CITY OF DEER PARK

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 JUNE 4, 2019, BEGINNING AT 6:15 P.M., WITH THE FOLLOWING MEMBERS PRESENT:

JERRY MOUTON, JR.	MAYOR
TJ HAIGHT	COUNCILMAN
TOMMY GINN	COUNCILMAN
BILL PATTERSON	COUNCILMAN
RON MARTIN	COUNCILMAN
RAE SINOR	COUNCILWOMAN

OTHER CITY OFFICIALS PRESENT:

GARY JACKSON	ASSISTANT CITY MANAGER
SHANNON BENNETT	CITY SECRETARY
JIM FOX	CITY ATTORNEY

1. MEETING CALLED TO ORDER – Mayor Mouton called the workshop to order at 6:45 p.m.

2. PRESENTATION OF THE ECONOMIC ALLIANCE HOUSTON PORT REGION ANNUAL REPORT - Chad Burke, President of the Economic Alliance, gave an overview of the annual report of the Economic Alliance and highlighted the Mission, 'Who is Represented' (12 cities, Harris County, Port of Houston and 250 plus private sector members).

   Mr. Burke introduced Fred Welch of the Economic Alliance. Mr. Welch highlighted the Professional Economic Development Services, the impact of the Houston Port Region-ED Projects, Current Project Pipeline Breakdown and the Petrochemical Industry.

   Mr. Burke continued the discussion highlighting the Transportation Projects, Public Transportation Taskforce, Public Policy and Workforce Development. An invitation was extended to attend the monthly meetings and the Gulf Coast Industry Forum on September 18th & 19th, 2019. (Exhibit A1-A4)

3. DISCUSSION OF ISSUES RELATING TO ANNEXATION OF A 37.0002 ACRE TRACT WITHIN THE CITY'S EXTRA TERRITORIAL JURISDICTION INTO THE CITY OF DEER PARK UPON WRITTEN REQUEST OF THE PROPERTY OWNER – Assistant City Manager Gary Jackson advised the Council of the ordinance for the voluntary annexation of a 37.0002 acre tract within the City's Extra Territorial Jurisdiction into the City of Deer Park requested by Molto Properties and presented a timeline of events, which includes a Service Plan, Sewer Line Maintenance Agreement, a Zoning Designation for M3, a Zoning Code Amendment and a Specific Use Permit application.

4. DISCUSSION OF ISSUES RELATING TO MAXWELL ADULT CENTER CERAMICS PROGRAM – Charlie Sandberg, Director of Parks and Recreation, Jacob Zuniga, Assistant Director of Parks and Recreation and Janica Hughey, Senior Services Supervisor presented a

presentation of the Ceramics Program. Mr. Sandberg gave an overview of how the program was ran before the pre-construction, during construction and post construction. With the pre-construction, there were 10-15 participants, open to Deer Park residents only. The patrons would paint the pieces at the Maxwell Center and City Staff would fire them at the Maxwell Center. During the construction, to continue with the Ceramics Program, the class moved to the Avon Center. The classes decreased from two classes to one class, which decreased some of the participation due to the move and dues were not collected. In monthly meetings, the future of the program was discussed. During post construction, the program stayed the same. There were 6-7 participants per week in the class and no dues collected.

Ms. Hughey discussed the fees and the breakdown of the pre-construction, during construction and post construction cost.

Mr. Sandberg continued the discussion with a recap of the survey given to the Seniors prior to the construction project of the programs desired. The Seniors were instructed to number 1-11 their importance of the programs with 1 being the most important and 11 being the least important. The Ceramics Program was rated 7.7. The purpose of the survey was to evaluate all of the programs and to consider the space of the new Adult Maxwell Center. It was important to utilize the space with the amount of money allocated for the renovations and continue to offer the same services potentially knowing not all of the same services would be available at the Maxwell Center, outside resources would have to be considered. The Staff was tasked to give options to continue the Ceramics Program. Option #1, continue the program, as is, Option #2, use the old Animal Shelter and Option #3, use the Kingsdale Center. With Option 2 & 3, there is cost associated for Staff. Staff is also making a recommendation of purchasing new kilns, since the kilns have been stored for two years. (Exhibits B1-B3)

5. RECESSED/RECONVENED – Mayor Mouton recessed the workshop meeting at 7:30 p.m. to open the regular meeting and reconvened the workshop meeting at 7:30 p.m.

