

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 6, 2016, BEGINNING AT 6:30 P.M., WITH THE FOLLOWING MEMBERS PRESENT:

JERRY MOUTON
SHERRY GARRISON
TOMMY GINN
BILL PATTERSON
RAE A. SINOR

MAYOR
COUNCILWOMAN
COUNCILMAN
COUNCILMAN
COUNCILWOMAN

OTHER CITY OFFICIALS PRESENT:

JAY STOKES
SHANNON BENNETT
JIM FOX

CITY MANAGER
ACTING CITY SECRETARY
CITY ATTORNEY

1. MEETING CALLED TO ORDER – Mayor Mouton called the workshop to order at 6:30 p.m.
2. EXECUTIVE SESSION – (551-087) – POTENTIAL ECONOMIC DEVELOPMENT INCENTIVES TO A BUSINESS PROSPECT – Mayor Mouton recessed the meeting at 6:30 p.m. for an Executive Session.
3. RECONVENE – Mayor Mouton reconvened the workshop meeting at 6:50 p.m.
4. PRESENTATION AND DISCUSSION OF ISSUES RELATING TO A SCHEDULE OF EVENTS FOR THE SALE OF CERTIFICATES OF OBLIGATION – John Robuck of BOK Financial Securities, Inc. gave a presentation of the \$2,700,000 Certificate of Obligation, Series 2017 and highlighted the current market condition, estimated debt service requirements and a schedule of events. (Exhibit A1-A4)
5. PRESENTATION OF THE RENOVATIONS OF PLAYGROUND EQUIPMENT AT NEDITH PARK PARKS AND RECREATION - Parks and Recreation Director Scott Swigert provided a video of the improvements at Nedith Park. He thanked the Council for attending the Nedith Park dedication.
6. DISCUSSION OF ITEMS RELATED TO THE WIDENING OF HARRIS COUNTY FLOOD CONTROL DISTRICT CHANNEL B-112-00 – Public Works Director Bill Pedersen advised Council that in 2007, the city issued General Obligation Bonds and Certificates of Obligation for infrastructure projects including drainage. Due to over ten

inches of rain received during Tropical Storm Erin in August 2007, staff began to identify flood prone areas throughout the city based on FEMA repetitive losses and local structural losses. In 2010, an additional \$8 million in Certificates of Obligation were sold for drainage projects. Council selected the Patrick's Bayou Detention project as the top project and reserved bond funds for the project. In addition to the bond funds, in April 2009 the City submitted an application for a Hazard Mitigation Grant (HMGP) for additional funding for the project. In order to qualify for the FEMA grant, the city also constructed offsite drainage projects to achieve a required Benefit Cost Analysis (BCA). The design and construction of these projects were paid for out of the bond funds. There is approximately \$2.5 million remaining out of the 2010 issue. Another project identified by Council was the Harris County Flood Control District Ditch B-112-00, that is east of and parallel to East Boulevard. In 2007, a preliminary drainage study was prepared that identified five obstructions and restrictions that need to be addressed to lower the water surface elevation in the channel. Four of the five obstructions/restrictions items have been completed by the City. The only item remaining is the most costly of everything which is the reconfiguration of the channel cross section. The first part of that, is to identify the right of ways, its ownership, how much right of way we have to work with and do we have to require additional right of way to achieve what we are looking for.

Councilwoman Garrison asked, "How many different properties are we talking about?"

Walter Smith of Arborleaf Engineering & Surveying commented, "Some of the ditches within a right of way was conveyed to the City of Deer Park and some are conveyed to the Harris County Flood District. Then are one or two pieces that we are not sure of. There's a ditch there, we don't know who owns the right of way. With parcels that make up the right of way, it covers fifteen to twenty properties. We will be surveying the existing right of ways and looking at the adjacent properties to see if a widening is needed."

Councilman Patterson asked, "When the ditch was built, was the right of way determined then?"

Mr. Smith commented, "Yes, but the flood control district can't give us the deeds that created it. On the part the City of Deer Park owns, we will have an agreement and convey those to the Flood Control as well. If we have to widen them, we will do that then."

Councilman Patterson asked, "Does the HCFCD have any funds to help us do this?"

Mr. Pedersen answered, "We have met with them twice. They currently don't have any funding available for this project. They are willing to work with us if we have the funding."

7. DISCUSSION ON AUTHORIZING THE PURCHASE OF ONE (1) 2017 FRAZER REMOUNT AMBULANCE – Emergency Services Director Robert Hemminger advised the Council the Fire Control, Prevention, and Emergency Medical Services District's (FCPEMSD) FY 2016-2017 budget calls for an existing ambulance "box" to be refurbished and remounted onto a new chassis. The Staff received a quote of \$138,050

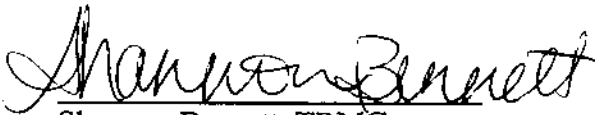
via the HGAC Purchasing Cooperative for the project, inclusive of a trade-in of the existing chassis. The total cost of this project exceeds budgeted FCPEMSD funds by \$14,000. The FCPEMSD Board of Directors will meet in January to amend the FY 2016-2017 budget.


