

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 1, 2021 BEGINNING AT 6:45 P.M., WITH THE FOLLOWING MEMBERS PRESENT:

JERRY MOUTON, JR.  
SHERRY GARRISON  
TJ HAIGHT  
TOMMY GINN  
RAE SINOR

MAYOR  
COUNCILWOMAN  
COUNCILMAN  
COUNCILMAN  
COUNCILWOMAN

OTHER CITY OFFICIALS PRESENT:

JAMES STOKES  
GARY JACKSON  
SHANNON BENNETT

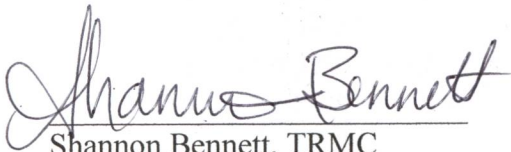
CITY MANAGER  
ASSISTANT CITY MANAGER  
CITY SECRETARY

1. MEETING CALLED TO ORDER – Mayor Mouton called the workshop to order at 6:45 p.m.
2. COMMENTS FROM AUDIENCE – No comments received.
3. PRESENTATION OF THE ECONOMIC ALLIANCE HOUSTON PORT REGION ANNUAL REPORT – President/CEO of the Economic Alliance Houston Port Region Chad Burke gave an overview of the annual report that included the mission statement, footprint of the operations, State GDP along the Houston Ship Channel, COVID-19 impact on vessel movements, OPIS demand on gasoline volume compared to prior years and job losses. Mr. Burke highlighted the economic development, current project pipeline breakdown, 8 hour ozone design values, Beltway 8 Project, State Highway 225 Planning Environmental Linkage (PEL) draft study, Ship Channel infrastructure, public policy, leading the conversation in Industry, informing the Nation and the Quality of Life Grant Program. (Exhibit A1-A9)
4. PRESENTATION AND DISCUSSION OF ISSUES RELATING TO A SCHEDULE OF EVENTS FOR THE PROPOSED SALE OF CERTIFICATES OF OBLIGATION, SERIES 2021, FOR THE CONSTRUCTION OF DEER PARK COMMUNITY DEVELOPMENT CORPORATION (DPCDC) IMPROVEMENTS (COMMUNITY/RECREATION CENTER), AND GENERAL OBLIGATION BONDS, SERIES 2021 – City Financial Advisor John Robuck of BOK Financial Services, Inc., gave a presentation of the financing

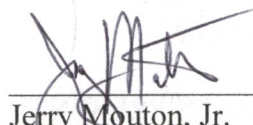
plan regarding the proposed issuance of the Certificates of Obligation for the construction of Deer Park Community Development Corporation (DPCDC) improvements (Community/Recreation Center). Mr. Robuck also gave an overview of the current bond market and bond buyer index, estimated debt services requirements, Certificates of Obligation, Series 2021 and the tentative schedule of events. (Exhibit B1-B6)

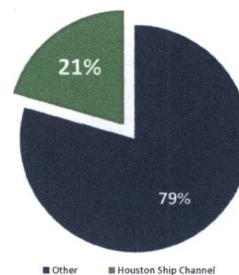
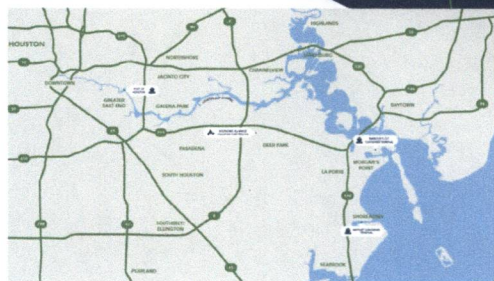
5. DISCUSSION OF ISSUES RELATING TO A RESOLUTION EXPRESSING INTENT TO ISSUE OBLIGATIONS TO REIMBURSE FOR EXPENDITURES PAID PRIOR TO ISSUANCE OF OBLIGATIONS – The City's Bond Counsel Jonathan Frels of Bracewell LLP., advised Council of the resolution that authorizes reimbursement for expenditures paid on projects prior to issuance of the obligations and sets the parameters of the expenditures that qualify to be reimbursed from bond funds.
6. ADJOURN – Mayor Mouton adjourned the workshop meeting at 7:06 p.m.

