

MINUTES
City Council – Regular Meeting
JANUARY 19, 2021 – 6:00 p.m.

PRESENT: Mayor Wyman Williams
Mayor Pro Tempore Gene Lockhart
Council Members: Anthony Henry, Stephanie Muller & Beckey Thompson
City Manager Howdy Lisenbee
City Attorney Charles Anderson
City Secretary Molly Jacobsen
Finance Director Jamie Campbell
Director of Public Safety Chris Bassham

ABSENT:

1. **Call to order:**
Mayor Wyman Williams called the meeting to order at 6:00 p.m.
2. **Invocation:**
Mayor Wyman Williams asked the audience for a moment of silence.
3. **Pledge of Allegiance:**
Council Member Stephanie Muller lead the Pledge of Allegiance.
4. **Consent Agenda:**
 - a. **Acceptance of Minutes:**
 - **Parks & Recreation Advisory Board Meeting Minutes- December 9, 2020**
 - **Commerce Economic Development Corporation Regular Meeting Minutes- December 15, 2020**
 - **City Council Regular Meeting Minutes- December 15, 2020**
 - **City Council Special Meeting Minutes- January 5, 2021**
 - b. **Consider and Take Action on:**
 - **Motion Authorizing a Contract for Election Services between the Hunt County Elections Administration Office and the City of Commerce for the May 1, 2021 General Election.**

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

5. **Presentation to City Council Members by members of the Public. (To be conducted as close to 6:05 p.m. as possible with a three-minute limit per person. Public Comments will cease at 6:20 p.m. This period is reserved for citizens to discuss items not on the listed agenda. The response to Public Comments will be limited to 1) A statement of fact or policy; 2) Direction to take up the issue with a city staff member; 3) An offer to place the item on a future Council Agenda.**

No one came forward.

6. **Presentation Regarding Interactions between the Police Department and the Community.**

Director of Administrative Services Molly Jacobsen reported that Dr. LaVelle Hendricks of Texas A&M University- Commerce was unable to present this evening due to a scheduling conflict.

1 **7. Discussion related to the Hotel with Conference Center Study completed for the City of**
2 **Commerce by Stone Hospitality & Real Estate.**

3
4 City Manager Howdy Lisenbee discussed that the City recently completed a hotel feasibility study
5 to determine whether it was feasible to bring a hotel and convention center to Commerce to
6 support the community and the University. Stone Hospitality and Real Estate presented the final
7 report via Zoom to the Council toward the end of 2020. The Council felt at that time they needed
8 more time to digest the material and then ask questions later from Stone Hospitality Group.
9 Jeremy Stone had a scheduling conflict and was unable to attend this evening. However, City
10 Manager Lisenbee met with the University recently to learn their thoughts on the study.

11
12 The results of the market study indicated that the market could support a hotel with about 80 beds
13 or rooms and about 12,250 square feet of convention space in this region. The projected cost of
14 this project was approximately \$12,250,000.00. According to their report, they felt the local
15 government would have to contribute about 12% of that cost up front to make the project attractive
16 to potential investors. This would equate to approximately \$1.5 million. They identified in the
17 study several spots along Highway 24 which they felt could be ideal for locating the
18 hotel/convention center.

19
20 After meeting with the University, Dr. Rudin and his team expressed several objectives they
21 would like to meet with this project. They are looking at the land fronted on highway 24, just
22 south of CVS and have some development plans there that they felt would be ideal for housing
23 this hotel/convention center project as well to form a whole complex in this area. Dr. Rudin
24 wanted to begin to consider development and funding options with potential developers and start
25 having those conversations to get an idea of the scope and cost of this type of project.