After a lengthy discussion was held, the consensus of the Council is to proceed with Option #1 and insure the stored kilns are in working condition.

6. ADJOURN – Mayor Mouton adjourned the workshop meeting at 8:00 p.m.

ATTEST:

Shannon Bennett, TRMC
City Secretary

APPROVED:

Jerry Mouton, Jr.
Mayor

Economic Alliance
HOUSTON PORT REGION

City of Deer Park Annual Report

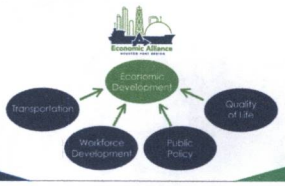
June 4, 2019

Chad Burke
chad@allianceportregion.com
(281) 476-9176 ext. 1

Economic Alliance

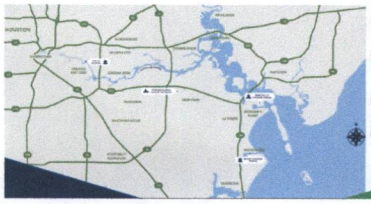
Our Mission

A non-profit organization, created in 1985 whose mission is to ***Grow and market a vibrant regional economy.***



Who We Represent

Most sought-after region in the world for petrochemical, manufacturing, maritime and logistics operations



25 miles of the Houston Ship Channel:

1. World's largest petrochemical complex
2. Nation's busiest port in terms of foreign tonnage

12 Cities, Harris County, Port Houston, plus

250+ Private Sector Members

Economic Alliance
HOUSTON PORT REGION

Economic Development

Economic Development

Professional Economic Development Services

Provide a professional relationship to navigate the multiple facets of the site selection/expansion process, including the facilitation to our economic development support network.

- Conduct **real estate searches**
- Participation and coordination of **site-selection tours**
- Facilitate **access to data**
- Provide guidance in evaluating State and Local **incentive & workforce programs**
- **Advocacy** for projects & **mobilization** of key members

Economic Development

Impact on the Houston Port Region – ED Projects '18

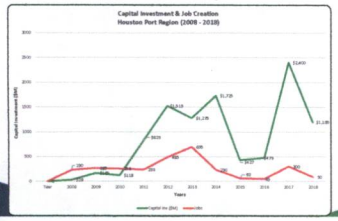
HFOTCO SunGroup kaneka OXITENO ADM Chemical, LLC TOTAL

CAPITAL INVESTMENT = $1.035 B		
JOBS CREATED	JOBS RETAINED	INDIRECT JOBS
100	75	680

ECONOMIC IMPACT ON THE HOUSTON PORT REGION			
TOTAL JOBS	ANNUAL IMPACT	CONSTRUCTION JOBS	ONE TIME IMPACT
800	$ 146.1M	1275	$ 1.1 B

Economic Development

Impact on the Houston Port Region – Historical



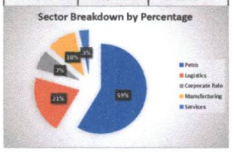
61 "Wins" since 2008:

- **$10 B Capital Investment**
- **2,894 Jobs Created**

Economic Development

Current Project Pipeline Breakdown

Total Projects	Potential Direct Job Creation	Potential Capital Investment
28	1,784	$5.8B



Economic Development

Why focus on the Petrochemical Industry?

For every one job created from the business of chemistry, **7.1 jobs are created in other sectors.**

In addition, the average annual salary of a U.S. chemical industry employee in Texas is $106,707, which is 46 percent higher than the average U.S. manufacturing pay.

