

SPECIAL MEETING MINUTES
City Council – Special Meeting
October 27, 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

ABSENT:

1. Call to order:

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

2. Discussion Related to the Selling of treated Wastewater.

Hayter Engineer Mike Tibbets stated that Sandknop Tree Farm needs water to irrigate their trees. They did a contract with the City a few years ago when the City needed dirt to cover the sludge lagoon, and Sandknop Tree Farm allowed the City to dig an irrigation pond and keep the dirt from it to use. Now, Sandknop Tree Farm has grown to having so many trees, they don't feel their irrigation pond is big enough to rely on completely, especially in the event of a drought. Sandknop Tree Farm would like the city to sell them treated wastewater. They have offered to pay for the infrastructure and any necessary permitting which would modify the existing TCEQ discharge permit. Mr. Tibbets stated that this would come out of the water the city puts into the river which would require the City reporting less water discharge from the plant. Mayor Williams asked if there was any downside to the City committing to this. Mr. Tibbets said he did not see any downside but that the City would need to keep track of how much water they were giving to the tree farm, but this isn't far from records the City currently is required to keep. Public Utilities Director Timothy Jones stated that the effluent water might require additional testing to meet the requirements of the water they would require.

Mr. Tibbets confirmed that a majority of the council was in agreement to proceed with investigating details of this potential arrangement. Mayor Wyman Williams stated that he did not hear any objections from the Council.

3. Discussion and Possible Action on Authorizing the City Manager to enter into an agreement with Hayter Engineering for Improvements Related to the Wastewater Improvement and Collection System utilizing existing Texas Water Development Board funds.

Interim City Manager Ned Muse stated that this item was discussed at the last meeting but is an action item tonight. This agreement would entail replacing the pumps at the Wastewater Treatment Plant.

Mayor Wyman Williams inquired if the Council had any questions and reminded everyone that Council Member Stephanie Muller was absent from the last council meeting and missed this information.

Council Member Stephanie Muller inquired if there was anything the Council should be looking at doing while also doing this for the city to start getting ahead on infrastructure improvements.

1 Mr. Tibbets said there's a component at the wastewater plant that screens wastewater and removes
2 solid particles. It was then transported to a dumpster to take to a landfill, but that piece of
3 equipment has broken down and those debris are now building up at the plant. Mr. Tibbets also
4 said that there are clarifiers with drive units which were custom made and have to be sent to a
5 specialty workshop in Houston anytime they have maintenance work done. He stated that when
6 one of these malfunctions, it cuts the treatment capacity in half.
7

8 Council Member Beckey Thompson asked if the City needed 3 pumps and valves total replaced.
9 Mr. Tibbets stated that was correct. Council Member Thompson asked if it would be beneficial
10 for the City to only repair two of the pumps for now and use remaining funds to address these
11 other needs, or if it was best to fix all 3 of the pumps at one time. Mr. Tibbets stated this was the
12 million-dollar question, but he liked the idea of having a bid schedule which included replacing all
13 3 pumps but also had a deductive alternate which would remove one of those 3 pumps being
14 replaced if need be. Based on pricing, the option to address some of the clean out caps or
15 manholes could potentially be considered if there were leftover funds to remedy these issues. Mr.
16 Tibbets said if the City were to get just 2 of the pumps in a condition that meets the criteria for
17 pumping what the plant is legally allowed to treat, and then spend leftover funds to work to reduce
18 the amount of water coming into the plant, the City could be addressing the problems at the plant
19 on both ends as opposed to replacing all 3 pumps and not having any money left over.
20

21 Mayor Williams inquired as to what might be other sources of funds for projects at the wastewater
22 plant. Interim Manager Muse stated that this would be funded out of the City's existing Water
23 Development Board loan funds. He felt that without utilizing all of those existing funds presently,
24 it would be difficult to convince the water development board that the City needed additional
25 funds. Interim Manager Muse recommended the Council enter into this agreement with Hayter for
26 them to begin the engineering stage of this project.
27

28 A motion was made by Mayor Pro Tem Gene Lockhart to approve the agreement as presented
29 with Hayter Engineering. The motion was seconded by Council Member Beckey Thompson and
30 the vote carried unanimously.
31