26
27 City Manager Lisenbee worked with Garfield Public Private on a project at his former job and set
28 up a meeting with them, the City and Dr. Rudin and the University. They had an hour or so
29 conference call last week. Garfield, as a potential developer, brought some unique input to the
30 table. They felt that developers would likely not be incentivized by an 80-room hotel and felt that
31 it should be a minimum of 100 beds. They also felt that a 100-120-bed hotel, coupled with a
32 convention center and the plans the University has for development, would likely result in a more
33 attractive project and get multiple developers to bid on the project. Garfield also felt that a 100-
34 room facility would be closer to \$25 million, rather than the projected \$12.5 million by Stone
35 Hospitality. Garfield also felt if this project was a public private partnership, the public entity
36 usually would have to front 35% of the capital. So, a \$25 million hotel with a 35% public
37 participation would require about \$9 million up front. The City at this time does not have access
38 to that kind of capital and if the City did, we would most likely use it for other more urgent
39 projects.

40
41 At this time, City Manager Lisenbee feels the University would need to take the lead on this
42 project as they seem to have more access to capital, a more attractive site for this project and
43 development plans that would couple with our hotel/convention center to make the project more
44 attractive to potential developers.

45
46 Council Member Muller questioned if there was any timeline moving forward for potential
47 funding for this project with the University at this time or in the 2021 legislative session. City
48 Manager Lisenbee said while they had some things in progress, they were not optimistic about
49 receiving funding for a project like this as COVID-19 has led them to be more risk-adverse for the
50 time being.

51
52 **8. Discussion and Possible Action on a Resolution committing two City-owned acres at**
53 **Centennial Park for use as a Dog Park in Commerce and reallocating budgeted funds for the**
54 **Parks & Recreation Department to be utilized to fence off the Dog Park.**
55

1 City Manager Howdy Lisenbee informed the Council that the development of a Dog Park on City-
2 owned land is a conversation and project that was brought to his attention early on in his arrival to
3 Commerce. City Manager Lisenbee stated that he has previously been involved in the
4 development of two dog parks and he feels they are "low-hanging fruit" that don't require a city to
5 front much capital for it to happen. He stated that the Resolution for consideration tonight
6 includes identifying a location for the Dog Park to exist and committing to that location in the
7 form of a formal endorsement from the City. The second thing this Resolution would do is take
8 budgeted dollars from the Parks Department to repurpose them for the Dog Park. The fencing for
9 a 1-acre Dog Park would cost about \$15,000. Within the current budget, there are some Parks
10 related expenditures which could be reallocated to fence in the Dog Park and help move this
11 project forward.

12
13 Council Member Stephanie Muller stated that in 2019, the location of Centennial Park was
14 addressed but she has heard some concerns related to utilizing that location for a Dog Park. She
15 said that some people in the Community hope to revitalize the once very active Parks & Rec
16 Department and recreational baseball program. Her concern is that the addition of a dog park in
17 this area would impede the ability to improve or expand the baseball facilities at this location in
18 the future. She also mentioned that she had some concerns with parking near Centennial Park.
19 She stated that she felt City Park was more ideal as there is already parking and there is already a
20 park in that area, making it more of an ideal location to add a Dog Park and be ready to utilize it
21 sooner rather than later as the funding for parking would not be necessary at this location. She
22 also pointed out that if they were to host events there, the streets are already set up to be closed off
23 to host an event in City Park. Council Member Beckey Thompson echoed Stephanie's concerns
24 about the 2-acre dog park preventing growth of the recreational baseball program and facilities in
25 the future. She stated that in City Park, where the former city pool was, there isn't any future
26 purpose for that area anyway and utilizing it for a Dog Park seems to make the most sense. She
27 shared the concern that a 2-acre Dog Park at Centennial Park would really cut-in to future plans to
28 construct a facility like Greenville has for recreational programs. Council Member Anthony
29 Henry expressed concerns with people parking on the highway to access the Dog Park if it was at
30 Centennial Park. He had concerns that the City would be liable for any injuries or damage to
31 vehicles should people utilize the highway for parking to get to that Dog Park. Mayor Wyman
32 Williams pointed out that there are currently restrooms available to the public in City Park, which
33 is not an asset for visitors at Centennial Park. City Manager Lisenbee stated that if they were to
34 pursue plans at City Park, he would recommend doing it across the street from City Park, where
35 the water towers are. Council Member Beckey Thompson said she felt like the trees and creek
36 being there make it a more desirable location for the Dog Park in a timelier fashion than
37 Centennial Park. Council Member Anthony Henry inquired as to how the City would handle the
38 fencing of the Dog Park. City Manager Lisenbee said that the plan would be to erect a coated
39 chain-link fence and include a concrete mow strip around the parameter for ease of maintenance.
40 He stated this would be the case at either location whether they put the Dog Park at Centennial
41 Park or City Park.