ATTEST:

  
Shannon Bennett, TRMC  
City Secretary

APPROVED:

  
Jerry Mouton, Jr.  
Mayor



- generated **\$339 billion** in economic value
- sustained **1.3 million jobs**
- generated **\$5.6 billion** in state and local tax revenue

## COVID-19 Impact on Vessel Movements

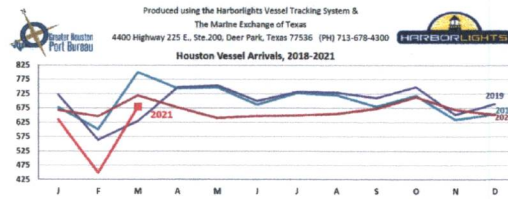
Vessel Arrivals by Port, March 2021 YTD vs. 2020 YTD

	2021 YTD	2020 YTD	Percent Change
BROWNSVILLE	67	81	BROWNSVILLE, -17.3%
CORPUS CHRISTI	556	594	CORPUS CHRISTI, -6.4%
FREEPORT	311	309	FREEPORT, 0.6%
GALVESTON	271	308	GALVESTON, -12.0%
HOUSTON	1,762	2,032	HOUSTON, -13.3%
PORT LAVACA	41	64	PORT LAVACA, -35.9%
SABINE	613	692	SABINE, -11.4%
TEXAS CITY	182	278	TEXAS CITY, -34.5%
GRAND TOTAL	3,803	4,358	GRAND TOTAL, -12.7%

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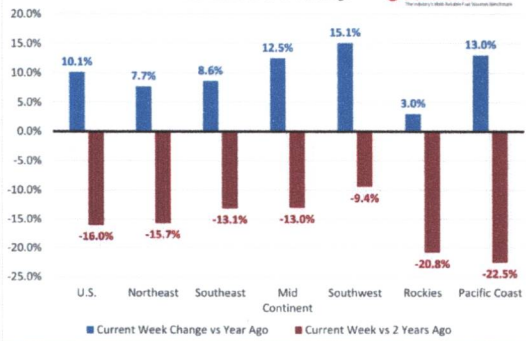
## COVID-19 Impact on Vessel Movements



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OPIS Demand: Gasoline Volume Change vs Last Year and vs 2-Years Ago



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## Job Losses Since Peak

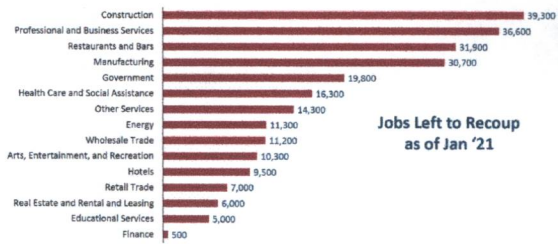
Losses, Mar + April	-361,400
Gains, May to Dec	+164,900
Losses, Jan '21	-47,900
Gap to Close*	-244,400

GREATER HOUSTON PARTNERSHIP

\* Returns metro Houston to February '20 employment levels

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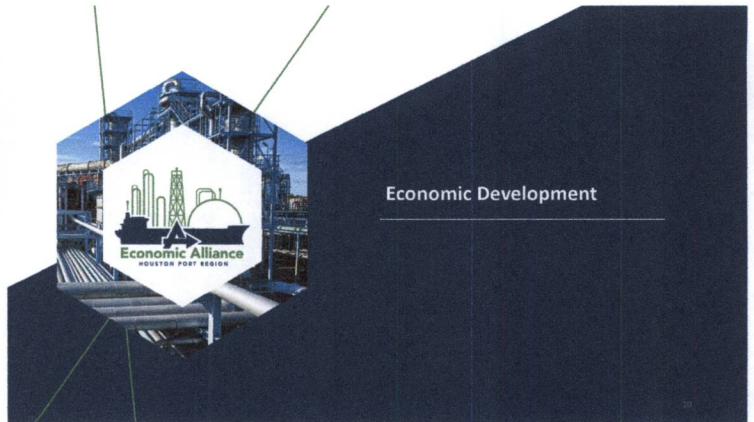
### Many sectors have a long way to go to full recovery.