American Chemistry Council

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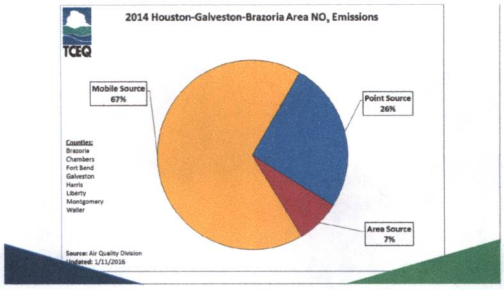
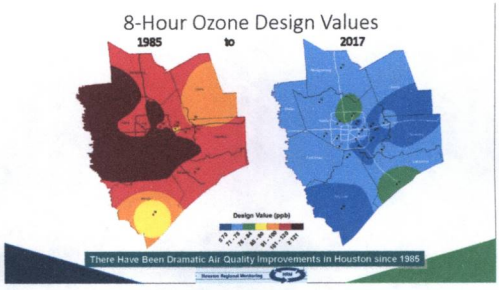
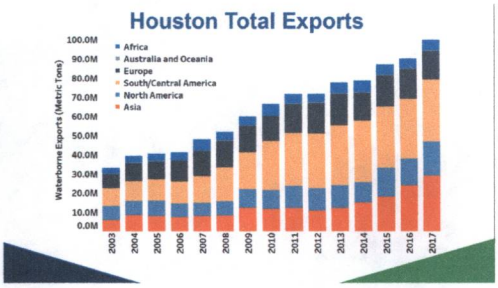
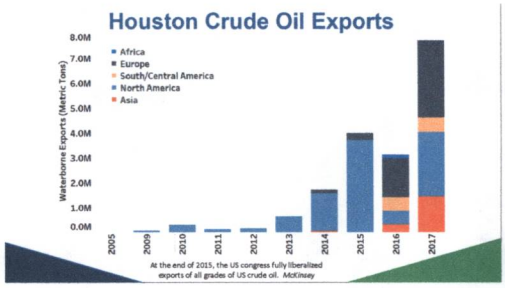
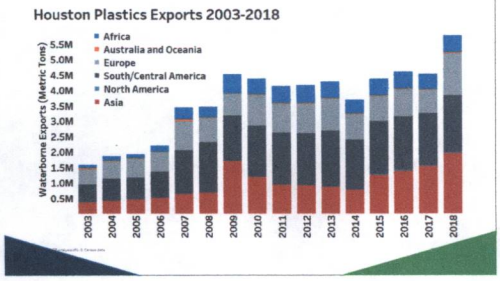
Transportation











Public Policy - Transportation Taskforce

Why the Urgency

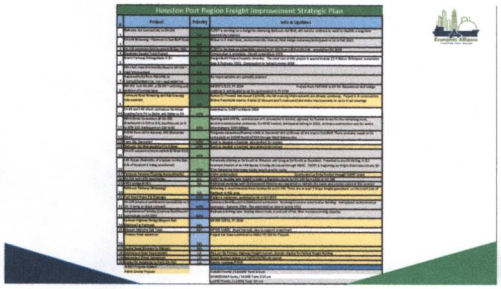
1. **$50B in projects** in the petrochemical industry over the last 8 years, the first production **came online in 2018**
2. Combined with Port of Houston trade via the Panama Canal and increased resin production, **container volumes will grow from 2 million TEU in 2016 to 3 million TEU by 2020**
3. Houston Ship Channel activity accounts for **21% of states GDP**
4. The state needs to invest in this critical freight infrastructure to avoid congestion & **maintain global competitiveness**.

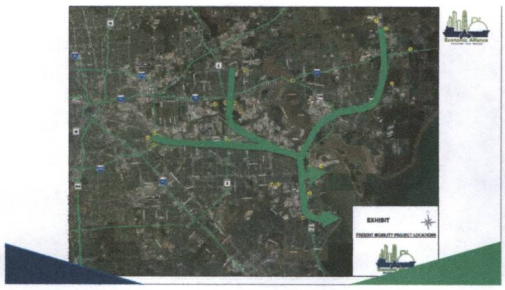
Public Policy - Transportation Taskforce

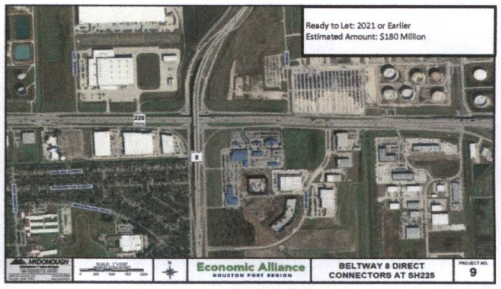
Committee of Regional Transportation Stakeholders

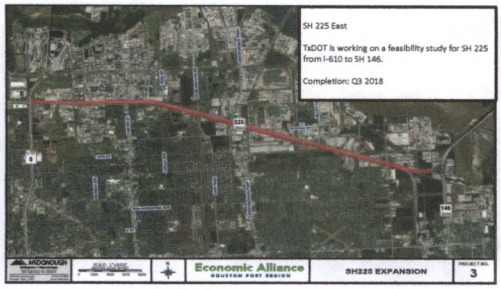
- Regional Mayors
- East Harris County Mfg's Assoc. (130+ plants)
- Port of Houston Authority
- Harris County
- TxDOT
- HGAC

