



MINUTES OF THE CITY COUNCIL SPECIAL MEETING

THE SPECIAL MEETING OF THE CITY COUNCIL OF THE CITY OF DEER PARK, TEXAS
HELD IN CITY HALL, 710 EAST SAN AUGUSTINE STREET, DEER PARK, TEXAS ON
JULY 14, 2026 AT 5:00 P.M.

MEMBERS PRESENT:

JERRY MOUTON
SHERRY GARRISON
TJ HAIGHT
TOMMY GINN
JUSTIN LEAGUE
ERIC RIPLEY
GEORGETTE FORD

MAYOR
COUNCILWOMAN
COUNCILMAN
COUNCILMAN
COUNCILMAN
COUNCILMAN
COUNCILWOMAN

OTHER CITY OFFICIALS PRESENT:

SARA COSTLOW
JIM FOX
ANGELA SMITH

ASSISTANT CITY MANAGER
CITY ATTORNEY
CITY SECRETARY

CALL TO ORDER - Mayor Mouton called the meeting to order at 5:00 p.m.

INVOCATION - The invocation was given by Councilman Ripley

PLEDGE OF ALLEGIANCE - Councilman Haight led the Pledge of Allegiance to the United States Flag and the Texas Flag.

COMMENTS FROM THE AUDIENCE - No comments received by the public.

TAX PAYER IMPACT STATEMENT

House Bill 1522, passed by the 89th Texas Legislature, amends section 551.043 of the Texas Government Code to require that the notice of a meeting required to be posted under section 551.043(a) of the Texas Open Meetings Act, at which a governmental body will discuss or adopt a budget for the governmental body, must include a taxpayer impact statement showing, for the median-valued homestead property, a comparison of the property tax bill in dollars pertaining to the property for the current fiscal year to an estimate of the property tax bill in dollars for the same property for the upcoming fiscal year.

CITY OF DEER PARK - TAXPAYER IMPACT STATEMENT

<i>Description</i>	<i>FY 2025-2026</i>	<i>FY 2026-2027</i>	<i>FY 2026-2027</i>
	<i>Adopted Tax Rate</i>	<i>Proposed Tax Rate</i>	<i>No New Revenue Rate</i>
<i>Tax Rate per \$100 Valuation</i>	<i>\$0.720000</i>	<i>Not yet calculated</i>	<i>Not yet calculated</i>
<i>Median Taxable Value</i>	<i>\$198,639.00</i>	<i>Not yet calculated</i>	<i>Not yet calculated</i>
<i>Homestead</i>			
<i>Estimated Annual Tax Bill</i>	<i>\$ 1,430.20</i>	<i>----</i>	<i>----</i>

PRESENTATIONS

1. PRESENTATION OF CLASSIFICATION AND COMPENSATION STUDY BY PUBLIC SECTOR PERSONNEL CONSULTANTS (PSPC) AND PROPOSED CHANGES. - Assistant City Manager Sara Costlow opened the discussion regarding the classification and compensation study conducted by Public Sector Personnel Consultants (PSPC) and the proposed changes. Ms. Costlow stated that the City's most recent compensation and benefits study was conducted in fiscal year 2022-2023. Ms. Costlow explained that the City strives to conduct a study every two to three years to remain competitive in the market. She further stated that the overall findings were favorable in part due to Council's adoption of compensation adjustments during fiscal year 2022-2023 budget.

Public Sector Personnel Consultants (PSPC) President Matt Weatherly presented a progress report on the study. He explained that employees were invited to review their job descriptions and complete job questionnaires. Public Sector Personnel Consultants (PSPC) evaluated the information to assess job titles and classifications, resulting in several proposed title changes.

Mr. Weatherly stated that PSPC collected salary and benefits data from approved comparison cities and used private-sector data when available. Market data was collected for more than 100 job classifications. Using a range of plus or minus 5% to define market competitiveness, approximately 84% of the classifications were at or above market. Of the classifications surveyed, 16% were below market, 54% were within 5% of market, and 30% were above market. Most classifications identified as below market were within the Public Works Department.

Mr. Weatherly reviewed sample comparisons for the Combination Inspector, Court Clerk I, Water Plant Operator C, and Patrol Officer classifications. The Combination Inspector and Court Clerk I classifications were generally aligned with the market. The Water Plant Operator C classification, proposed to be renamed Treatment Plant Operator C, was below market. The Patrol Officer classification was generally competitive, with its midpoint and maximum salary rates above market.

The benefits survey included health, dental, and vision insurance; paid leave; incentive and certification pay; and bilingual pay. Mr. Weatherly reported that the City's benefits were competitive in nearly all areas surveyed and generally aligned with market averages for insurance allowances and paid leave. The City exceeded the market average in certain areas, including educational incentive pay for police personnel. PSPC identified bilingual incentive pay as an option for the City's consideration.

Mr. Weatherly reported that PSPC modeled pay-grade updates for below-market civilian classifications. The proposed adjustments would affect approximately 30 employees and have an estimated fiscal impact of \$45,000 to place the affected employees on the corresponding or next-closest step within their proposed pay grades. He also reviewed proposed classification title changes to more accurately reflect employees' duties and levels of responsibility. For example, certain assistant supervisor positions would be retitled as supervisor, while some supervisors' positions would be retitled as manager or superintendent.