Jobs Left to Recoup  
as of Jan '21

GREATER HOUSTON PARTNERSHIP

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Economic Development

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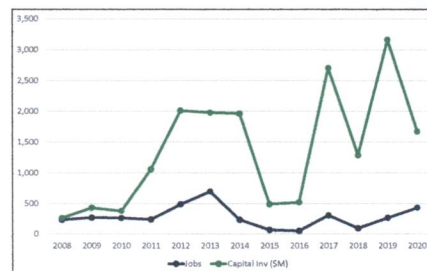
### Professional Services

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

- Conduct real estate searches
- Participate in and coordinate site-selection tours
- Facilitate access to data
- Provide guidance in evaluating State and Local incentive permitting and workforce programs
- Advocate for projects and mobilize of key members

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### Economic Alliance Project Wins, Jobs and Capital Investment by Year



Totals since 2008:  
69 Wins - 5.3/year  
\$14.3 B Capital Investment  
3,584 Jobs Created

ALLIANCEPORTREGION.COM

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## Impact on the Houston Port Region

### 2019 Economic Development Project Wins:

\$2.9 B Capital Investment; 285 Total Jobs



INEOS

Olefins & Polymers USA



### 2020 Economic Development 5 Project Wins:

\$897 M Capital Investment; 468 Total Jobs



KINDER MORGAN



### 2021 YTD Economic Development Project Wins:

\$2 B Capital Investment; 80 Total Jobs



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## Current Project Pipeline Breakdown

TOTAL PROJECTS

21

POTENTIAL DIRECT

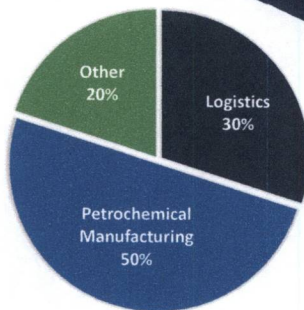
JOB CREATION

890

POTENTIAL CAPITAL

INVESTMENT

\$6.8 B



ALLIANCEPORTREGION.COM

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## 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 \$106,702, which is 46 percent higher than the average U.S. manufacturing pay.



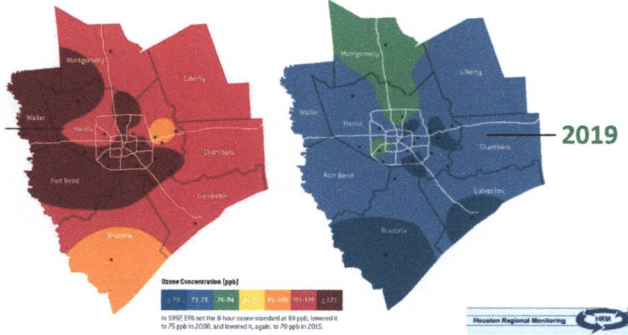
15



Transportation

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## 2019



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- Regional Mayors
- East Harris County Manufacturer's Association (130+ plants)
- Port Houston
- Harris County
- Texas Department of Transportation
- Houston Galveston Area Council

