

**CITY OF LUBBOCK
SPECIAL CITY COUNCIL MEETING
AUGUST 30, 2007
7:30 A. M.**

The City Council of the City of Lubbock, Texas met in special session on the 30th day of August, 2007, in the City Council Chambers, first floor, City Hall, 1625 13th Street, Lubbock, Texas at 7:30 A. M.

**7:30 A.M. CITY COUNCIL CONVENED
City Council Chambers, 1625 13th Street, Lubbock, Texas**

Present: Mayor David A. Miller, Mayor Pro Tem Jim Gilbreath, Council Member Linda DeLeon, Council Member Phyllis Jones, Council Member Todd R. Klein, Council Member John Leonard, Council Member Floyd Price

Absent: No one

1. EXECUTIVE SESSION was considered following Item 2.7

2. REGULAR AGENDA

2.1. Budget Public Hearing - 7:30 a.m.: Hold a public hearing on the proposed FY 2007-08 Operating Budget and Capital Program.

Mayor Miller opened the public hearing at 7:30 a. m. Bo Harris, Debby Roddy, Bob Terrell, Emilio Abeyta, Mary Guetersloh, Isaac Garnett, Robert Jetter, Iresima Velasquez, Freddy Green, Jr., Gertie Jeter, Carol Keeney, Thomas Harris, April Cobb, Jim Phiffer, Merle Blosser, Chris Moore, and Robert Moreno appeared to address the proposed FY 2007-08 Operating Budget and Capital Program. Mayor Miller closed the hearing at 8:59 a. m.

Maria Rosas appeared before Council to inform them that she has been without running water at her place of residence for over a year, and to request assistance from the City in getting water to her residence. City Manager Lee Ann Dumbauld informed Council that staff is working with Ms. Rosas to help solve her problem. Tom Adams, Deputy City Manager/Water Utilities Director, and Nancy Haney, Executive Director of Community Services, gave comments and answered questions regarding Ms. Rosas' water problem.

A public hearing concerning the FY 2007-08 Operating Budget, and Capital Program has been posted and notices have been published as required by state law to allow citizens an opportunity to comment.

The budget is on file with the City Secretary's Office as required by state law, and was filed on July 26, 2007.

The proposed budget complies with all legal requirements and all mandatory notices have been published.

FISCAL IMPACT

Public hearings have no fiscal impact.

- 2.2. Tax Rate Public Hearing - 7:30 a.m.: Hold a public hearing on a proposal to increase total tax revenues from properties on the tax roll in the preceding tax year by 3.41% (percentage by which the proposed tax rate exceeds the effective tax rate calculated under Chapter 26, Tax Code).**

Mayor Miller opened the public hearing at 7:30 a. m. Karl Bagwell appeared to address the proposed tax rate. Mayor Miller closed the hearing at 8:59 a. m.

A public hearing, concerning the proposed tax rate, has been posted and notices have been published as required by state law to allow taxpayers an opportunity to comment.

A property tax rate decrease of \$0.00694 is proposed, reducing the property tax from \$0.46199 to \$0.45505 per \$100 valuation. The tax rate is distributed as follows:

| | |
|---|-----------|
| General Fund Maintenance and Operations | \$0.3538 |
| Debt Service | \$0.07125 |
| Economic Development | \$0.03000 |

FISCAL IMPACT

Public hearings have no fiscal impact.

- 2.3. This item was considered following Council reconvening at 10:20 a.m.**
- 2.4. This item was considered following Item 2.3.**
- 2.5. Lease Agreement Resolution - Parks and Recreation: Resolution No. 2007-R0405 authorizing the Mayor to execute a lease agreement with Tech Hockey to use the City Bank Municipal Coliseum to conduct ice hockey games, practices, recreational ice programs, and hockey camps.**

The agreement outlines the terms and conditions for use of the City Bank Municipal Coliseum by the Tech Hockey Club (Tech Hockey) for the purpose of providing ice hockey games and other events. The term of this agreement shall be for a period of one season, September 2007 through February 2008, with an option to renew up to two additional seasons. Tech Hockey will pay a season rent of \$40,000 for use of the facility to host college ice hockey games. Tech Hockey may use the facility, when available, for other ice activities at no cost. Tech Hockey will be responsible for the installation of ice plant equipment and electric utilities required for operating and maintaining the ice during the term of this agreement.