Mr. Weatherly stated that the study's goals were to support employee recruitment and retention and provide fair and competitive compensation.

Mayor Mouton inquired whether the estimated cost to adjust the compensation of 30 employees was \$45,000. Mr. Weatherly confirmed that the amount represented the annualized cost.

Assistant City Manager Sara Costlow explained that, following the City's previous compensation survey, employees were placed at the corresponding step and grade within the revised pay plan. She stated that the step-based adjustments provided equitable increases without placing employees at the maximum of their pay ranges. The associated costs would be allocated between the General Fund and the Water and Sewer Fund and could be accommodated within the proposed budget.

There were no further questions from Council.

NEW BUSINESS

2. CONSIDERATION OF AND ACTION ON AN ORDINANCE APPROVING THE INDUSTRIAL DISTRICT AGREEMENTS. - After a proposed ordinance was read by caption, motion was made by Councilman Ginn and a second made by Councilman League to adopt Ordinance No. 4709.

AN ORDINANCE APPROVING CERTAIN INDUSTRIAL DISTRICT AGREEMENTS; PROVIDING FOR EXECUTION; PROVIDING SEVERABILITY. (DSI Transports Inc./Trimac and Westlake Epoxy, Inc.

Motion carried 7 to 0.

3. SUBMISSION AND PRESENTATION OF THE PROPOSED CITY OF DEER PARK FISCAL YEAR 2026-2027 BUDGET. - Assistant City Manager Sara Costlow presented an update on the proposed City of Deer Park Fiscal Year 2026-2027 Budget. Ms. Costlow highlighted the following changes since the Council Budget Workshop:
 - Health Insurance: Following discussions with the City's Health Insurance Committee and department directors, reasonable plan adjustments were made to reduce the anticipated increase in health insurance costs. The preferred provider organization plan is projected to increase by 1.88 percent, while the high-deductible health plan is projected to decrease by 2.17 percent for both the City and participating employees.
 - Debt Service: The allocation of debt-service costs among the Debt Service, Water, and Sewer Funds was adjusted following the City's most recent issuance of Certificates of Obligation Bonds, as presented by BOK Financial Securities at the July 7, 2026, Council Workshop.

- Capital Improvement Program Funding: The proposed transfer to the Capital Improvement Program was reduced from \$4.5 million to \$3 million. Available surplus funds may be used to finance the theater building project rather than drawing from City reserves, as confirmed by bond counsel.
- Street Sign Replacement: The preliminary budget includes a \$350,000 placeholder for the street sign replacement project. Due to legislative budget-notice requirements, the full estimated cost of \$1.64 million was not included before the agenda-posting deadline. The revised amount will be reflected in the budget presented to Council for adoption in September.

Ms. Costlow stated that additional adjustments may be made before final adoption, including consideration of updated inflation data and potential changes to the City's pay plan and cost-of-living adjustment.

There were no questions from Council.

4. CONSIDERATION OF AND ACTION ON AN ORDINANCE CALLING A PUBLIC HEARING ON THE PROPOSED FY 2026-2027 CITY OF DEER PARK BUDGET. - After proposed ordinance was read by caption, motion was made by Councilwoman Ford and a second made by Councilman Haight to adopt Ordinance No. 4710.

AN ORDINANCE OF THE CITY OF DEER PARK SETTING A DATE AND TIME FOR A PUBLIC HEARING ON THE PROPOSED BUDGET FOR THE YEAR BEGINNING OCTOBER 1, 2026 AND ENDING SEPTEMBER 30, 2027.

Motion carried 7 to 0.

5. CONSIDERATION OF AND ACTION ON AN ORDINANCE CALLING A PUBLIC HEARING ON THE PROPOSED FY 2026-2027 CRIME CONTROL AND PREVENTION DISTRICT BUDGET. - After a proposed ordinance was read by caption, motion was made by Councilwoman Garrison and seconded by Councilman League to adopt Ordinance No. 4711.

AN ORDINANCE OF THE CITY OF DEER PARK, TEXAS SETTING A DATE AND TIME FOR A PUBLIC HEARING ON THE CITY APPROVING THE FISCAL YEAR 2026-2027 BUDGET FOR THE CRIME CONTROL AND PREVENTION DISTRICT.

Motion carried 7 to 0.

6. CONSIDERATION OF AND ACTION ON AN ORDINANCE CALLING A PUBLIC HEARING ON THE PROPOSED FY 2026-2027 FIRE CONTROL PREVENTION AND EMERGENCY MEDICAL SERVICES DISTRICT BUDGET. - After a proposed ordinance was read by caption, motion was made by Councilman Haight and a second by Councilman Ripley to adopt Ordinance No. 4712.

AN ORDINANCE OF THE CITY OF DEER PARK, TEXAS SETTING A DATE AND TIME FOR A PUBLIC HEARING ON THE CITY APPROVING THE FISCAL YEAR 2026-2027 BUDGET FOR THE FIRE CONTROL, PREVENTION AND EMERGENCY MEDICAL SERVICES DISTRICT.

Motion carried 7 to 0.

ADJOURN - Mayor Mouton adjourned the meeting at 5:28 p.m.

ATTEST:

APPROVED:

Angela Smith, TRMC, CMC
City Secretary

Jerry Mouton, Jr.
Mayor