

710 EAST SAN AUGUSTINE STREET

DEER PARK, TEXAS 77536

Minutes

of

A WORKSHOP MEETING OF THE CITY COUNCIL OF THE CITY OF DEER PARK, TEXAS HELD AT CITY HALL, 710 EAST SAN AUGUSTINE STREET, DEER PARK, TEXAS ON DECEMBER 04, 2018, BEGINNING AT 6:00 P.M., WITH THE FOLLOWING MEMBERS PRESENT:

JERRY MOUTON, JR.
SHERRY GARRISON
TOMMY GINN
RON MARTIN
RAE SINOR

MAYOR
COUNCILWOMAN
COUNCILMAN
COUNCILMAN
COUNCILWOMAN

OTHER CITY OFFICIALS PRESENT:

JAY STOKES
GARY JACKSON
SHANNON BENNETT
JIM FOX

CITY MANAGER
ASSISTANT CITY MANAGER
CITY SECRETARY
CITY ATTORNEY

1. MEETING CALLED TO ORDER – Mayor Mouton called the workshop to order at 6:00 p.m.
2. DISCUSSION OF ISSUES RELATING TO THE REQUEST FOR APPLICATIONS FOR PRIMARY DEPOSITORY BANK SERVICES – Finance Director, Donna Todd gave an overview of the term of a bank depository contract. Pursuant to Section 105.017 of the Texas Local Government Code, Chapter 105, Depositories for Municipal Funds, the term of a bank depository contract may not exceed five years. The City's current depository agreement with Wells Fargo Bank will complete a five-year term on January 31, 2019. Bill Cook of Valley View Consulting, the City's investment advisor, helped to develop the RFA, which were distributed to 19 financial institutions on August 29, 2018. Applications in response to the Request for Applications (RFA), which were due on October 1, 2018, to which five (5) banks responded: BB&T (Pasadena Branch), Capital One Bank (LaPorte Branch), JPMorgan Chase Bank (Deer Park Branch), The Moody National Bank (Pasadena Branch), and Wells Fargo Bank (Deer Park Branch). Staff concluded, and Valley View Consulting concurred, that Wells Fargo Bank provides the "best value" to the City, and it is Staff's recommendation to continue the depository banking relationship with, and award the contract to, Wells Fargo Bank. This will be an a term of five (5) years, the first three-year term of the contract beginning on February 1, 2019 and ending on January 31, 2022. The contract includes an option for annual renewals in the successive two years for a total of five years (final term ending on January 31, 2024).

Councilwoman Garrison commented, "I was very impressed with the materials we received. Thanks to Mr. Cook and Valley View."

3. DISCUSSION OF ISSUES RELATING TO A VOLUNTARY REQUEST FOR VOLUNTARY ANNEXATION OF A +/- 37 ACRE PARCEL IN THE CITY'S ETJ LOCATED AT 739 INDEPENDENCE PARKWAY INTO THE DEER PARK CITY LIMITS – Assistant City Manager, Gary Jackson gave an overview of the proposed voluntary annexation of a +/- 37 acre parcel in the City's ETJ located at 739 Independence Parkway into the Deer Park city limits. Mr. Jackson introduced Chad Parrish of Molto Properties. (Exhibit A1-A5)

Mr. Parrish gave a brief overview of the project developer, Molto Properties, a privately held industrial real estate developer and investor. Mr. Parrish also spoke of the current vacant and undeveloped land parcel that was developed by a chemical manufacturing plant. The current owner and applicant is Geo Specialty Chemicals, Inc. The property will be transferred to the developer during the annexation process. The propose for use is two Class A industrial/office/warehouse buildings featuring concrete tilt-wall construction totaling 555,000 square feet or greater. The owner is requesting water and sanitary sewer service from the City, which will be the property owner's responsibility to pay for the cost of extension of said services from their site to the point of connection in the City as designated by the City. The City will have to provide services, such as Police Fire/EMS. Mr. Parrish invited Chris Miller of Geo Specialty Chemicals to join the discussion.

Mr. Miller gave an overview of and planned usage for the property. The proceeds from the sale of the property are to be for Geo Specialty Chemical's expansion opportunities.

Mr. Miller commented, "I am here to ask for your support of this project on behalf of Geo Specialty Chemicals."

