

CITY OF DEER PARK  
710 EAST SAN AUGUSTINE STREET  
DEER PARK, TEXAS 77536

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Minutes

of

A JOINT MEETING OF THE CITY COUNCIL OF THE CITY OF DEER PARK, TEXAS, THE DEER PARK COMMUNITY DEVELOPMENT CORPORATION AND PARKS AND RECREATION COMMISSION HELD AT CITY HALL 710 EAST SAN AUGUSTINE STREET, DEER PARK, TEXAS ON JANUARY 11, 2021 BEGINNING AT 5:30 P.M., WITH THE FOLLOWING MEMBERS PRESENT:

JERRY MOUTON	MAYOR
SHERRY GARRISON	COUNCILWOMAN
TJ HAIGHT	COUNCILMAN
TOMMY GINN	COUNCILMAN
BILL PATTERSON	COUNCILMAN
RON MARTIN	COUNCILMAN
RAE A. SINOR	COUNCILWOMAN

MEMBERS OF DEER PARK COMMUNITY DEVELOPMENT CORPORATION PRESENT:

GEORGETTE FORD	PRESIDENT
LAURA HICKS	VICE PRESIDENT
JEFF LAWTHOR	MEMBER
DOUG BURGESS	MEMBER
FAYLENE DEFRANCIS	MEMBER

MEMBERS OF THE PARKS AND RECREATION COMMISSION PRESENT:

GEORGETTE FORD	CHAIRMAN
JO KIEFER	VICE CHAIRMAN
SHERRY REDWINE	MEMBER
JAMIE COX	MEMBER

OTHER CITY OFFICIALS PRESENT:

JAMES STOKES	CITY MANAGER
GARY JACKSON	ASSISTANT CITY MANAGER
SHANNON BENNETT	CITY SECRETARY
CHARLIE SANDBERG	PARKS & RECREATION DIRECTOR

1. MEETING CALLED TO ORDER – Mayor Mouton opened the meeting on behalf of the City Council, President Georgette Ford opened on behalf of the Deer Park Community Development Corporation and Vice Chairman Jo Kiefer opened on behalf of the Parks and Recreation Commission at 5:30 p.m.
2. COMMENTS FROM AUDIENCE – No comments received.
3. THE DEER PARK CITY COUNCIL, THE DEER PARK COMMUNITY DEVELOPMENT CORPORATION AND THE DEER PARK PARKS AND RECREATION COMMISSION WILL DISCUSS ISSUES RELATING TO THE PROPOSED COMMUNITY/RECREATION CENTER AND A POSSIBLE TYPE B CONTINUATION ELECTION ON MAY 1, 2021 – Parks and Recreation Director Charlie Sandberg recognized the Staff and thanked them for all the hard work, input and the support through this process. Mr. Sandberg gave an overview of the history of the assessment of the Community Center that included the discovery of numerous deficiencies and resulted in a larger scope of work that needed to be done. Staff visited other facilities to get ideas on a potential facility design. The authorized amount of 6 million dollars was part of the 2015 Type B Proposition that would allow the renovation and expansion of the Community Center and Gym. After the discovery of additional renovations, a detailed evaluation of the facility took place. (Exhibit A1-A10)

Steven Springs of Brinkley Sargent Wiginton Architects advised Council of the recommended site option on the North side that included an assessment of the pool, tours of local area facilities with pools, understanding the type of indoor pool and the solution of breaking the North option project up in phases. The plan was to build a community center first to allow a fair amount of programming into that building before the old Community Center was torn down. Phase II, is the bulk of the project, which would include replacing the Community Center with a double gym and a bath house. The updated cost for the project is \$42,557,677 which includes the addition of one year of inflation to the original estimate.

Councilman Patterson asked, “Is 5.8% the inflation rate?”

Mr. Springs responded, “When we look at inflation, we are not looking at a consumer price index. We are looking at construction indexes. There are a number of construction indexes that we use nationally. We try to normalize those as best as we can for local construction cost, which tend to be more volatile than a consumer price index. Between 5%-6% is what we came up with a year ago and what we were typically carrying and reading from most of the cost indexes we referenced. We thought 5.8% was in between those percentages, but still conservative.”

Councilman Patterson asked, “Is most of that due to material costs or increased labor?”

Mr. Springs responded, “There is certain volatility in materials because of COVID and that

will take care of itself. What was really impacting the inflation rate pre-COVID was labor. Everybody was hiring for everything and it was hard to find people. A lot of subcontractors weren't bidding or if they were bidding, they were making it worth their while because they didn't even know if they could even staff the project."

