

SPECIAL MEETING MINUTES
City Council – Special Meeting
October 22, 2020 – 6:00 p.m.

PRESENT: Mayor Wyman Williams, Mayor Pro Tempore Gene Lockhart, Council Members Anthony Henry & Beckey Thompson

ABSENT: Council Member Stephanie Muller

STAFF PRESENT: Interim City Manager Ned Muse, City Attorney Charles Anderson, City Secretary Molly Jacobsen, Development Specialist Jon Harper, Economic Development Director Bonnie Hunter

1. Call to order:

Mayor Wyman Williams called the meeting to order at 6:00 p.m.

2. Discussion and Possible Action on a Motion Authorizing an updated agreement between the City of Commerce and KSA Engineering.

Interim City Manager Ned Muse reminded the Council that they recently awarded a contract to KSA for engineering of the new motor control center at the raw water pump station on Lake Tawakoni. As this project will be funded by Water Development Board funds that are currently managed administratively by Hayter Engineering following last use of these funds, the City will need to move the administration of that paperwork to KSA for this next project. This would allow KSA to coordinate and correspond with the Texas Water Development Board and complete required outlay requests on behalf of the City. This amended agreement will add those services to the existing agreement for the project, adding an additional \$25,000 to the contract, for a total cost of \$150,000.

Mayor Pro Tem Gene Lockhart made a motion to accept the amended agreement between the City and KSA. The motion was seconded by Council Member Anthony Henry and the vote carried unanimously.

3. Discussion and Possible Action on a Resolution Authorizing and Amending Bank Depository Signatories for the City of Commerce with Alliance Bank and Authorizing the City Manager or his designee to Execute all Necessary Documentation and Providing for an Effective Date.

City Secretary Molly Jacobsen reminded the Council that consistent with the Charter, the City Manager and City Secretary sign and countersign all checks and bonds for the City. Currently, Interim City Manager Ned Muse and City Secretary Molly Jacobsen are the City signatories. As the City prepares for the incoming City Manager Howdy Lisenbee to arrive, it is necessary to remove the Interim City Manager as a signatory and add the new City Manager. City Secretary Jacobsen reminded the Council that they will only be approving execution of this paperwork at this time, but the effective date of the new signatories will not take place until November 2nd, the City Manager's first day so that Mr. Muse may continue as a signatory for the City in the interim.

Council Member Beckey Thompson made a motion to approve the Resolution amending the City Signatories at Alliance Bank. Council Member Anthony Henry seconded the motion and the vote carried unanimously.

4. Public Hearing on the Establishment of Reinvestment Zone, No. 2020-01 for the City of Commerce to be located within the boundaries of the City of Commerce and Provide for the Abatement of Ad Valorem taxes of Improvements for the Real Property, Personal Property and Fixtures within the Investment Zone.

EDC Director Bonnie Hunter informed the Council this was the first reading of this ordinance establishing a reinvestment zone at 116 Maple Street and in surrounding EDC properties to include KLZ Stone and undeveloped land owned by the EDC in between Zurn and KLZ Stone. She noted that proper notice of this was given in the City's newspaper of record and was posted and remained posted for a period of 30 days.

The Public Hearing was opened at 6:08 p.m. No one came forward. The public hearing was closed at 6:08 p.m.

5. First Reading- Discussion and Possible Action on an Ordinance Establishing Reinvestment Zone, No 2020 - 01 for the City of Commerce.

Related to the above public hearing, Mayor Pro Tem Gene Lockhart moved to approve this Ordinance on the first reading. The motion was seconded by Council Member Beckey Thompson and the vote carried unanimously

6. Discussion and Possible Action on a Resolution Authorizing a Tax Abatement Agreement between the City of Commerce and Huaru Group Holding, Inc., located within Reinvestment Zone 2020-01 at 116 Maple Street and Authorizing the City Manager to Execute all Necessary Documentation; and Providing for an Effective Date following the Second Reading of the Ordinance establishing Reinvestment Zone 2020-01 on October 27th, 2020.

EDC Director Bonnie Hunter informed the council that pursuant to the above established reinvestment zone, a tax abatement agreement was crafted between the City and Huaru Group Holding, Inc, which is located within that reinvestment zone. Since the Ordinance establishing the reinvestment zone must go before council for two readings, the effective date of this tax abatement agreement would not take place until both readings of the Ordinance have gone before Council.

Council Member Beckey Thompson moved to approve the tax abatement agreement between the City and Huaru. The motion was seconded by Mayor Pro Tem Gene Lockhart and the vote carried unanimously.

