



MINUTES  
**REGULAR CITY COUNCIL MEETING**  
**March 19, 2024 – 6:00 p.m.**

**PRESENT:** Mayor Teddy Reel  
Mayor Pro Tempore Anthony Henry  
Council Members: Jim Ayres, Stephanie Muller and Beckey Thompson  
City Manager Howdy Lisenbee  
City Attorney Charles Anderson  
Assistant City Manager-Community Services Molly Jacobsen  
Assistant City Manager-Financial Services Jamie Campbell  
Assistant Director of Community Development Jon Harper  
Commerce Fire Department Lieutenant Matt Hooten

**ABSENT:** None

**1. Call to Order.**

-Mayor Teddy Reel called the meeting to order at 6:00 p.m.

**2. Invocation.**

-The invocation was led by Joe Davis of Commerce Church of Christ, located at 1900 Culver Street. Mr. Davis moved to Commerce in 1982, joined the Commerce Church of Christ in 1984 and began working for the city of Commerce in 1985. He currently serves as the Assistant Director of Public Works for the city of Commerce.

**3. Pledges of Allegiance.**

-The pledges of allegiance were led by Mayor Teddy Reel.

**4. Consent Agenda.**

**a. Acceptance of Minutes:**

- Board of Adjustment Meeting-October 24, 2023
- Building Standards Commission Meeting-January 18, 2024
- Building Standards Commission Meeting-February 15, 2024
- City Council Regular Meeting-February 20, 2024
- City Council Special Meeting minutes-March 5, 2024

**b. Consider and Take Action on:**

- Motion Authorizing Appointment of Gary Thompson to the Animal Shelter Advisory Committee in the role of Citizen for a two-year, unexpired term.

-Based on the content, Council Member Beckey Thompson recused herself from the vote.

Mayor Pro Tem Anthony Henry made a motion to accept the Consent Agenda as presented. Council Member Stephanie Muller seconded the motion, and it carried unanimously.

**5. Presentation to City Council 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. Council Comments**

Pursuant to Texas Local Government Code 551.0415(b), The purpose of this section is to allow the Mayor and each City Council Member the opportunity to announce city events/community interests or request that items be placed on future City Council agendas.

**Mayor Pro Tem Anthony Henry**-None

**Council Member Stephanie Muller**-This past weekend the Cotton Blossoms Quilting Guild held its first quilt show called Beyond the Stars. This group has been together for only three months. The quilt show being in a community of about 9,000 was a total success with approximately 200 people attending and viewing 61 quilt entries. There were six vendors. This event was a success due to the outstanding and hard work of two individuals, Sharyla Lisenbee and Amy Welch. They deserve a big round of applause.

**Mayor Teddy Reel**-None

**Council Member Beckey Thompson**-None

**Council Member Jim Ayres**-None

**7. Presentation of COs Series 2024 Plan of Finance by Hilltop Securities.**

-Assistant City Manager-Financial Services Jamie Campbell introduced Jorge Delgado of Hilltop Securities.

Mr. Delgado of Hilltop Securities addressed the Council saying that what they had before them was a plan of finance for their consideration. What they are asking the Council today is direction to implement it to issue certificates of obligation to fund the next phase of the City's Capital Improvement Plan. This issuance would fund street and road improvements, municipal facilities and water and sewer infrastructure. This would have two repayment sources: the City's debt service taxes and its utility system revenues. The plan is to fund approximately \$4.5 million of tax supported projects, and that would be streets and roads and approximately \$2.5 million of utility system type projects to be supported by utility system net revenues. Total funding is going to be approximately \$6.9 million.

They have been working closely with Assistant City Manager-Financial Services Jamie Campbell. He reminded the Council that they had had a discussion with the Council last year that as they are funding their CIPs, they are continuing to allow flexibility to fund future projects. That is certainly the case today. As the Council funded last year's CIPs, they allow some room for additional projects. The projects that the Council is looking at now that are supported by the City's debt service tax rate is that additional capacity, which is a function of the City's growth and the way its debt structure which drops off as soon as next fiscal year and allows room for additional payments that work within your existing debt service tax rate of \$0.2318. If the Council allows Hilltop Securities to implement this plan of finance, they will work within that tax rate.