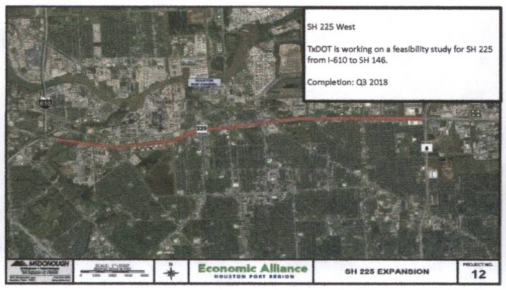
Addressing critical issues associated with the movement of Freight and Commuters











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HOUSTON PORT REGION

Workforce Development

Workforce Development

Inspiring & Preparing the Next Generation Workforce

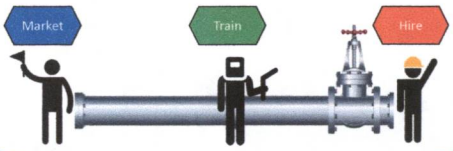
Filling the pipeline of potential workers in the petrochemical, maritime and logistics industries.

- Leveraging **partnerships** with the EHCMA and 9 community colleges to **recruit and train a qualified workforce**
- Providing **career paths and job opportunities** to address **attrition, skill enhancement and demand**
- Targeting high-demand, high-paying careers supporting the petrochem and maritime industries
- **2019 Texas Economic Development Council's Workforce Excellence Award >250,000 population**

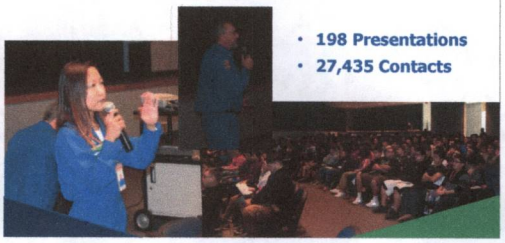
SOUTHEAST TEXAS dream it. DO IT.™

Talent Pipeline

Our mission is to fill the pipeline of potential workers in the petrochemical, manufacturing, maritime and logistics industries. While leveraging partnerships with the East Harris County Manufacturers Association and 9 community colleges to recruit a qualified workforce.



2016 – 2018 Events & Contacts



- 198 Presentations
- 27,435 Contacts

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Public Policy

Public Policy

2018

Federal Policy
30 Economic Alliance members participated in 18 meetings in Washington DC and 14 post-trip conference calls.

2019

State Policy
24 Economic Alliance members participated in 31 meetings in Austin, TX

2019

Federal Policy
31 members participated in 35 meetings in Washington DC.

Federal White Paper Considerations
- Port Infrastructure – Widening Project
- Workforce Investment
- EXIM Bank Reauthorization
- Storm Surge Protection

State White Paper Considerations
- Chapter 312 - **Reauthorized**
- Coastal Spine Taxing Authority - **Passed**
- Workforce HB2214 – Deploy to Employ - **Passed**
- Texas Emissions Reduction Plan - **Passed**
- Expedited Permitting - **Passed**

Economic Alliance
HOUSTON PORT REGION

Leading the Conversation

Informing the Nation

Gulf Coast Industry Forum: September 18th & 19th
10th Annual Conference of National Industry Leaders
2-day Conference Brings Together Industry Leaders focused in Petrochemicals, Energy and Logistics

Gulf Coast Industry Forum

Networking & Connections
- **1000+** Attendees
- **40** Exhibiting Companies & Institutions

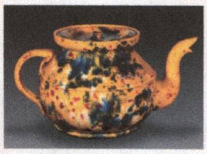
Industry & Market Insight
- Global Chemicals Outlook
- Plant Managers Panel
- Midstream Oil & Gas Report
- Regulations & Policy Update
- Port Houston Update
- CEO Outlook

Economic Alliance

Thank You

www.allianceporttexas.com

E.M. MAXWELL CENTER CERAMICS GROUP



CHARLIE SANDBERG, DIRECTOR OF PARKS AND RECREATION
JACOB ZUNIGA, ASSISTANT DIRECTOR OF PARKS AND RECREATION
JANICA HUGHEY, SENIOR SERVICES SUPERVISOR