4. DISCUSSION OF ISSUES RELATING TO AN ORDINANCE RE-AFFIRMING THE TAX ABATEMENT POLICY – Assistant City Manager, Gary Jackson was very satisfied with the policy discussed the background of the Texas Tax Code and how it provides authority for cities to establish guidelines and criteria for property tax abatement. Tax abatement guidelines are effective for a period of two (2) years and during the 2 year period after approval or reaffirmation, the guidelines and criteria may only be amended or repealed by a 3/4th vote of the members of the governing body. On December 6, 2016, Ordinance No. 3862 was passed which reaffirmed the tax abatement program that was approved in 2014. After a review of the current Tax Abatement Policy, Staff proposes no changes to the existing policy and support it to be reaffirmed by ordinance.
5. DISCUSSION OF ISSUES RELATING TO UPCOMING CHANGES IN LIBRARY POLICIES/LIBRARY REFRESH – Library Director, Rebecca Pool gave an overview of the upcoming changes in the Library policies to update the Library's appearance and circulation. Changes from the Dewey Decimal System to BISAC/Word Categories, fictional book shelving by genre and reducing the reference section. Changes to improve

access for children and teens includes lowering the age to get a Library card, allow DVD's to be checked out on children/teen cards and to allow parents to restrict graphic novels rated MA or up. Additionally, a plan to designate February 2019 as fine free/fine forgiveness month is also being proposed.

Councilwoman Garrison asked, "How long will it take to complete the project?"

Ms. Pool responded, "We are working on it now. We would like to close for at least 4 days after New Year's, January 2-5, 2019. That would give us time to get the vast majority done."

Councilwoman asked, "Will you ask Library friends to help?"

Ms. Pool responded, "Absolutely."

6. DISCUSSION OF ISSUES RELATING TO REPAIR OF THE PRATT TRUSS BRIDGE STRUCTURE AT THE BATTLEGROUND GOLF COURSE – City Manager, Jay Stokes gave a brief summary of the option elected in a prior meeting that proposed repairs to the Pratt Truss Bridge at the Battleground Golf Course. At that time, the estimated project cost was \$241,785, and we budgeted accordingly in the City's FY 2018-2019 budget. Over the past few months, RPS Engineers has completed design work on the project. Their latest opinion of probable cost has risen to \$370,705, an increase of \$128,920. Mr. Stokes introduced Mr. Johnathan Griffin of RPS (formerly Klotz Associates).

Mr. Griffin gave an overview of the specifications for the estimated project costs. RPS indicates that the labor required to repair the truss members is the driving factor behind the costs. There is repair work needed and the skill to do the work is equivalent to that of cosmetic car repairs. The City's Public Works Staff have also asked if it is possible to replace more truss members than are identified in the construction plans. If the main truss members along with the intermediate supports are removed, RPS recommends we notify the Texas Historical Commission of your intentions with a letter and return the historical marker. If this option were pursued, there would be a significant portion of the bridge that would no longer exist, and, therefore, would no longer have its historical significance. Mr. Griffin believes \$325,000.00 is a reasonable estimate of what this project would cost.

Councilwoman Garrison asked, "Are you not sure of an accurate number. Could it come back higher?"

Mr. Griffin responded, "We don't have any control of what the bids are going to be. It could come in higher, because I feel this is a bit conservative."

Councilwoman Garrison commented, "This has been a very controversial subject. When we found the contract that Mayor Burke signed, supposedly, it superseded any other contract. It stated that we are to maintain this bridge. I think we should go out for bid. If this is something the City decides not to do, we still have to think about the fact that we

would need to ask Coryell County what to do with the bridge. Taking the bridge down would be an expense. I don't think the State of Texas will come get it. There is a lot of things to consider. I think we crossed a bridge a few months ago and I know it was not unanimous, but it was agreed by majority to take this option. I think we need to investigate it more. I think we need to see how much it is going to cost and how long it is going to last and if it is going to outweigh breaking that original agreement. There are a lot of things to consider, but we are not going to know anything if we do not go out for bids."

Mr. Griffin continued the discussion of an estimated timetable for the construction as 10 weeks. The construction plans developed are 95% complete, and is almost bid ready.

City Manager, Jay Stokes asked, "Would we have bids in by end of January?"

Mr. Griffin responded, "Yes, the end of January. That sounds fair."

Mayor Mouton commented, "The only way we can settle this is to put it out for bid and see what happens at that point."

Councilwoman Garrison commented, "We are not bound by the bids."

Mayor Mouton commented, "There is a life expectancy that this bridge is not going to last forever."

Councilwoman Sinor commented, "I think it is shameful that we are pushing three quarters of a million dollars to protect a bridge. Much of it has already been replaced and we continue to worry about it to preserve its historical value. We spoke to you all about 6 months ago of the safety of the bridge. It is falling apart. I predicated months ago, that it was going to be more costly than this."

Councilwoman Garrison commented, "The cost is just not the dollar amount. If we take the bridge down, we have to notify Coryell County and see if that makes us responsible to transport it."

Mayor Mouton commented, "We need to have a realistic check on this, and until we get hard numbers, we really don't know how much we are talking about."

Councilman Ginn asked, "Do you know what the annual maintenance might be?"