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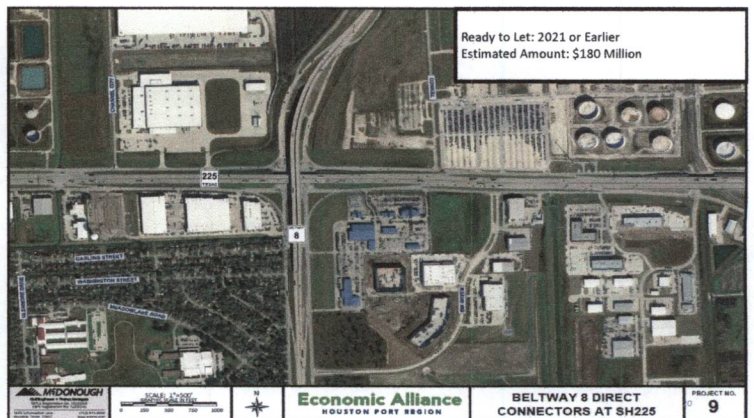
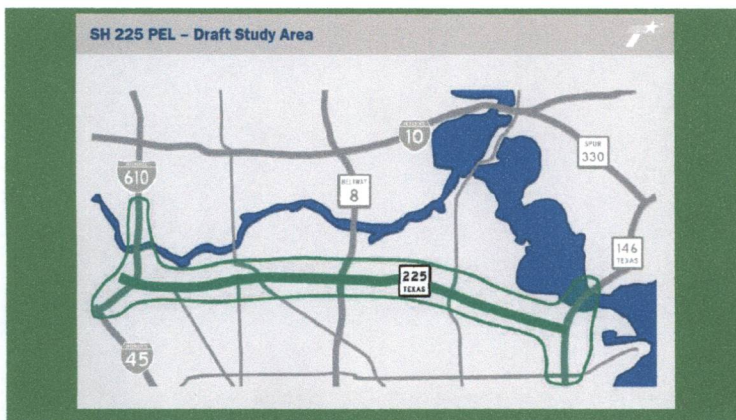
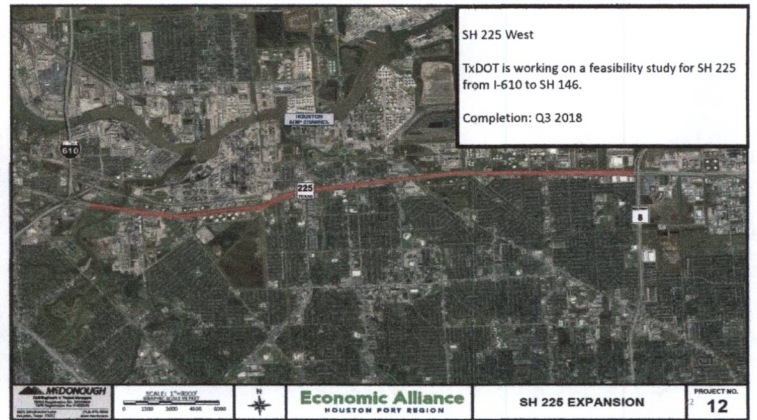
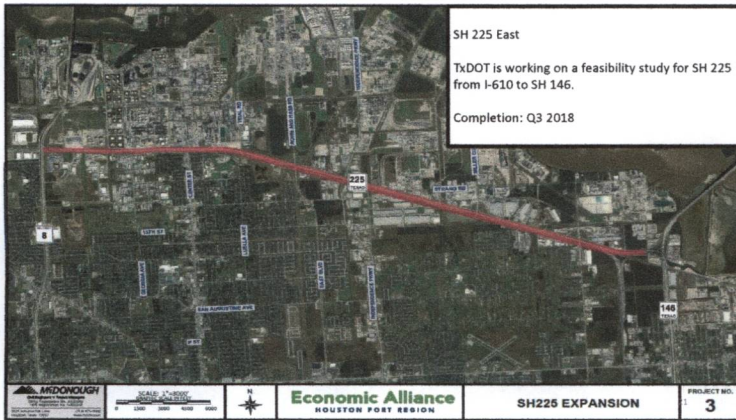
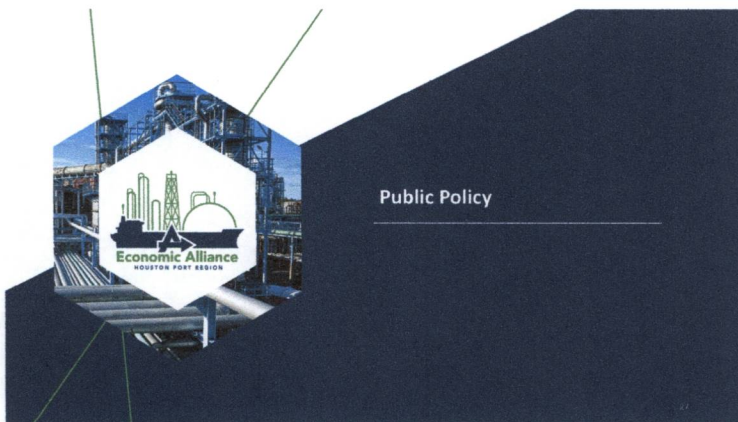
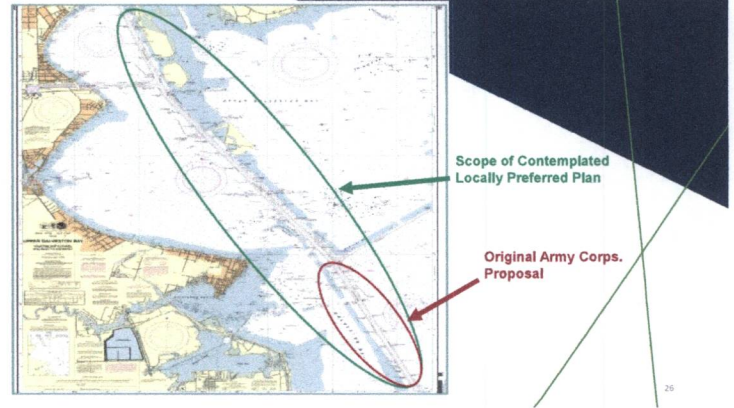
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Exhibit A-5 WS Meeting  
Economic Alliance Annual Report  
June 1, 2021





