordinance. This surcharge has not been collected at the landfill for many years. Therefore, the wording regarding this surcharge is being eliminated from the ordinance.

**FISCAL IMPACT:**

Since the surcharge is not being collected currently, anticipated revenue was not budgeted in FY 2005-06 and therefore, this ordinance amendment will have no impact on the Solid Waste Fund.

Staff recommended approval of the first reading of this ordinance.

Motion was made by Mayor Pro Tem Martin, seconded by Council Member Gilbreath to pass on first reading Ordinance No. 2005-00115 as recommended by staff. Motion carried: 7 Ayes, 0 Nays.

**(43.) Resolution No. 2005-R0460 approving equipment to be purchased as part of the Master Lease Program budgeted for in the FY 2005-06 Operating Budget.**

Following review of the citywide vehicle/equipment replacement requests combined with the City's current leasing capacity, staff is recommending the following items be included in the General Fund portion of the Master Lease Program for FY 2005-06:

- 90 Police Patrol Units
- 1 K-9 Unit
- 3 Fire Engines (2 Pumpers and a Platform Truck)
- Opticom System

Staff is recommending that the attached listing of items be included in the Master Lease Program for LP&L, the Stormwater Fund, the Solid Waste Fund, the Water Fund, and the Sewer Fund for FY 2005-06. A list is included in the backup documentation for your review.

City Council has directed staff to conduct a management review of fleet operations. Included in this review will be an evaluation of the replacement schedule. Following that review staff will re-visit the list of

vehicle replacement/equipment requests and recommended additions to the Master Lease Program as capacity allows.

**FISCAL IMPACT:**

The funding for the master lease program has been approved as part of the FY 2005-06 Operating Budget.

Staff recommended approval of this resolution.

Motion was made by Council Member Gilbreath, seconded by Mayor Pro Tem Martin to pass Resolution No. 2005-R0460 as recommended by staff. Motion carried: 7 Ayes, 0 Nays.

**PLANNING AND TRANSPORTATION**

**Right-of-Way**

- (44.) **Ordinance No. 2005-O0116 abandoning and closing two 20-foot alleys east of Avenue V between 7th Street, Glenna Goodacre Boulevard, and 9th Street in Blocks 59 and 60, Overton Addition to the City (2101 Glenna Goodacre Boulevard) (*first reading*).**

The alley portions in the Overton Addition are being closed as part of the McDougal North Overton redevelopment project. The two 20-foot by 600-foot alleys being closed are located between Avenues V and U, 7th Street, Glenna Goodacre Boulevard, and 9th Street. The requestor of these alley closures will dedicate two new alleys in the re-plat to replace the two alleys being closed.

**FISCAL IMPACT:**

Not applicable.

The Right-of-Way Department recommended approval of the first reading of this ordinance.

Motion was made by Council Member Gilbreath, seconded by Council Member Jones to pass on first reading Ordinance No. 2005-O0116 as recommended by staff. Motion carried: 6 Ayes, 0 Nays.

Mayor McDougal recused himself.

**Public Works Engineering**

- (45.) **Resolution No. 2005-0461 approving estimates of the cost of paving improvements to be included in an assessment program for 98th Street from FM 1730 (Slide Road) to Frankford Avenue and setting the date and time for a public hearing for the owners of the abutting property.**

This resolution is the fifth of five resolutions associated with an assessment program for the construction of paving improvements. The proposed paving improvements are:

98th Street from FM 1730 (Slide Road) to Frankford Avenue

The date and time need to be established for the public hearing so that the required notification can take place. The October 27, 2005 City Council meeting is proposed for the date with a 10:00 A.M. time.

**FISCAL IMPACT:**

Not applicable.

Public Works Engineering staff recommended approval of this resolution.

Motion was made by Mayor Pro Tem Martin, seconded by Council Member Jones to pass Resolution No. 2005-R0461 as recommended by staff. Motion carried: 6 Ayes, 0 Nays.

Council Member Gilbreath recused himself.

**At this time, City Council recessed to Executive Session.**

**BOARD APPOINTMENTS**

- (46.) **Consider two appointments to the Airport Board.**

**This item was considered following Item 22.**

Motion was made by Council Member Boren, seconded by Council Member Gilbreath to reappoint John Brown and appoint Brad Moran to the Airport Board. Motion carried: 5 Ayes, 0 Nays.