7. Discussion and Possible Action on a Resolution Authorizing a Tax Abatement Agreement between the City of Commerce and OEP, Inc., located within Reinvestment Zone 2020-01 at 116 Maple Street and authorizing the City Manager to Execute all Necessary Documentation; and Providing for an Effective Date following the Second Reading of the Ordinance establishing Reinvestment Zone 2020-01 on October 27th, 2020.

EDC Director Bonnie Hunter informed the council that just like the above tax abatement agreement, a tax abatement agreement was crafted between the City and OEP, Inc., which is located within the reinvestment zone that was created by the passage of the above Ordinance. Since the Ordinance establishing the reinvestment zone must go before council for two readings, the effective date of this tax abatement agreement would also not take place until both readings of the Ordinance have gone before Council.

Council Member Beckey Thompson moved to approve the tax abatement agreement between the City and OEP, Inc. The motion was seconded by Mayor Pro Tem Gene Lockhart and the vote carried unanimously.

8. First Reading- Public Hearing and Consideration of on an Ordinance Amending Section 10-210(j), 10-214(h), 10-214(v) and 11PD-301 of the City of Commerce Zoning Ordinance.

Interim City Manager Ned Muse stated that a local business intended to utilize the property at 2500 Mangum for feed store, warehouse and lumber yard use. The use of a general business zoned property for that is currently prohibited in the City's code of ordinances. Rather than amend the Ordinance to allow for these uses in a general business (GB) zoned district, city staff

1 recommends the council instead amend the Ordinance to allow for the application of a conditional
2 use permit for these uses within a general business zone.
3

4 The public hearing was opened at 6:25 p.m. No one came forward. The public hearing was closed
5 at 6:26 p.m.
6

7 Council Member Beckey Thompson moved to approve amending the zoning ordinance on the first
8 reading. The motion was seconded by Mayor Pro Tem Gene Lockhart and the vote carried
9 unanimously.
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11 **9. First Reading- Public Hearing and Consideration of an Ordinance Approving a Conditional**
12 **Use Permit to allow for Feed Store, Lumber Yard and Warehouse or Covered Storage Use**
13 **in the General Business District for the Property Located at 2500 Mangum St in Commerce,**
14 **Texas, 75428, Property ID #30404, Legal Description: A0675 Marler H (Hunt County),**
15 **Tract 57, Acres 4.05.**
16

17 City Secretary Molly Jacobsen informed the council that due to a deficiency in the newspaper
18 publication which notified the public of this item, it would have to be postponed until a later date.
19 She informed Council that the error had been fixed and proper notice was given to the newspaper
20 but must be published two weeks prior to the governing body acting on this item. As such, the
21 Council would see this item again in November following proper publication and notice of the
22 city's intent to issue a conditional use permit at 2500 Mangum.
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24 Council Member Beckey Thompson moved to table this item. The motion was seconded by
25 Mayor Pro Tem Gene Lockhart and the vote carried unanimously.
26

27 **10. Recess into Executive Session:**
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29 • **§551.071 (1) and 551.071 (2): Consultation with Attorney on a matter in which the**
30 **duty of the attorney to the governmental body under the Texas Disciplinary Rules of**
31 **Professional Conduct of the State Bar of Texas clearly conflicts with the Texas Open**
32 **Meetings Act and Consultation with Attorney regarding pending or contemplated**
33 **litigation.**
34

- 35 • *Amir Rahman v. City of Commerce, Cause No. 85096, Hunt County*
- 36 • *Amir Rahman v. City of Commerce and Ned Muse, Cause No. 89253,*
37 *354th District Court*
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39 Council Member Beckey Thompson made the motion recess into executive session at 6:30 p.m.
40 Council Member Anthony Henry seconded the motion, resulting in a unanimous vote to recess the
41 meeting.
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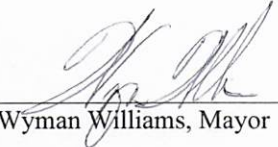
43 **11. Reconvene into Open session: In accordance with Texas Government Code, Chapter 551, the**
44 **City Council will reconvene into Regular Session to consider action, if any, on matters**
45 **discussed in Executive Session.**
46

47 The council came out of executive session at 6:45 p.m and reconvened into open session at 6:45
48 p.m.
49

50 Council Member Stephanie Muller made a motion for the City to continue to represent Interim City
51 Manager Ned Muse and provide his defense in the suit involving Amir Rahman. The motion was
52 seconded by Mayor Pro Tem Gene Lockhart and the vote carried unanimously.
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54 **12. Adjourn.**
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56 The Council adjourned at 6:46 p.m.

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4 
5 Wyman Williams, Mayor

6 
7 Molly Jacobsen, City Secretary

8
9 11-18-2020
10 Date

11
12 CityCouncilMeeting/2020/November/November17/10.22.2020.SPECLMTGMINS