

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 JANUARY 17, 2017, BEGINNING AT 6:30 P.M., WITH THE FOLLOWING MEMBERS PRESENT:

JERRY MOUTON
SHERRY GARRISON
THANE HARRISON
TOMMY GINN
BILL PATTERSON
RON MARTIN
RAE A. SINOR

MAYOR
COUNCILWOMAN
COUNCILMAN
COUNCILMAN
COUNCILMAN
COUNCILMAN
COUNCILWOMAN

OTHER CITY OFFICIALS PRESENT:

JAY STOKES
GARY JACKSON
SHANNON BENNETT
JIM FOX

CITY MANAGER
ASSISTANT 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. PRESENTATION AND DISCUSSION OF ISSUES RELATING TO THE SALE OF CERTIFICATES OF OBLIGATION, SERIES 2017 - John Robuck of BOK Financial Securities, Inc. gave a presentation of the \$2,700,000 Certificates of Obligation, Series 2017 and highlighted the current market condition, the summary of bids, final debt service requirements and a schedule of events. (Exhibit A1-A5)
3. DISCUSSION ON AWARDING A BID TO CONSTRUCTION LTD FOR CONSTRUCTION OF THE New City HALL - Public Works Director Bill Pedersen advised Council five bids were received and Construction LTD was the lowest bidder in the amount of, \$6,121,000.

Tim Dixon, representative of the contractor, commented, "We have done a lot of municipal work over the last thirty-five years. We built the Deer Park Performing Arts Center at the High School in which was a great project and we enjoyed doing it. We are looking forward to building your City Hall."

City Manager Jay Stokes showed the Council a sample of the exterior brick on the New City Hall.

4. DISCUSSION OF ISSUES RELATING TO A PROPOSED DESIGN/BUILD AGREEMENT WITH FORD AUDIO-VIDEO SYSTEMS LLC (FORD AV), FOR THE PROVISION OF AUDIO VISUAL DESIGN AND CONSULTING SERVICE FOR THE NEW CITY HALL PROJECT THROUGH THE TEXAS BUYBOARD COOPERATIVE – I.T. Director James Lewis gave an overview of the proposed Design/Build Agreement with Ford Audio-Video Systems LLC (Ford AV), for the provision of Audio Visual design and consulting service for the new City Hall Project. It is recommended we hire Ford AV to design and install the audio, visual, and lighting systems associated with construction of the new City Hall building. City staff and Architect George Watanabe have worked with Ford AV on this agreement for the past several months. The consulting services related to audio/visual design cost \$9,845.
5. DISCUSSION OF ISSUES RELATING TO AN AGREEMENT WITH NATIONAL SIGN PLAZAS (NSP) FOR IMPLEMENTATION OF PHASE 2 OF THE COMPREHENSIVE WAY-FINDING SIGNAGE SYSTEM PLAN FROM NATIONAL SIGN PLAZAS (NSP) - Parks and Recreation Director Scott Swigert advised the Council of the implementation of the Phase 2 of the Way-Finding Signage System Plan. Mr. Swigert stated, "A few signs are up. There are none on the street yet, they are still being finalized. We budgeted \$200,000 for Phase 2. There are seventeen primary signs, eight secondary signs and four additional entry signs."

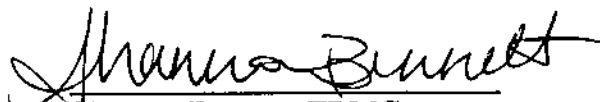
Councilwoman Garrison asked, "Where are we putting the Dow Park Sign?"

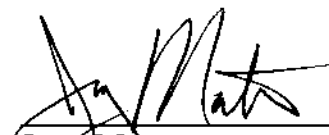
Mr. Swigert replied, "This sign will go on the P Street side of Dow Park."

6. DISCUSSION OF ISSUES RELATING TO TWO SEPARATE RESOLUTIONS TO NAME THE FUTURE NATURE TRAIL WITHIN THE DEER PARK NATURE PRESERVE AND TO NAME THE CITY OWNED PARK PROPERTY WITHIN THE COTTONWOOD ESTATES SUBDIVISION - Parks and Recreation Director Scott Swigert commented, "The first resolution will be to name the nature trail within the Deer Park Nature Preserve the "Dr. Billy J. Sealey Nature Trail". In 1988, the City of Deer Park was graciously given property from Billy J. Sealey and his wife, Christell J. Sealey. They included the following restrictions and conditions on the property: The City Of Deer Park, Texas shall assume ad valorem taxes for the year 1986 and all subsequent years; The City Of Deer Park, Texas shall cancel and declare paid all sums due upon Outlot 606 by virtue of that certain Curb and Gutter Notice which is filed of record under County Clerk's File No. J574033, and the City of Deer Park, Texas shall execute a Release of Paving Lien; The property shall be used for recreational purposes only; The City shall, by resolution, name any facility constructed upon the property as "The Dr. Billy J. Sealey Park" or "Ball Field", as the case may be. The other resolution will be for naming the City owned park property within the Cottonwood Estates Subdivision, "Cottonwood Park". The need to officially name City park property, generally located at the Northeast corner of Alta Lane and Aspen Trail has occurred with the development of the park beginning soon. The Parks and Recreation Commission, during their January monthly board meeting, reviewed and approved their recommendation to name the park after the name it has currently been referred to as "Cottonwood Park". During their board meeting, on January 9, 2017, the Parks and Recreation Commission reviewed and approved their recommendations to formally name both the nature trail within the Deer Park Nature