## Public Policy

### 2021 – State Policy

Economic Alliance White Paper and Austin visits.

### 2019 – Federal Policy

31 Economic Alliance Members participated in 35 meetings in Washington D.C.

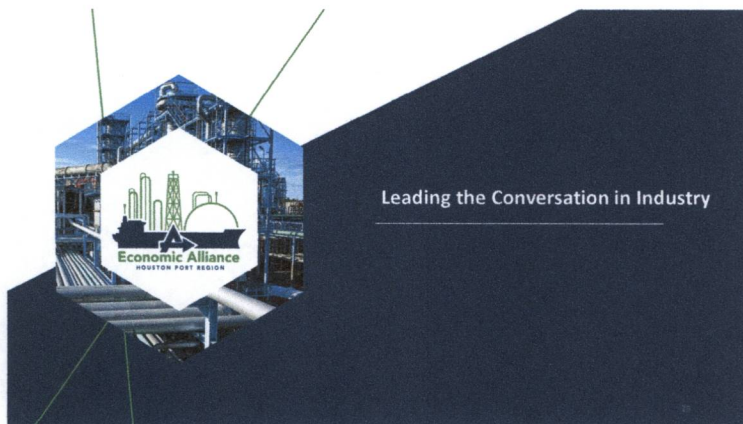
### Federal White Paper Considerations

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 – Deployment to Employment – **Passed**  
Texas Emissions Reduction Plan – **Passed**  
Expedited Permitting – **Passed**





## Informing the Nation

September 23, 2021

### 13<sup>th</sup> Annual Conference of National Industry Leaders

The Gulf Coast Industry Forum brings together industry leaders focused on petrochemicals, energy and logistics.