8. DISCUSSION OF ISSUES RELATING TO WYNFIELD ESTATES HOMEOWNERS ASSOCIATION'S REQUEST TO INSTALL NEW SIGNAGE IN WYNFIELD ESTATES SUBDIVISION – City Manager Jay Stokes advised Council Christina Ridings, Board President of the Wynfield Estates Homeowners Association (HOA) recently approached staff with a request to upgrade street signage within their subdivision. The HOA is willing to fund the improved signage and posts, which were quoted at \$6,732.00.

Councilwoman Garrison commented, "Our only concern is that the HOA understands they will be responsible for the maintenance and upkeep of the signs."

Ms. Ridings answered, "We know it's our responsibility to purchase, install and maintain the signs."

9. ADJOURN – Mayor Mouton adjourned the workshop meeting at 7:15 p.m.


Shannon Bennett, TRMC
Acting City Secretary


Jerry Mouton
Mayor

Birthplace of Texas

Schedule of Events Presentation

\$2,700,000 Certificates of Obligation, Series 2017

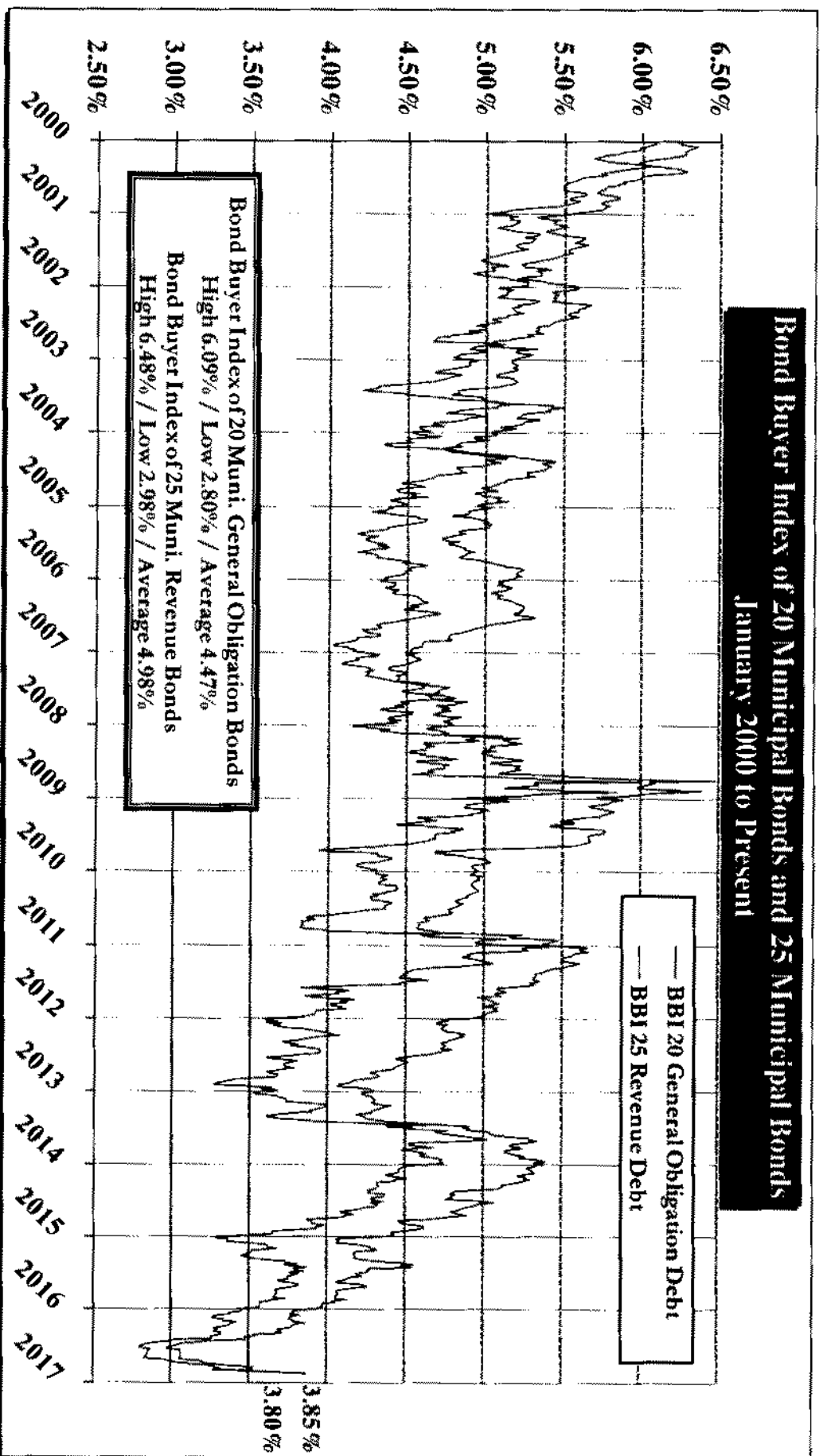


**BOK FINANCIAL
SECURITIES**



Deer Park Community Development Corporation

Current Market Conditions



The BBI 20 is published every Thursday. The rate consists of general obligation bonds maturing in 20 years with an average rating equivalent to Moody's "Aa2" and S&P's "AA." The BBI 25 is also published every Thursday. The rate consists of revenue bonds maturing in 30 years with an average rating equivalent to Moody's "A1" and S&P's "A+."



Deer Park Community Development Corporation

Estimated Debt Service Requirements

Deer Park Community Development Corporation

Actual Series 2016 and Proposed Series 2017 and Series 2018 Bond Issue

Issued By City of Deer Park, Texas

Year Ending 9/30	Total Sales Tax Collections (a)	Coverage Requirement 0%	Existing Debt Requirements	Series 2017 Bonds		Series 2018 Bonds		Total Debt Requirements	Less: Pay as you Go Program		Remaining Funds
				Principal (b)	Interest (c)	Principal (d)	Interest (e)				
2016	\$2,300,000	\$2,300,000	\$87,231		\$63,000			\$87,231	\$1,550,000	\$662,769	
2017	2,300,000	2,300,000	2,154,196		101,250			2,217,196	50,000	32,804	
2018	2,300,000	2,300,000	1,883,986		94,781			2,170,974	50,000	79,027	
2019	2,300,000	2,300,000	749,548	\$345,000	81,656	\$730,000	\$185,738	2,166,155	50,000	83,846	
2020	2,300,000	2,300,000	753,856	355,000	68,063	760,000	213,300	2,163,812	50,000	86,188	
2021	2,300,000	2,300,000	752,964	370,000	53,906	795,000	178,313	2,164,339	50,000	85,661	