Mayor McDougal and Council Member Jones were away from the dais.

**The next item considered was Item 48.**

**(47.) Consider seven appointments to the Appointments Advisory Board.**

**This item was considered following Item 53.**

Motion was made by Council Member DeLeon, seconded by Council Member Boren to appoint Alice Chavez from District 1 to the Appointments Advisory Board. Motion carried: 7 Ayes, 0 Nays.

Motion was made by Mayor Pro Tem Martin, seconded by Council Member Gilbreath to appoint Shaorong Liu and Troy Vandeburg from District 5 to the Appointments Advisory Board. Motion carried: 7 Ayes, 0 Nays.

Motion was made by Council Member Boren, seconded by Mayor Pro Tem Martin to appoint Jay Ibarra from District 3 to the Appointments Advisory Board. Motion carried: 7 Ayes, 0 Nays.

Consensus from Council was to hold off on the Mayor's appointment to the Appointments Advisory Board until the October 13, 2005 City Council Meeting.

**This item was reconsidered following Council reconvening at 10:10 a.m.**

Motion was made by Council Member DeLeon, seconded by Mayor Pro Tem Martin to reconsider this item. Motion carried: 7 Ayes, 0 Nays.

Motion was made by Council Member DeLeon, seconded by Mayor Pro Tem Martin to reappoint Steve Alexander and Louise Cummins to the Appointments Advisory Board. Motion carried: 7 Ayes, 0 Nays.

**At this time, Items 12-13 were reconsidered.**

**9:48 A. M. CITY COUNCIL RECESSED**

**10:05 A. M. CITY COUNCIL RECONVENED IN PUBLIC HEARINGS**

**At this time, Items 34-36 were considered.**

**Items 48-53 were considered following Item 46.**

**(48.) Consider one appointment to the Citizens Traffic Commission.**

Motion was made by Council Member Boren, seconded by Council Member Gilbreath to appoint Isaac Garnett to the Citizens Traffic Commission. Motion carried: 6 Ayes, 0 Nays.

Council Member Jones was away from the dais.

**(49.) Consider one appointment to the Keep Lubbock Beautiful Advisory Committee.**

Motion was made by Mayor Pro Tem Martin, seconded by Council Member Gilbreath to reappoint Clifton Wilkinson to the Keep Lubbock Beautiful Advisory Committee. Motion carried: 6 Ayes, 0 Nays.

Council Member Jones was away from the dais.

**(50.) Consider two appointments to Market Lubbock, Inc.**

Motion was made by Mayor Pro Tem Martin, seconded by Council Member Gilbreath to reappoint David Alderson and Jon Whitmore to Market Lubbock, Inc. Motion carried: 6 Ayes, 0 Nays.

Council Member Jones was away from the dais.

**(51.) Consider five appointments to the Electric Utility Board.**

**Council Member Jones returned to the dais.**

Motion was made by Council Member Gilbreath, seconded by Council Member Boren to reappoint Randy Andrews, W.R. Collier, John Owens, Loyd Rinehart, and Craig Wells to the Electric Utility Board. Motion carried: 7 Ayes, 0 Nays.

**(52.) Consider two appointments to the Neighborhood Redevelopment Commission.**

Motion was made by Mayor Pro Tem Martin, seconded by Council Member Gilbreath to appoint Deborah Cosgrove to the Neighborhood Redevelopment Commission and hold on the second appointment. Motion carried: 7 Ayes, 0 Nays.

**(53.) Consider three appointments to the Planning & Zoning Commission.**

Motion was made by Council Member Gilbreath, seconded by Council Member Boren to reappoint Linda Middleton to the Planning & Zoning Commission. Motion carried: 6 Ayes, 1 Nay. Mayor Pro Tem Martin voted Nay.

Motion was made by Council Member Gilbreath, seconded by Mayor Pro Tem Martin to reappoint Marc Chapman and Jewell Davis to the Planning & Zoning Commission. Motion carried: 7 Ayes, 0 Nays.

**The next item considered was Item 47.**

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**CITY COUNCIL WORK SESSION**

- (54.) **Presentation regarding the new youth sports complex to be located at FM 1585 and Milwaukee Avenue.**

**This item was deleted.**

- (55.) **This item was deleted.**

**12:32 P. M. COUNCIL ADJOURNED**

There being no further business to come before Council, Mayor McDougal adjourned the meeting.