RECAP

PRE CONSTRUCTION

- Open DP residents only
- A morning and afternoon class offered
- 10-15 participants per class
- Kilns housed at the Maxwell Center
- $2.50 quarterly dues per person
- $10.00 monthly voucher provided by City for each participant to put towards the purchase of new pieces and/or supplies
- Contracted instructor paid at the rate of $10.00 per hour
- Patrons painted pieces in class at the Maxwell Center
- Patrons pieces were fired at the Maxwell Center
- Pieces were fired by Maxwell Center staff
- Pieces were fired on a weekly basis
- Staff member returned pieces to patrons when firing was complete

RECAP

DURING CONSTRUCTION

- Open DP residents only
- Only morning class offered (due to decreased participation numbers)
- 6-7 participants per week (every Monday)
- $10.00 per month voucher provided to participants in order to have their pieces fired a E &H Ceramics
- No dues collected
- Contracted instructor paid at the rate of $10.00 per hour
- During Monthly Construction Update Meetings, participants made aware that the kilns would not be housed at the Maxwell Center due to storage
- Discussion on kilns to be housed at the Old Animal Shelter
- Patrons painted pieces in class at the Avon Center
- Patrons independently transported pieces to contracted facility (E & H Ceramics) to have pieces fired
- Pieces were fired on an "as desired" basis
- Patrons would retrieve pieces from E & H Ceramics when firing was complete

RECAP

POST CONSTRUCTION

- Open to all regardless of residency
- Only morning class offered (due to decreased participation numbers)
- 6-7 participants per week (every Monday)
- $10.00 per month voucher provided to participants in order to have their pieces fired a E &H Ceramics
- No dues collected
- Contracted instructor paid at the rate of $10.00 per hour
- Discussion of kilns to be housed that the Old Animal Shelter
- Patrons painted pieces in class at the Maxwell Center
- Patrons independently transported pieces to contracted facility (E & H Ceramics) to have pieces fired
- Pieces were fired on an "as desired" basis
- Patrons would retrieve pieces from E & H Ceramics when firing was complete

RECAP - FEES

PRE CONSTRUCTION

Program Expenditure	Program Revenue
• $3,600.00 for vouchers • $4,160.00 contractor pay Total cost: $7,760.00 per fiscal year	$900.00 per fiscal year

DURING CONSTRUCTION

Program Expenditure	Program Revenue
• $840.00 for vouchers • $2,080.00 contractor pay Total cost: $2,920.00 per fiscal year	$0.00

POST CONSTRUCTION

Program Expenditure	Program Revenue
• $840.00 for vouchers • $2,080.00 contractor pay Total cost: $2,920.00 per fiscal year	$0.00

RECAP

SURVEYS WERE ISSUED TO SENIORS IN A MEETING PRIOR TO CONSTRUCTION. MEETING WAS ANNOUNCED IN ADVANCE DURING CONGREGATE MEAL SERVICE. THERE WERE 45-50 SENIORS IN ATTENDANCE DURING ISSUANCE OF SURVEYS. SENIORS WERE INSTRUCTED TO NUMBER 1-11 THEIR IMPORTANCE OF PROGRAMS (1 BEING THE MOST IMPORTANT AND 11 BEING THE LEAST). BELOW ARE THE RESULTS OF THAT SURVEY...

Meals	Fitness	Socials	Health/ Fitness	Game Room	Classes	Excursions/ Trips	Arts & Crafts	Ceramics	Billiards/ Shuffleboard	Quilting
2.9	4.3	4.8	4.8	5.1	5.1	5.7	6.7	7.7	8.4	9.2

POTENTIAL OPTIONS FOR CERAMICS PROGRAM

CONTINUE PROGRAM "AS IS"... OPTION #1

- Provide current participants with a $10.00 per month voucher in order to get pieces fired at E & H Ceramics
- Provide participants with transportation to and from E & H Ceramics once a month to utilize vouchers
- Continue to provide a contracted instructor for the program at the rate of $10.00 an hour

RENOVATE AREA BY OLD ANIMAL SHELTER... OPTION #2

- See Option #2 slides for information pertaining to costs needed to renovate existing Old Animal Shelter

RENOVATE KINGSDALE... OPTION #3

- See Option #3 slides for information pertaining to costs needed to renovate Kingsdale Recreation Center