#### 2020 Virtual Events

- +2,500 Attendees
- 40 Exhibiting Companies and Institutions

#### Industry and Market Insight

- Petrochemical Leadership Panel
- Midstream Oil & Gas Report
- Freight Mobility Panel
- Regulations and Policy Update
- Port Houston Update
- U.S. Senator John Cornyn
- U.S. Congressional Panel
- Environmental & Regulatory Panel

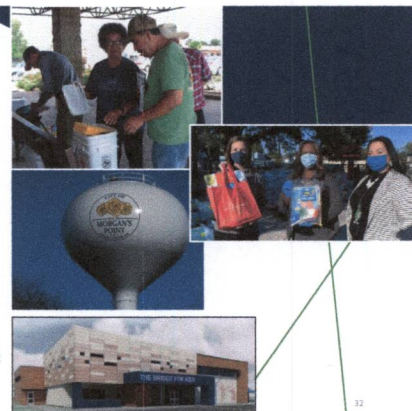


Gulf Coast Industry Forum  
AN ECONOMIC ALLIANCE HOUSTON PORT REGION EVENT



### San Jacinto Texas Historic District awards grants to entity's during a pandemic year

- Imelda Assistance Fund established by Houston Mayor Sylvester Turner and Harris County Judge Lina Hidalgo; 2 - \$5,000 matching grants – totaling **\$10,000**
- Harris County Precinct 2 together Dolly Parton Imagination Library; 4 - \$5,000 matching grants – totaling **\$20,000**
- City of Morgan's Point: Elevated Storage Tank Painting; **\$5,000** matching grant
- 2021 - The Bridge Over Trouble Waters women's shelter, capital campaign to expand and create "The Bridge for Kids" center to help support hundreds of kids impacted by family violence and homelessness; **\$5,000** matching grant





# DEER★PARK

*Birthplace of Texas®*

## City of Deer Park

### Financings Plan and Schedule of Events Overview:

**\$21,020,000\* General Obligation Bonds, Series 2021**

**\$21,710,000\* Certificates of Obligation, Series 2021**

**June 1, 2021**

\* Preliminary, subject to change.

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**NOT FDIC INSURED | NO BANK GUARANTEE | MAY LOSE VALUE**

**Exhibit B-1 WS Meeting**

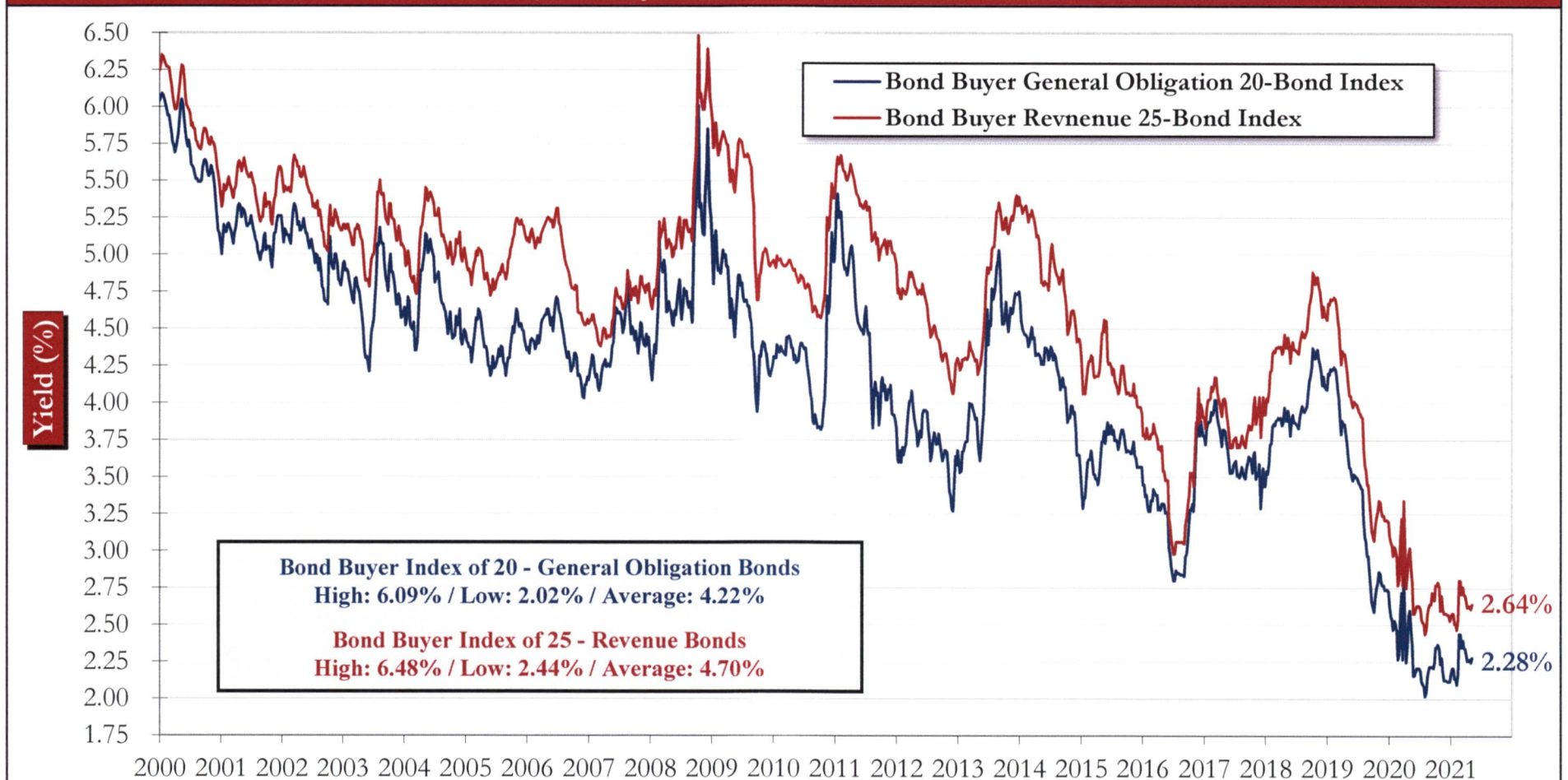
**Finance Plan/Bonds/Certificates 2021**