He said that the good news was that the appraisal district will get to the City, by law, in April the preliminary values, so they will have a very close look at where the City is in terms of growth. Right now, they are assuming that it is a 7% growth, which is the City's 10-year average in terms of its tax-based growth. They think that that is conservative compared to last year when the City grew over 14%. They will have a close look at that in April and will modify the payments that are needed to continue to make this work within the City's overall existing debt service rate. On the City's utility portion of its certificates, which is the one funding \$2.5 million, based on the City's most recent

1 audited net revenues of its utility system, which are healthy, will allow for the funding of additional  
2 debt after the City pays for its operations and existing debt without the impact to its existing utility  
3 rates. The function of that is how they structure the payments. They structure such that they minimize  
4 budgetary impact to the City's existing utility system. They will continue to work under that  
5 assumption.

6  
7 It will be the same process as the City did last year. If the Council allows Hilltop Securities to move  
8 forward, they will start working on implementing the plan. They will go through the rating process,  
9 and they expect an affirmation of the City's A+ credit rating. They do have to go through the process  
10 every time they issue that because they are going and issuing bond certificates in the open market.  
11 They will work with the City's staff on that. They will put together the necessary materials to discuss  
12 with the rating agencies. They are assuming a 20-year transaction with a standard 10-year prepayment  
13 option, where in 10 years the City would be able to prepay this or refinance if the rates are there. They  
14 are assuming current interest rates plus a 25-basis point cushion. The market is still a little choppy,  
15 and they want to budget accordingly. The good thing is that they have been in a better interest rate  
16 environment over the past months. With that budget right now, they are looking at a 4.35% interest  
17 rate for the 20-year transaction; that includes the cushion of 25-basis points. He said that it is hard to  
18 predict what will happen between now and May 21, when you actually lock-in that rate. They want to  
19 budget for some movements in the financial markets. They will put together an offering document and  
20 will work with the City's bond council and city staff. They will make it public a week before selling  
21 the certificates. On May 25, they will be back before the Council to have them take action and enter  
22 into the certificates of obligation. Closing would be targeted for June 20; that is when the City would  
23 have the funds in its accounts. The first payment would be in FY 2025, so the City will have the  
24 opportunity to budget this, to include it in the City's annual budget. He said that he would be happy to  
25 answer any questions. There were no questions asked.

26  
27 **8. Discussion and Possible Action on a Resolution Directing Publication of Notice of Intention to**  
28 **Issue Certificates of Obligation; Authorizing the City Manager and his Designee to Execute any**  
29 **Necessary Documentation; and Resolving other Matters relating to the subject.**

30 -Jamie Campbell, Assistant City Manager-Financial Services, advised the Council that this Resolution  
31 is not the actual issuance of the bonds; it is only the intention of the City to do so. The Resolution will  
32 be posted in the Greenville Herald Banner and online. It shows the City's intent of issuing the  
33 certificates of obligation in the amount of \$7,275,000 and not to exceed \$7,350,000. She added that  
34 within the Resolution, there is language regarding a reimbursement of any funds that the City needs to  
35 expend prior to the funding of the bond, which is scheduled to happen in June 2024. What that means  
36 is that if a project that is related to these bonds needs a payment before the City actually gets the  
37 funding of the bonds, this reimbursement resolution would protect the City and says that the City will  
38 pay itself back for these with the bonds when they are in the City's bank in June. Staff recommends  
39 the adoption of the Resolution to post the notice of intent to issue the certificates of obligation that  
40 will fund the projects that were adopted in the City's FY2024 CIP budget. Ms. Campbell asked if  
41 there were any questions. There were none.

42  
43 Mayor Teddy Reel asked for a motion. Council Member Stephanie Muller made a motion to approve  
44 the Resolution. The motion was seconded by Mayor Pro Tem Anthony Henry, and it carried  
45 unanimously.