General Operating Policies and Procedures, Exhibit A, is available in Administrative Office of the Lubbock Memorial Civic Center.

FISCAL IMPACT

The rental agreement will generate an additional \$40,000 of revenue to the Civic Centers enterprise fund.

Staff recommended approval of this resolution.

Scott Snider, Assistant City Manager; Freddy Chavez, Civic Services Director; and Lee Ann Dumbauld, City Manager, gave comments and answered questions from Council. Paul Fiaroni, Mike Goicoechea, and J.P. Pruneau, representatives of Texas Tech Hockey organization, were present to give comments and answer questions from Council.

Consensus from Council was to amend the contract by having the Texas Tech Hockey organization make their rental payments on the first day of the month, instead of the last day of the month.

Motion was made by Council Member DeLeon, seconded by Council Member Price to pass Resolution No. 2007-R0405 with an amendment to have the rental payments due the first day of the month, instead of the last day. Motion carried: 7 Ayes, 0 Nays.

2.6. Termination of Lease Agreement Resolution - Right-of-Way: Resolution No. 2007-R0406 authorizing the Mayor to execute a Termination of Lease Agreement between the City of Lubbock and Market Lubbock Economic Development Corporation for the Federal Aviation Administration Hangar, located at 310 East Edinboro Street.

The City of Lubbock contracted to construct a sewer line from the west side of Lubbock Preston Smith International Airport to cross F.M. 1294 to Lubbock Economic Development Association's (LEDA) Rail Port Business Park. LEDA is responsible for the funding of this contract. The City is receiving the Federal Aviation Administration hangar as credit toward the funding, and this resolution terminates the agreement for the lease of the hangar to the City.

FISCAL IMPACT

No fiscal impact.

Staff recommended approval.

Rob Allison, Assistant City Manager, gave comments and answered questions from Council.

Motion was made by Mayor Pro Tem Gilbreath, seconded by Council Member Jones to pass Resolution No. 2007-R0406 as recommended by staff. Motion carried: 7 Ayes, 0 Nays.

2.7. Bill of Sale Resolution - Right-of-Way: Resolution No. 2007-R0407 authorizing the Mayor to execute a Bill of Sale to purchase the FAA Hangar, located at 310 East Edinboro Street, from Lubbock Economic Development Alliance.

This resolution authorizes the conveyance of Lubbock Economic Development Alliance's (LEDA) Federal Aviation Administration hangar located at Lubbock Preston Smith International Airport to the City of Lubbock. This action is consistent with an agreement approved by City Council on June 26, 2007.

FISCAL IMPACT

No fiscal impact.

Staff recommended approval of this resolution.

Motion was made by Council Member DeLeon, seconded by Council Member Jones to pass Resolution No. 2007-R0407 as recommended by staff. Motion carried: 7 Ayes, 0 Nays.

1. EXECUTIVE SESSION

Mayor Miller stated: "City Council will hold an Executive Session today for the purpose of consulting with the City Staff with respect to competitive matters of the public power utility, as provided by Subchapter D of Chapter 551 of the Government Code, the Open Meetings Law."

**9:40 A. M. CITY COUNCIL RECESSED TO EXECUTIVE SESSION
City Council Conference Room**

All council members were present.

1.1. Hold an executive session in accordance with V.T.C.A Government Code, Section 551.086, on the following competitive matters (Electric Utilities)

1.1.1 to deliberate, vote, and take final action on electric rates of Lubbock Power and Light

1.1.2 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

**10:20 A. M. CITY COUNCIL REGULAR MEETING RECONVENED
City Council Chambers**

Present: Mayor David A. Miller; Mayor Pro Tem Jim Gilbreath; Council Member Linda DeLeon; Council Member Phyllis Jones; Council Member Todd R. Klein; Council Member John Leonard; Council Member Floyd Price; Lee Ann Dumbauld, City Manager; Anita Burgess, City Attorney; and Rebecca Garza, City Secretary

Absent: No one

Mayor Miller reconvened the meeting at 10:20 A. M.