**June 1, 2021**



# Overview of Current Bond Market – Bond Buyer Index

## The Bond Buyer Index January 1, 2000 To The Present



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+."



# General Obligation Bonds, Series 2021

## Estimated Debt Service Requirements

FY Ending (9/30)	Current Total Debt Service (a)	Plus: The Series 2021 Bonds			Total Debt Service Requirements
		Principal (b)	Interest (c)	Total	
2021	\$8,696,070				\$8,696,070
2022	8,480,267	\$510,000	\$909,505	\$1,419,505	9,899,772
2023	8,473,978	540,000	880,700	1,420,700	9,894,678
2024	8,487,067	540,000	853,700	1,393,700	9,880,767
2025	7,358,346	560,000	826,200	1,386,200	8,744,546
2026	6,512,704	840,000	791,200	1,631,200	8,143,904
2027	5,760,554	885,000	748,075	1,633,075	7,393,629
2028	4,790,899	930,000	702,700	1,632,700	6,423,599
2029	4,783,968	980,000	654,950	1,634,950	6,418,918
2030	4,786,509	1,025,000	604,825	1,629,825	6,416,334
2031	4,297,203	1,080,000	552,200	1,632,200	5,929,403
2032	4,301,760	1,125,000	502,700	1,627,700	5,929,460
2033	3,771,419	1,175,000	456,700	1,631,700	5,403,119
2034	3,093,530	1,220,000	408,800	1,628,800	4,722,330
2035	2,564,373	1,270,000	359,000	1,629,000	4,193,373
2036	2,011,660	1,270,000	308,200	1,578,200	3,589,860
2037	1,493,090	1,320,000	256,400	1,576,400	3,069,490
2038	1,165,565	1,355,000	202,900	1,557,900	2,723,465
2039	635,725	1,410,000	147,600	1,557,600	2,193,325
2040	340,025	1,465,000	90,100	1,555,100	1,895,125
2041		1,520,000	30,400	1,550,400	1,550,400
<b>Totals</b>	<b>\$91,804,709</b>	<b>\$21,020,000</b>	<b>\$10,286,855</b>	<b>\$31,306,855</b>	<b>\$123,111,564</b>

- (a) Includes the debt service requirements paid by the Waterworks and Sewer System and the Community Development Corporation.  
(b) Preliminary, subject to change. Generates \$24,600,000 in proceed for the City.  
(c) Interest estimated at current market rates, for illustrative purposes only.