Preserve, the "Dr. Billy J. Sealey Nature Trail" as well as the park property within the Cottonwood Estates subdivision, "Cottonwood Park"

7. DISCUSSION OF ISSUES RELATING TO THE AUTHORIZATION TO SEEK BIDS FOR THE PHASE I DEVELOPMENT OF THE DEER PARK NATURE PRESERVE - Parks and Recreation Director Scott Swigert introduced Jamie Hendrixson of RVI who gave an overview of Deer Park Nature Preserve. Mr. Swigert stated, "The final approval came in from Texas Parks and Wildlife Department on January 03, 2017 for the construction plans for Phase I. At this time, the Parks and Recreation Department would like to receive authorization to seek bids for contractors to develop Phase I of the Deer Park Nature Preserve."
8. ADJOURN – Mayor Mouton adjourned the workshop meeting at 6:57 p.m.


Shannon Bennett, TRMC
Acting City Secretary


Jerry Mouton
Mayor

DEER★PARK

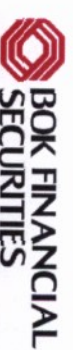
Birthplace of Texas®

City of Deer Park and Deer Park Community Development Corporation

Final Pricing Presentation

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

January 17, 2017

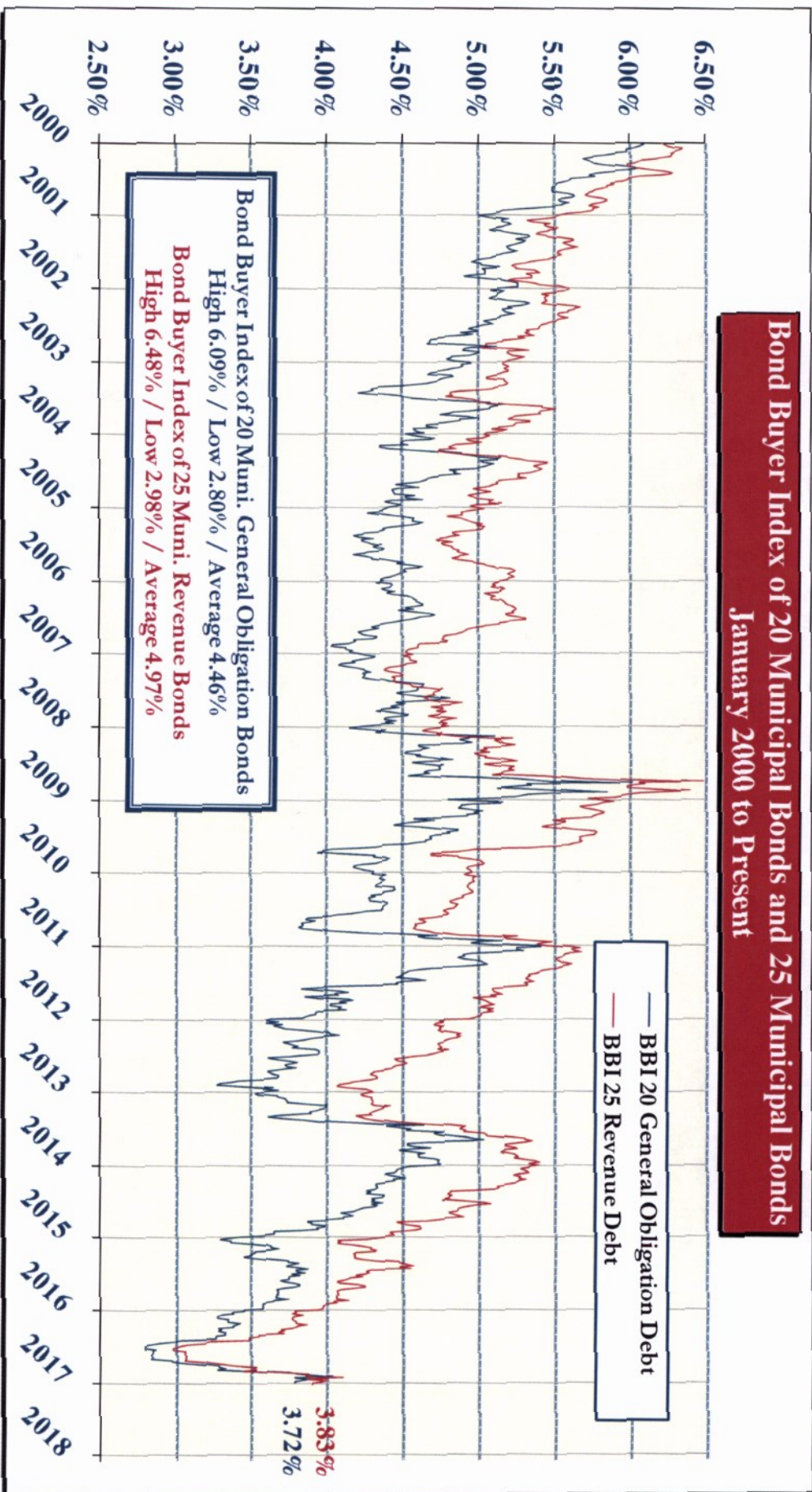


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Deer Park Community Development Corporation