42
43 Council Member Beckey Thompson recommended tabling this item and sitting down with the
44 Dog Park board in a Workshop or Meeting to consider long-term plans for the Dog Park at both
45 locations and to discuss the best location. The motion was seconded by Mayor Pro Tem Gene
46 Lockhart and the vote carried unanimously.

47
48 **9. Discussion and Possible Action on an Ordinance Amending Ordinance 2020-12 which**
49 **Adopted the Fiscal Year 2021 Budget to Appropriate Capital Project Funds for HVAC System**
50 **Improvements at the Commerce Public Library, Commerce Public Safety Building and**
51 **Commerce City Hall; Providing for the Approval of Amendments; and Providing for an**
52 **Effective Date.**

53
54 City Manager Howdy Lisenbee discussed that the Commerce Public Library is in a city-owned
55 building that has a history of roof and HVAC issues. The roof was recently repaired, but now it's
56 very cold in the library and they are unable to get the temperature above 51 degrees currently

1 because the gas powered boiler system there has pumps that keep failing, as well as aged
2 plumbing and parts that are in disrepair. The last inspection of this boiler indicated it is unsafe to
3 continue operating. As a result, the boiler system is offline, and the Commerce Public Library has
4 had to close to the public for the time being due to how cold the building is. We reached out to
5 multiple vendors and received bids. One bid offered the option to repair the pumps associated
6 with the boiler at the Library for about \$30-\$35,000. All other options deal with moving to
7 electric heat and doing away with the boilers. Those options were priced around \$17,000 to install
8 heaters to distribute heat throughout the building. The Library board felt strongly about getting
9 away from the boilers. Given the nature and the cost of repairing the boiler systems and the
10 ongoing maintenance required to maintain them, the City supports the idea of moving away from
11 the boiler system as a long-term heating solution for the library. City Manager Lisenbee
12 recommended a conservative estimate of \$20,000 to budget for the cost of replacing the boiler
13 system at the Library.

14
15 City Staff has been planning on how to budget for \$17,000-\$20,000 in repairs for the heating
16 system at the library. In the middle of those conversations, the Chief of the Public Safety building
17 was getting their HVAC systems inspected since two of theirs has been noted to be in disrepair.
18 Following the inspection, four of the seven heaters failed inspection and were noted to be
19 potentially releasing CO₂ into the building. Those systems have since been taken offline. Of the
20 units at City Hall, two of those units also failed inspection and were releasing CO₂ into the
21 building. This means that between the public safety building and City Hall, at least 6 units need to
22 be replaced, in addition to the issues at the Library.

23
24 In considering financing options for this scope of project, the City has a capital projects fund,
25 which currently has about \$520,000 and isn't currently earmarked for any specific project. Staff is
26 asking for the Council to amend the FY 2021 budget to reserve \$95,000 to create an additional
27 capital project in this year's budget in order to replace these HVAC systems. Other financing
28 projects would take 60-90 days to move the project forward, and we want to get the heat on as
29 soon as possible. The action being requested by Council tonight would create an additional
30 HVAC project and appropriate funds from the fund balance to move quickly and provide HVAC
31 for our public safety and library and City Hall. City Manager Lisenbee noted that there is an
32 ongoing cost of ownership related to facilities maintenance. He said that in future budget
33 conversations, there would be conversations related to facilities maintenance through an internal
34 service fund and we would allocate money to that fund every year to make money available for
35 projects such as this one in the future.