## Estimated Debt Service Requirements



# Tentative Schedule of Events

## \$21,020,000\* General Obligation Bonds, Series 2021

## \$21,710,000\* Certificates of Obligation, Series 2021

May - 2021							June - 2021							July - 2021							August - 2021							September - 2021						
S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S
						1			1	2	3	4	5					1	2	3	1	2	3	4	5	6	7				1	2	3	4
2	3	4	5	6	7	8	6	7	8	9	10	11	12	4	5	6	7	8	9	10	8	9	10	11	12	13	14	5	6	7	8	9	10	11
9	10	11	12	13	14	15	13	14	15	16	17	18	19	11	12	13	14	15	16	17	15	16	17	18	19	20	21	12	13	14	15	16	17	18
16	17	18	19	20	21	22	20	21	22	23	24	25	26	18	19	20	21	22	23	24	22	23	24	25	26	27	28	19	20	21	22	23	24	25
23	24	25	26	27	28	29	27	28	29	30				25	26	27	28	29	30	31	29	30	31				26	27	28	29	30			

Date	Action	Role
Tuesday, May 25 <sup>th</sup>	<b>Special Deer Park CDC Board Meeting</b> Review Finance Plan, Approve Publication of Notice of Project and Approve Recommendation for City Council to Approve Notice of Intent to Issue Certificates of Obligation ("CO's")	DPCDC, FA, BC
Tuesday, June 1 <sup>st</sup>	<b>City Council Meeting</b> Review Financing Plan for CO's and General Obligation Bonds ("GO Bonds") and Approve Notice of Intent to Issue CO's	City. FA, BC
Wednesday, June 9 <sup>th</sup>	Publish First Notice of Intent to Issue CO's and Publish DPCDC Notice of Project	City
Wednesday, June 16 <sup>th</sup>	Publish Second Notice of Intent to Issue CO's	City, DPCDC
Monday, June 21 <sup>st</sup>	First Draft of Preliminary Official Statements ("POS")	FA

Exhibit B-5 WS Meeting  
Finance Plan/Bonds/Certificates 2021  
June 1, 2021

\* Preliminary, subject to change.



## Tentative Schedule of Events

<u>Date</u>	<u>Action</u>	<u>Role</u>
Wednesday, June 30 <sup>th</sup>	Second Draft of POS	City, FA, BC
Wednesday, July 14 <sup>th</sup>	Third Draft of POS	City, FA, BC
Week of July 19 <sup>th</sup>	Rating Agency and Due Diligence Calls	FA, City, UW
<b>Monday, July 26<sup>th</sup></b>	<b>Deer Park CDC Board Meeting</b> Public Hearing to Approve Project and Approve Interlocal Agreement with the City	<b>DPCDC, BC</b>
<b>Tuesday, August 3<sup>rd</sup></b>	<b>City Council Meeting</b> Approve Interlocal Agreement with the DPCDC	<b>City, BC</b>
Wednesday, August 4 <sup>th</sup>	Final Draft of POS	City, FA, BC
Monday, August 9 <sup>th</sup>	Post/Distribute Final POS	FA, City, BC
<b>Tuesday, August 17<sup>th</sup></b>	<b>Sale of CO's and GO Bonds</b> <b>City Council Meeting</b> <ul style="list-style-type: none"><li>➤ Approve Sale of CO's and GO Bonds</li><li>➤ DPCDC President Approves Final Pricing Exhibit</li></ul>	<b>City, BC, FA, UW</b>
<b>Tuesday, September 14<sup>th</sup></b>	<b>Closing / Funding of CO's and GO Bonds</b>	<b>City, DPCDC, BC, FA, UW</b>

### PARTICIPANTS

**City** – City of Deer Park  
**DPCDC** – Deer Park Community Development Corporation  
**FA** – BOK Financial Securities, Inc.  
**BC** – Bracewell LLP  
**UW** - Underwriters