32 **3. Discussion and Possible Action on an Economic Development Agreement between the City of**
33 **Commerce, Texas Commerce Economic Development Corporation and OEP, Inc.**
34

35 Economic Development Corporation Director Bonnie Hunter stated that the Council discussed this
36 back in November and December of 2019 related to 116 Maple which is owned by OEP, Inc. Due
37 to COVID derailing some of this, there is no record of the City Council verifying this agreement
38 specifically and it was not signed by OEP, Inc. until July of 2020. At this time, the Council just
39 needs to approve it as well and sign it. She clarified the added value of the proposed improvements
40 were estimated to cost about \$1.4 million. The city would only commit to a tax abatement on those
41 improvements. Council Member Stephanie Muller clarified that nothing had changed since the
42 Council reviewed this in 2019 and EDC Director Hunter verified that it was unchanged from that
43 time.
44

45 Mayor Pro Tem Gene Lockhart moved to approve the economic development agreement between
46 the City, EDC and OEP, Inc. Council Member Anthony Henry seconded the motion and the vote
47 carried unanimously.
48

49 **4. Discussion and Possible Action on an Incentives Package between the City of Commerce, Texas**
50 **Commerce Economic Development Corporation and Zurn, PEX, Inc.**
51

52 EDC Director Bonnie Hunter stated that similar to the aforementioned item, this item was being
53 brought back before Council due to a delay since the Council had last discussed this and was now
54 being asked to sign the documents pursuant to the discussions that took place in the Fall of 2019.
55

Council Member Anthony Henry moved to approve the Incentive package between the City, EDC and Zurn, PEX, Inc. The motion was seconded by Council Member Stephanie Muller and the vote carried unanimously.

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

Economic Development Director Bonnie Hunter stated this is the Reinvestment Zone on the Zurn properties which also includes the 27+ acres in that area owned by the EDC and the KLZ Property.

Mayor Pro Tem Gene Lockhart moved to approve this Ordinance on the second reading. The motion was seconded by Council Member Anthony Henry and the vote carried unanimously.

6. ***Second 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.***

The public hearing was opened at 6:30 p.m. No one came forward. The public hearing was closed at 6:30 p.m.

Council Member Beckey Thompson moved to approve this Ordinance. The motion was seconded by Council Member Stephanie Muller and the vote carried unanimously.

7. ***Recess into Executive Session:***

- ***§551.071 (1) and 551.071 (2): Consultation with Attorney on a matter in which the duty of the attorney to the governmental body under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with the Texas Open Meetings Act and Consultation with Attorney regarding pending or contemplated litigation.***

- ***Amir Rahman v. City of Commerce, Cause No. 85096, Hunt County***
- ***Amir Rahman v. City of Commerce and Ned Muse, Cause No. 89253, 354th District Court***

- ***§551.087: Discussion regarding commercial or financial information that the governmental body has received from a business prospect that the governmental body seeks to have locate, stay, or expand in or near the territory of the governmental body and with which the governmental body is conducting economic development negotiations; OR the offer of a financial or other incentive to a business prospect described by Subdivision (1).***

- ***Project Snickers 400***
- ***Project Big Wheel***

Council Member Anthony Henry moved to recess into executive session. The motion was seconded by Council Member Beckey Thompson and the vote carried unanimously. The Council recessed into executive session at 6:33 p.m.

The council returned to executive session at 6:51 p.m.

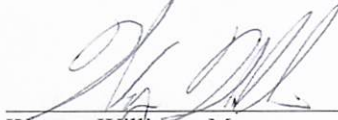
8. ***Reconvene into Open session: In accordance with Texas Government Code, Chapter 551, the City Council will reconvene into Regular Session to consider action, if any, on matters discussed in Executive Session.***

1 The council reconvened into open session at 6:50 p.m. Council Member Stephanie Muller moved to
2 approve the Non-disclosure agreement as presented by City Attorney Charles Anderson. The motion
3 was seconded by Council Member Beckey Thompson and the vote carried unanimously.
4

5 The council reconvened into open session for a second time at 7:28 p.m.
6

7 **9. Adjourn.**
8

9 With no further action, the council adjourned at 7:29 p.m.
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12 _____
13 Wyman Williams, Mayor
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15 
16 _____
17 Molly Jacobsen, City Secretary
18

19 11-18-2020
20 _____
21 Date
22

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