Mr. Springs continued the overview with advising Council that choosing to build on the North side holds the highest dollar value portion for the future. Mr. Springs detailed the final cost for the project and emphasized that adjustments can be made to stay within the budget.

Assistant City Manager Gary Jackson gave an overview of the bonding capacity analysis that was for a 25 year bond based on the revenue stream of the Type B funds that would provide \$250,000 per year in operating costs and pay for the debt service. Mr. Jackson concluded that the sales tax would be affected but would still be sufficient enough to pay for the O&M that was calculated originally.

Mr. Springs continued the overview of the concept plan and presented Council with renderings, images of interior amenities and gave details of the projected schedule that included design, bidding and construction timetables.

Parks and Recreation Assistant Director Jacob Zuniga gave an overview of the cost recovery approach, which was a simple formula of dividing all the revenue by all the expenditures to get to the percentage of the total cost recovery. There was a benchmark done on membership fee comparisons of various programs that includes various groups and ages for different cities.

Mr. Sandberg advised Council of the potential change in membership fees that would enable the City to recuperate at least 58% of the budget instead of the current 19%. Mr. Sandberg recommended considering the utilization of the new fees to aid the City in cost recovery.

Councilman Martin asked, "Is there a set number of years to recover the 58%?"

Mr. Sandberg responded, "No, that was an annual percentage."

Mayor Mouton commented, "It is just operating expenses we are talking about not capital expenses."

Councilman Patterson asked, "What is the goal we want to recover?"

Mr. Sandberg responded, "That is to be determined. That is something I believe we need to delve into. If you are looking at it from our behalf, we would like to recover as much as possible."

Councilman Patterson questioned the proposed fees in the document presented.

Mr. Springs commented, "In the study, we said what we were assuming fees just to get to a number. Which isn't to say those are definitive fees, but we just needed a basis to create a pro forma."

Councilman Patterson asked, "Is this document out in the public?"

City Manager James Stokes responded, "Yes, it was on the display we put up last year."

Mr. Springs commented, "I don't think any resolution you all are making in the near future is about setting fees. The fees that are published in the study are just part of the study."

Mr. Springs advised Council that the projections of the fees are a structured comparison to neighboring cities. With a much larger facility, the net subsidy is projected to dramatically go down, estimating about \$900,000 a year less of a hit to the general fund.

Councilman Patterson commented, "The net subsidy goes down because of the fees we are charging."

Councilwoman Sinor asked, "Are we going to be sending out the same handouts as we did before?"

Mr. Stokes responded, "Yes."

Councilman Patterson commented, "I just have to say, I didn't realize those numbers were put out to the public already."

Mr. Stokes commented, "Those numbers are all reasonable and market based. I don't want people thinking that the building is free."

Jeff Lawther asked, "If the proposition doesn't pass, do we still have to build a pool?"

Mayor Mouton responded, "We have that 6 million dollars projected scenario. We will do something with that. If not, we can maybe include a bathhouse. The whole concept was to attach it to a new facility. It has now been determined that the current building is not worth investing a penny on. The money will be spent on something, it just won't be on the building. I can assure you that."

Mr. Springs continued the presentation with the projected recreation center staffing levels, the cost for full time and part time staff and the membership including the daily admissions for programs and classes.

Mr. Jackson gave an overview of the Fund Balance with details of revenues and the challenges pertaining to the Fund Balance. Due to the way the proposition was drafted in 2015, only the amount per project that was published and approved by Council can be used. The amount on each project and the aggregate amount of all the projects totals to 20 million dollars. There were other projects that were not completed due to the limitations of the proposition written in 2015, but with the new proposition language, the Fund Balance may be used for such projects if needed. The cost escalation from last year to this year has increased the cost, but the Fund Balance has increased as well, which will assist in paying for any additional cost.

Councilman Ginn asked, “What is our Fund Balance?”

Mr. Jackson responded, “At the end of the last fiscal year, which is still unaudited, it was about 7.9 million dollars.”

City Council, Deer Park Community Development Corporation and the Parks and Recreation Commission were all in agreement to move forward with the proposed Community/Recreation Center and Type B continued Election on May 1, 2021.

4. ADJOURN – Mayor Mouton adjourned the workshop meeting on behalf of City Council, President Georgette Ford adjourned on behalf of the Deer Park Community Development Corporation and Vice Chairman Jo Kiefer adjourned on behalf of the Parks and Recreation Commission at 6:13 p.m.

ATTEST:

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Shannon Bennett, TRMC  
City Secretary

APPROVED:

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Jerry Mouton, Mayor  
City of Deer Park

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Georgette Ford, President  
Deer Park Community Development  
Corporation

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Jo Kiefer, Vice Chairman  
Parks and Recreation Commission