36
37 Mayor Pro Tem Gene Lockhart inquired as to how often the HVAC systems were inspected.
38 Chief Bassham verified they are inspected annually. City Manager Lisenbee stated that while
39 there are funding mechanisms appropriate for an emergency project, this would not qualify as an
40 emergency as the city was aware from past inspections that these HVAC systems were near life
41 and were failing and needed to be replaced sooner rather than later. He stated that a plan was
42 never put into place two years ago when we were made aware of the pending problem with the
43 HVAC systems. City Manager Lisenbee reminded the Council that this project would be easily
44 over \$50,000, and staff would be returning to council for the award of bid for this project. At this
45 point, Council is only giving staff permission to seek bids on this project.

46
47 Library Board Member Andrew Baker noted that the Library building recently had the second
48 story windows replaced to address insulation issues. He noted that the boiler is in the basement
49 and there are three air conditioning units. He noted that when the boiler function, heat doesn't
50 reach most of the building as it is. He noted that the Library board would prefer a heating system
51 that functionally heated the whole building. He further stated that in the 5+ years he has been in
52 Commerce, they always have to call for assistance from the Parks Department with issues with the
53 boilers whenever they start them.

54
55 Mayor Pro Tem Gene Lockhart moved to appropriate capital project funds for HVAC system
56 improvements at the Commerce Public Library, the Commerce Public Safety building and

Commerce City Hall. The motion was seconded by Council Member Beckey Thompson and the vote carried unanimously.

10. Discussion and Possible action related to the Frontage Road located along Highway 24 and authorizing the City Manager to execute all necessary Documentation.

City Manager Howdy Lisenbee discussed that Highway 24 has frontage road which primarily runs through Campus and is typically controlled by TxDOT. TxDOT usually does an agreement for local control, which they didn't do for Highway 24 but did do for the frontage roads which run alongside of it. The university has approached the City about transferring that liability from the City to the University for the maintenance of managing those frontage roads. City Manager Lisenbee noted that the City had plenty of roads to improve responsibility of currently, and any roads that the University wanted to assume maintenance of, was something the City would support. He noted that he reached out to TxDOT to learn what they would need to transfer that responsibility and he had hoped to relay what that was to the Council tonight. However, he has not yet heard back from TxDOT what documentation they would require to transfer responsibility of the Highway 24 frontage road, but he is seeking council approval to allow him to execute that documentation to transfer maintenance responsibility on Highway 24 frontage road from the City to the University. He noted that should this require a Resolution, we would bring that back to Council.

Council Member Stephanie Muller clarified if this frontage road went from Culver to Live Oak, on both side of Highway 24. City Manager Lisenbee confirmed that was the intention. Council Member Beckey Thompson stated she assumed it would be just the east side of the frontage road. Mayor Wyman Williams stated that he felt the City has not historically spent money to maintain either of the frontage roads on either side of Highway 24, but that they had traffic control over both frontage roads on either side of Highway 24. Mayor Williams noted that the East side is University owned while the west side is adjacent to privately owned property. He noted that Bois d'Arc Street is in poor shape and is the south entrance to the campus and should also be addressed when considering roads to transfer maintenance for over to the University. Mayor Williams stated that while he believed giving up traffic control on the east side of Highway 24 frontage road, he felt that other streets within the campus should also be considered.

Mayor Pro Tem Gene Lockhart moved to table this item for further discussion. Council Member Stephanie Muller seconded the motion to table this item and the vote carried unanimously.

11. First Reading- Discussion and Possible Action on an Ordinance vacating W Neal Street, south of Culver, for the purpose of gifting the Street to Texas A&M University-Commerce.