TOTAL POTENTIAL COST FOR OPTION #1

- $10.00 per month voucher for all current active participants ($60.00 per month)
- $10.00 an hour rate for contracted instructor ($150.00 per month)
- Miscellaneous expenses for gas per month ($20.00 per month)
- Additional staffing cost: $0.00
- Estimated cost: **$230.00** (per month) or **$2,530.00** (fiscal year)

NEW KILN OPTIONS

- L&L Kiln Easy Fire Front Loading Kiln
- Kiln: $4,769.00 (per kiln)
- Furniture: $504.00 (per kiln)
- Vents: $425.00 (per kiln)
- 12 weeks out for delivery
- Curbside delivery only
- Customer responsible for installation
- Total potential cost: **$11,396.00** (for two kilns)

- Fredrickson Front Loading Electric Kiln
- Kiln: $9,199.00 (per kiln)
- Furniture: $800.00 (per kiln)
- Vents: $475.00 (per kiln)
- 12 weeks out for delivery
- Curbside delivery only
- Customer responsible for installation
- Total potential cost: **$20,948.00** (for two kilns)

for safety purposes we are looking to replace kilns currently housed in City warehouse

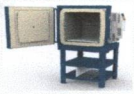
ELECTRICAL, STORAGE & STAFFING FOR OPTION #2

- The electrical service at the Old Animal Shelter is at it's maximum capacity.
- Necessary additions include – underground feeder to utility pole, conduit, wire, meter panels and an automatic transfer switch for generator
- Estimated cost: **$25,000.00**

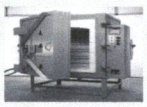
- Kilns may possibly be housed in this structure with additional permission
- 20 foot container: $6,000.00 (includes door and window)
- Slab: $2,000.00
- Fencing/gate to surround container: $1,500.00
- Total potential cost: **$9,500.00**

- Kilns will offsite from the Maxwell Center
- A staff member would need to be scheduled to oversee kiln area while they are in operation
- Kilns are fired six hours a day/twice a week
- Total potential cost: **$6,240.00**

TOTAL POTENTIAL PRICE FOR OPTION #2



- TOTAL ESTIMATED PRICE IF L&L KILN EASY FIRE FRONT LOADING IS CHOSEN:
- **$52,136.00**



- TOTAL ESTIMATED PRICE IF FREDRICKSON FRONT LOADING ELECTRIC KILN IS CHOSEN:
- **$61,688.00**

TOTAL POTENTIAL COST FOR OPTION #3

Price with new kilns

- Kilns will be housed inside Kingsdale Center
- Purchase new kilns with prices ranging from $11,396.00 - $20,948.00 (depending upon brand)
- Update electricity: $3,500.00
- Construct area to place kilns: $4,500.00
- Staffing: $6,240.00
- Estimated cost: **$25,609.00 - $35,188.00**

Price with current kilns

- Kilns will be housed inside Kingsdale Center
- Utilize kilns currently being housed at the City Warehouse (if new kilns are not option)
- Update electricity: $3,500.00
- Construct area to place kilns: $4,500.00
- Staffing: $6,240.00
- Estimated cost: **$14,240.00**

POTENTIAL STAFFING NEEDS FOR OPTION #2 AND OPTION #3

CURRENT PARTICIPANTS HAVE VOICED THEIR OPINION THAT IF/WHEN KILNS ARE AVAILABLE THERE WILL BE A SURGE OF RETURNING PARTICIPANTS. WITH THIS EXPECTATION WILL COME THE NECESSITY TO FIRE MORE FREQUENTLY IN ORDER TO SATISFY PARTICIPANT NEEDS. BELOW IS AN ESTIMATED MATRIX OF INCURRED STAFFING COSTS IF/WHEN PARTICIPANTS NUMBERS INCREASE...

# of Participants	Potential staffing cost
6 participants (kilns fired 2x wkly for 6 hrs per day)	$6,240.00 per fiscal year
15 people (kilns fired 3x wkly for 6 hrs per day)	$9,360.00 per fiscal year
25 people (kilns fired 4x wkly for 6 hrs per day)	$12,480.00 per fiscal year*
40+ people (kilns fired 5x wkly for 6 hrs per day)	$15,600.00 per fiscal year*

costs do not include required City TMRS contributions

- QUESTIONS???