2022	2,300,000	2,300,000	751,914	385,000	39,188	830,000	141,750	2,162,570	50,000	87,430	
2023	2,300,000	2,300,000	750,704	400,000	23,906	870,000	103,500	2,163,392	50,000	86,609	
2024	2,300,000	2,300,000	754,296	415,000	8,063	910,000	63,450	2,166,652	50,000	83,348	
2025	2,300,000	2,300,000	752,689	430,000		955,000	21,488	2,167,239	50,000	82,761	
2026	2,300,000	2,300,000	750,923					750,923		1,549,077	
			10,142,306	2,700,000	533,813	5,850,000	1,154,363	20,380,481	2,000,000	2,919,519	

- (a) Estimated sales tax collections of \$2,300,000.
 (b) Generates \$2,700,000 in proceeds to the DPCDC. Sold and Delivered in February 2017.
 (c) Interest estimated at 3.75% for illustrative purposes only.
 (d) Generates \$5,850,000 in proceeds to the DPCDC. Sold and Delivered in January 2018.
 (e) Interest estimated at 4.50% for illustrative purposes only.



Deer Park Community Development Corporation

Tentative Schedule of Events

\$2,700,000*

Certificates of Obligation, Series 2017

October - 2016						
S	M	T	W	T	F	S
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30	31					

Date
Monday, October 24th

Action
CDC Board to Review Finance Plan, and Approve Recommendation for City Council to Approve Notice of Intent to Issue Certificates of Obligation (CO's)

Role
BOKFS, CDC, BC

November - 2016						
S	M	T	W	T	F	S
	1	2	3	4	5	
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30			

Tuesday, December 6th

City Council to Approve Notice of Intent to Issue Certificates of Obligation

BOKFS, City, BC

Thursday, December 15th

Publish First Notice of Intent to Issue CO's

City

Thursday, December 22nd

Publish Second Notice

City

Tuesday, December 27th

Prepare Private Placement Bid Form / Term Sheet

BOKFS, BC

Tuesday, January 3rd

Distribute Private Placement Bid Form / Term Sheet

BOKFS, City, BC

Tuesday, January 17th

Private Placement Bids Due

BOKFS, BC CDC, City

CO Sale: CDC Board and City Council to Approve

Tuesday, February 14th

Bond Closing / Funding

BOKFS, BC, CDC, City

December - 2016						
S	M	T	W	T	F	S
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31

Private Placement Bids Due

CO Sale: CDC Board and City Council to Approve

Bond Closing / Funding

January - 2017						
S	M	T	W	T	F	S
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31			

PARTICIPANTS

City - City of Deer Park

CDC - Deer Park CDC

BOKFS - BOK Financial Securities, Inc.

BC - Bracewell LLP

* Preliminary, subject to change.