City Manager Howdy Lisenbee stated this item was similar to the above item. There is a portion of W Neal Street that goes from Culver Street and runs south, next to Whitley Hall. The land on both sides of the street are owned by the University and there are no City utility lines running near or under this street. The University would like to take over maintenance and the right-of-way of this street and they would assume all maintenance responsibilities related to this street. Council Member Beckey Thompson noted that Commerce citizens don't travel on this street and this was essentially a "drive-way to access their property." She had no objections to the University taking over the maintenance of this street.

Council Member Beckey Thompson moved to approve an Ordinance vacating W Neal Street and the vote was seconded by Council Member Stephanie Muller. The vote carried unanimously.

12. Second Reading- Public Hearing, Discussion and Possible Action on an Ordinance Establishing Reinvestment Zone, No. 2020-02 for the City of Commerce.

A public hearing was opened at 6:57 p.m. No one came forward. The public hearing was closed at 6:57 p.m.

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

13. Ordinance calling the May 1, 2021 General Election for the purpose of electing City Council Place Two and Place Four each to a three-year term.

Director of Administrative Services Molly Jacobsen noted that this Ordinance called the May 1, 2021 General Election for the purpose of electing Place Two (2) and Place Four (4) each to a three-year term. Director Jacobsen noted that all election information was made available to the public on the commercetx.org webpage where there is a "May 1, 2021 General Election" button which contains all information for candidates who wish to file as well as a calendar with important dates for Commerce. Extended voting will take place on April 20th and April 22nd from 7:00 a.m. to 7:00 p.m. and early voting will take place at Commerce City Hall.

Mayor Pro-Tempore Gene Lockhart moved to approve this Ordinance calling the May 1, 2021 General Election. The motion was seconded by Council Member Stephanie Muller and the vote carried unanimously.

14. City Manager's Report; discussion of same.

- **Public Input Feedback**
- **Finance Update.**
 - **Sales Tax-** For December, the City slightly outpaced collections for December of 2019 and exceeded budgeted collections for the month of December 2020. The top 10 contributors to sales tax were broke down and indicated that the largest contributor to sales tax was "retail trade." While sales tax doesn't appear to be growing necessarily, it is stable.
 - **Property Tax-** The total levy is \$2,390,000.00 and the City budgets about \$2,318,000.00 in collections for property tax. To date, the City has collected about \$733,346 in property tax collections, which is about 32% of budgeted collections. Given that we are one fourth of the way through the fiscal year, the City is optimistic about collecting the budgeted amount of property tax collections.
 - **COVID-19 Utility Cutoffs-** COVID-19 has impacted families during the COVID pandemic. The City was not cutting off water for families impacted by COVID-19. Now that we are well into this pandemic, the City has realized that they have approximately 600 accounts in delinquent status, totaling about \$80,000 in outstanding debt owed to the City, and these accounts are past-due by at least 30 days. That is about \$120 per account averaged out, meaning some families are hundreds of dollars past due on their utilities. City Staff has recently begun sending late notices and applying late charges to accounts. City staff proposes the option to place residents on contract or on a "payment plan" to start chipping away at their outstanding balance. This avoids them having to pay it all at once but does put them in a position to immediately repay what is owed to the City. City Manager Lisenbee recommended that process not exceed more than a 12-month period and if someone doesn't pay one month, they run the risk of us turning off their water. City Manager Lisenbee stated that while the City wanted to remain mindful of the hardships many citizens were facing, it was also a hardship to the City financially. He noted that one solution he wanted to propose to the Council for consideration was the idea of hosting a 4-week introduction to financing course. He proposed week one being centered around "money, budgeting and banking" and week two being centered around "risk and insurance", week three being based on something like "debt, credit score and credit risk" and the fourth week wrapping up with a topic centered around one's ability to potentially improve their financial situation or advance in their career or in their financial

1 situation. City Manager Lisenbee proposed that individuals who can not pay
2 their utility bills, take this course for four-weeks and then write-off 50% of
3 their outstanding utility bill in order to incentivize them to take the course.
4 He was looking for the Council to endorse this as a program that solves a
5 public purpose to address the issue of COVID-19 utility related debts by
6 citizens.