Mr. Griffin responded, "No I do not."

It was the consensus of the Council to go out for bids for the repair of the Pratt Truss Bridge Structure at the Battleground Golf Course.

7. DISCUSSION OF ISSUES RELATING TO PURCHASING CHAIRS FOR THE THEATRE / COURTS FACILITY – Parks and Recreation Director, Charlie Sandberg gave an overview of the 122 guest chairs proposed for purchase for the Theater/Court Facility.

Councilwoman Garrison commented, “This past weekend at the Theater, they had the kids program. Some of the grandparents that came to the show, had problems getting the chairs pulled out. It takes them about five minutes. It’s horrible.”

Councilman Martin asked, “Is it just the dinner table chairs?”

Mr. Sandberg responded, “Correct.”

8. DISCUSSION OF ISSUES RELATING TO CAPITAL IMPROVEMENT PROJECTS AT THE SURFACE WATER TREATMENT PLANT– Public Works Surface Water Treatment Plant Supervisor, Nicholas Cook gave an overview of the capital improvement projects at the Surface Water Treatment Plant to include solids handling at the Surface Water Treatment Plant, changing the existing clearwell, and changing the disinfection methods used by the plant. All three projects come with an estimated capital cost of approximately \$11,000,000. (Exhibits C1-C5)

Councilwoman Garrison commented, “I have the utmost confidence in what needs to be done. It is obvious you know your job.”

Councilwoman Sinor commented, “I think I would like to come out and take a tour of the facility to get a better understanding. It has been a long time since I have been there.”

Assistant City Manager, Gary Jackson commented, “First of all, Nicholas Cook, Bill Pedersen and Ardurra Group LLC., have done a wonderful job at looking at all the alternatives that were available. These options presented are the least cost impacting alternatives. The vast majority of funding will have to come from water rates. A water rate study plan is proposed to be performed in 2019. This will help identify what impact it will have on the rates.”

City Manager, Jay Stokes commented, “We are very fortunate to have Nicholas Cook here. To echo what Mr. Jackson said, we are going to have to pay for this. We have had to go up on rates for the last six years. When that happens, it is very unpopular. Everything that needs to be done is for the betterment of the City, it is things the TCEQ mandate. We truly don’t have a choice but to do a lot of this, and we have to pay for it principally, by borrowing money and having new debt. When you have that new debt, you will have to raise the rates to pay for that debt.”

Councilwoman Sinor asked, “Will these improvements put us in good shape?”

Mr. Cook responded, “Yes. We don’t have any major improvements like this in the next 10 years.”

Mr. Stokes commented, “In December 2011, we went to the City of Houston to talk about getting a new contract. The current contract expires in 2020. We still do not have that contract or any significant contacts for the City of Houston. It has been very frustrating. They will not cut off our water, we will get something worked out between now and then, I promise you that. If you look at what is likely to happen, water is not going to get any cheaper.”

Mayor Mouton asked, "What is the life expectancy of these investments?"

Mr. Cook responded, "About 25 years."

9. DISCUSSION OF ISSUES RELATING TO THE YOUTH SPORTS ORGANIZATION UTILIZATION AGREEMENTS WITH DEER PARK SOCCER FC, DEER PARK PONY BASEBALL AND DEER PARK GIRLS' SOFTBALL ORGANIZATIONS FROM JANUARY 1, 2019 THROUGH DECEMBER 31, 2019 – Parks and Recreation Director Charlie Sandberg gave an update on the process and final draft of the sports youth utilization agreements. Mr. Sandberg thanked the Council, Parks and Recreation Commission, James Stokes, Gary Jackson, Lacy Stole and Jacob Zuniga for their contribution on developing a better fitting agreement for each sports organization. Mr. Sandberg highlighted items that were priority for each individual organization agreement to include field protection (downtime for field maintenance), making sure there is a recreational component and third party usage would have to pay fees to utilize fields.

Mr. Sandberg commented, "I feel confident that this is a good start for us because we needed this for several years in order to clean the agreements up, make it more understanding and make it more equitable for each one of the organizations."

Mr. Jackson asked, "Can you give us a brief summary on how you are accommodating third party agreements and how the league can identify certain select teams?"

Mr. Sandberg responded, "We have asked the organization to list which select teams they will actually recognize in the contract."

Councilman Martin asked, "Do those teams need to be identified prior to signing or can they be added as they go?"

Mr. Sandberg, "I wanted to do it prior to signing, but a lot of them are still working on it, so it is going to be something I will request."

10. ADJOURN – Mayor Mouton adjourned the workshop meeting at 7:29 p.m.

ATTEST:

APPROVED:

Shannon Bennett, TRMC
City Secretary

Jerry Mouton, Jr.
Mayor