2. REGULAR AGENDA (continued)

2.3. Budget Adoption Ordinance 1st Reading - Finance: Ordinance No. 2007-O0091 adopting the FY 2007-08 Operating Budget and Capital Program.

This is the first reading of the ordinance adopting the City's FY 2007-08 Operating Budget and Capital Program. The budget ordinance must be considered prior to the ordinance on the tax rate.

This ordinance incorporates the operating and capital budgets that have been proposed by the City Manager. The property tax rate in the proposed budget is \$0.46199 per \$100 valuation. Agenda Item 2.4 is for the approval of the property tax rate. The rate proposed by City Council is \$0.45505 per \$100 valuation. A balanced budget must be approved by the City Council. In order to balance the budget, either the City Manager's proposed budget will need to be adjusted to meet the proposed property tax rate, or the proposed tax rate will need to be raised, or a combination thereof.

The ordinance will be placed on the Thursday, September 13, 2007, City Council Agenda for the second reading and adoption of the budget.

FISCAL IMPACT

Impact outlined in FY 2007-08 Proposed Budget.

Jeff Yates, Chief Financial Officer; Lee Ann Dumbauld, City Manager; and Marsha Reed, Assistant City Engineer, gave comments and answered questions from Council. Each Council Member gave comments on the FY 2007-2008 proposed budget and tax rate.

Motion was made by Council Member Leonard, seconded by Mayor Pro Tem Gilbreath to pass on first reading Ordinance No. 2007-O0091 with the following changes:

In Revenues, there is a reduction to the \$0.45505 tax rate of \$722,644;

In Expenditures, we would reduce cash funding for City Hall remodeling of \$170,000; remove terminal pay and reserves of \$300,000; and Departmental efficiencies totaling \$252,644 (net expenditure change of \$722,644).

Motion carried: 5 Ayes, 2 Nays. (Council Members DeLeon and Price voted Nay.

2.4. Tax Levy Ordinance 1st Reading - Finance: Ordinance No. 2007-O0092 setting the tax rate and levying a tax upon all property subject to taxation within the City of Lubbock for the year 2007.

This is the first reading of the ordinance adopting and levying the tax rate for FY 2007-08. The budget ordinance must be considered prior to the ordinance adopting the levying of a tax rate. The ordinance will be placed on the Thursday, September 13, 2007, City Council agenda for the second reading and adoption of the budget.

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This ordinance incorporates the tax rate as proposed by City Council. Agenda Item 2.3 contains the City Manager's proposed budget, which is based on a property tax rate of \$0.46199 per \$100 valuation. A balanced budget must be approved by City Council. In order to balance the budget, the City Manager's proposed budget will need to either be adjusted to meet the proposed property tax rate, or the proposed tax rate will need to be raised, or a combination thereof.

A property tax rate decrease is proposed. A decrease of \$0.00694 is proposed decreasing the property tax from \$0.46199 to \$0.45505 per \$100 valuation. The tax rate is distributed as follows:

| | |
|---|-----------|
| General Fund Maintenance and Operations | \$0.3538 |
| Debt Service | \$0.07125 |
| Economic Development | \$0.03000 |

FISCAL IMPACT

The tax rate will be adopted at the City Council Meeting scheduled for September 13, 2007. The proposed tax rate will reduce the City Manager's proposed FY 2007-08 Operating Budget by \$722,644.

Motion was made by Council Member Leonard, seconded by Mayor Pro Tem Gilbreath to pass on first reading Ordinance No. 2007-00092 as recommended by staff. Motion carried: 5 Ayes, 2 Nays. Council Members DeLeon and Price voted Nay.

10:45 A. M. COUNCIL ADJOURNED

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