7
8 Council Member Beckey Thompson asked out of 600 accounts, what is
9 typical of customers with outstanding, utility-related debt. Manager Lisenbee
10 stated that typically, collections range from about 96-98% of billed accounts.
11 He further clarified that the city has about 600 outstanding accounts out of
12 approximately 2,500 accounts, which means almost 25% of accounts are
13 delinquent at this time.

14
15 Citizen Jim Ayres addressed the Council. He stated he felt incredibly blessed
16 to live in a City that would offer a program like this and that he was incredibly
17 grateful and proud to be in Commerce.

- 18 • **Calendar of upcoming events and meetings.**
- 19 • **Personnel.**
- 20 • **Projects update.**
 - 21 • A sign at Centennial Park by the skate park was recently installed this week
 - 22 and includes rules of the skate park. This was a step of the grant project that
 - 23 has now been completed. The walking trail for this park was also discussed
 - 24 and the plans and elevations were recently re-located, and movement is being
 - 25 made as it relates to plans for the walking trail at Centennial Park.
 - 26 • The project extending the taxiway at the North end of the runway at
 - 27 Commerce Municipal Airport is underway.
- 28 • **Intergovernmental events and issues.**
 - 29 • **Filing Period for the May 1, 2021 General Election-** The filing period for
 - 30 a place on the ballot began on January 13th and will run through February 12th
 - 31 at 5:00 p.m.
 - 32 • **Status of City Hall Opening-** The plan had been to re-open City Hall today,
 - 33 January 19th. However, as the hospital is almost at 100% capacity as a result
 - 34 of COVID-19, we are delaying the opening and instead opening by
 - 35 appointment only currently. We are still recommending that customers pay
 - 36 their utility bills online or via the drop box outside of City Hall.

37
38 **15. Recess into Executive Session:**

39
40 • **§551.071 (1) and 551.071 (2): Consultation with Attorney on a matter in which the**
41 **duty of the attorney to the governmental body under the Texas Disciplinary Rules of**
42 **Professional Conduct of the State Bar of Texas clearly conflicts with the Texas Open**
43 **Meetings Act and Consultation with Attorney regarding pending or contemplated**
44 **litigation.**

- 45
- 46 • *Amir Rahman v. City of Commerce, Cause No. 85096, Hunt County*
- 47 • *Amir Rahman v. City of Commerce and Ned Muse, Cause No. 89253,*
- 48 *354th District Court*
- 49

50 • **§551.087: Discussion regarding commercial or financial information that the**
51 **governmental body has received from a business prospect that the governmental body**
52 **seeks to have locate, stay, or expand in or near the territory of the governmental body**
53 **and with which the governmental body is conducting economic development**
54 **negotiations; OR the offer of a financial or other incentive to a business prospect**
55 **described by Subdivision (1).**

- *Project Snickers 400*

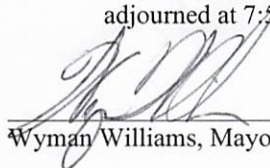
Council Member Beckey Thompson moved to recess into executive session. The motion was seconded by Council Member Anthony Henry and the Council recessed into executive session at 7:27 p.m.

16. **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.**

The Council reconvened into open session at 7:57 p.m.

17. **Adjourn.**

Council Member Stephanie Muller made the motion to adjourn. Council Member Beckey Thompson seconded the motion, resulting in a unanimous vote to adjourn. The meeting was adjourned at 7:57 p.m.



Wyman Williams, Mayor



Molly Jacobsen, City Secretary

02/16/2021

Date

01.19.2021.MINS