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

Summary of Bids

On January 2, 2017, we distributed a Term Sheet and Bid Sheet to approximately 28 banks seeking a qualified bid for the bonds. This morning, we received 9 bids prior to the deadline of 10:00 am, with the lowest bid of 1.89% provided by First National Bank Texas. A summary of the bids are listed below:

Bidder	Bid/Rate
First National Bank Texas	1.89 %
Branch Banking & Trust Company	2.08%
Texas First Bank	2.10%
Zions Bank	2.20%
JP Morgan Chase Bank	2.23%
BOKE, N.A dba Bank of Texas	2.32%
Wells Fargo Bank	2.40%
Regions Capital Advantage, Inc.	2.47%
Capital One Public Funding	2.90%



Deer Park Community Development Corporation

Final Debt Service Requirements

Fiscal Year Ending (9/30)	\$2,700,000 Certificates of Obligation, Series 2017		
	Principal (a)	Interest (b)	Total
2017		\$29,909	\$29,909
2018	\$60,000 (c)	50,463	110,463
2019	420,000 (c)	45,927	465,927
2020	425,000 (c)	37,942	462,942
2021	435,000 (c)	29,815	464,815
2022	445,000 (c)	21,499	466,499
2023	455,000 (c)	12,994	467,994
2024	460,000 (c)	4,347	464,347
Totals	\$2,700,000	\$232,895	\$2,932,895

- (a) Generates \$2,700,000 in proceeds to the DPCCD.
- (b) Actual interest rate of 1.89% based on bid provided by First National Bank Texas.
- (c) Callable in whole or part, on March 15, 2018 or any date thereafter, at par plus accrued interest.



Deer Park Community Development Corporation

Final Debt Service Requirements

Deer Park Community Development Corporation Actual Series 2016 and Series 2017 and Proposed Series 2018 Bond Issue

Issued By City of Deer Park, Texas

Year Ending 9/30	Total Sales Tax Collections (a)	Existing Debt Requirements	Series 2017 Bonds		Series 2018 Bonds		Total Debt Requirements	Less: Pay as you Go Program	Remaining Funds	Cumulative Remaining Funds
			Principal (b)	Interest (c)	Principal (d)	Interest (e)				
2016	\$3,271,782	\$87,231		\$29,909			\$87,231	\$85,306	\$3,099,245	\$3,099,245
2017	2,500,000	2,154,196		50,463			2,184,105	1,514,694	(1,198,799)	1,900,445
2018	2,500,000	1,883,986	\$60,000	45,927	\$260,000	\$139,913	2,394,362	100,000	5,639	1,906,084
2019	2,500,000	749,548	420,000	45,927	1,005,000	178,063	2,398,538	100,000	1,462	1,907,546
2020	2,500,000	753,856	425,000	37,942	1,040,000	142,275	2,399,072	100,000	928	1,908,474
2021	2,500,000	752,964	435,000	29,815	1,075,000	105,263	2,398,041	100,000	1,959	1,910,433
2022	2,500,000	751,914	445,000	21,499	1,215,000	65,188	2,498,600		1,400	1,911,833
2023	2,500,000	750,704	455,000	12,994	1,255,000	21,963	2,495,660		4,340	1,916,173
2024	2,500,000	754,296	460,000	4,347			1,218,643		1,281,357	3,197,530
2025	2,500,000	752,689					752,689		1,747,311	4,944,841
2026	2,500,000	750,923					750,923		1,749,077	6,693,918
		10,142,306	2,700,000	232,895	5,850,000	652,663	19,577,864	2,000,000	6,693,918	

- (a) Estimated sales tax collections of \$2,500,000. Actual sales tax collections for fiscal year ending 9/30/2016 was \$3,271,782.
- (b) Generates \$2,700,000 in proceeds to the DPCDC. Sold and Delivered in February 2017.
- (c) Interest rate of 1.85%, based on winning bid provided by First National Bank Texas.
- (d) Generates \$5,850,000 in proceeds to the DPCDC. Sold and Delivered in January 2018.
- (e) Interest estimated at 3.50% 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					
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			
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
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				
February - 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				

Date

Action

Role

Monday, October 24th

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

BOKFS, CDC, BC

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

PARTICIPANTS

City – City of Deer Park
CDC – Deer Park CDC
BOKFS – BOK Financial Securities, Inc.
BC – Bracewell LLP