46  
47 **9. Discussion and Possible Action on a Resolution of the City Council of the City of Commerce,**  
48 **Texas Determining that an Area of the City Contains Conditions which are Detrimental to the**  
49 **Public Health, Safety & Welfare of the Community and Constitutes a Blighted Area.**

50 -Howdy Lisenbee, City Manager, said that as they have been working on the Downtown Master Plan  
51 and the series of improvements that are necessary to implement that plan, they had previously put  
52 together a grant application to the Texas Department of Transportation through their Transportation  
53 Alternatives Program (TAP). That grant was for about \$4.7 million, which included all of the  
54 sidewalk and street improvements that are necessary to implement our Downtown Master Plan.  
55 Unfortunately, the City did not receive the funding for that grant. They continue to move forward and  
56 look for ways to implement the City's Downtown Master Plan. This Resolution is related to a grant

1 application to the Department of Agriculture through their Downtown Revitalization Program. They  
2 have funding up to \$500,000 that can be spent in a downtown area that is considered a blighted area.  
3 It is for lower socioeconomic communities that have blight conditions. These funds can be used to  
4 bring improvements and help seed and turn around those conditions within the downtown. The  
5 Resolution before the Council is simply to define an area of Commerce's downtown district. The area  
6 would be bordered on the north by Bonham Alley, on the south by Caddo Alley, on the east by Park  
7 Street and on the west by Washington Street. Everything within that geographic boundary would be  
8 considered blighted by this Resolution. He added that this is not intended to disparage the investment  
9 that has been made by property owners within this area. However, based on the condition of the  
10 sidewalks and the number of vacant buildings that exist in our downtown area, we qualify for this  
11 blight designation. This Resolution designates that area as a blight, and therefore, makes it eligible for  
12 the grant funds. He asked if there were any questions. There were none.  
13

14 Council Member Jim Ayres made a motion to approve the Resolution. Council Member Beckey  
15 Thompson seconded the motion, and it carried unanimously.  
16

17 **10. Public Hearing regarding Public Feedback on the Submission of a Texas Community**  
18 **Development Block Grant (TxCDBG) Program Application by the City of Commerce to the**  
19 **Texas Department of Agriculture for the Downtown Revitalization Program (DRP).**

20 -Howdy Lisenbee, City Manager, said that during the last regular Council meeting, they designated  
21 Grantworks as the City's grant administrator, who will be assisting the City in submitting this  
22 application to the Department of Agriculture. Before the City can submit an application for this grant,  
23 there is a specific series of questions and public hearing topics that have to be presented. He advised  
24 that he would read from the script. There would be a topic, and then he would turn it over for public  
25 hearing. That one would be closed, and they would move on to the next topic.  
26

27 Before discussing the City's housing and community development needs, he provided some  
28 background on the funding opportunities through the Texas Community Development Block Grant  
29 Program that the Texas Department of Agriculture administers. This federal block grant funding is  
30 allocated from the US Department of Housing and Urban Development to the State of Texas. The  
31 TDA offers competitive grant programs to distribute the funding to small and rural communities  
32 across the state. Our community has received the CDBG funding in the past for improvements to  
33 water and sewer projects. The community needs identified in this hearing will be used to guide our  
34 application for Texas Community Development block grant funding and to provide valued  
35 information to the TDA for the future of the program.  
36

37 The first topic is affordable housing in our community. There is a shortage of affordable housing. This  
38 is most directly a result of the student population who live within the community instead of on-  
39 campus. Our community needs infrastructure and development assistance that will support the  
40 development of affordable housing solutions. He asked Mayor Reel to open a public hearing for  
41 comments on affordable housing. Mayor Reel opened the public hearing at 6:21 p.m. No one came  
42 forward, and he closed the public hearing at 6:21 p.m.  
43

44 City Manager Lisenbee said that the next topic is social services. In our community the City does not  
45 offer direct social service programs. However, the public library serves as a resource to help residents  
46 identify state and nonprofit service providers. Additionally, Commerce Community Action Program  
47 is a local nonprofit organization that publishes an annual directory of service providers to help  
48 connect families with resource needs to organizations that provide resources. He asked if there were  
49 any comments about these services, additional services that are needed or populations that remain  
50 underserved by social services.  
51

52 At 6:22 p.m., Mayor Reel opened a public hearing. No one came forward, and he closed the public  
53 hearing at 6:22 p.m.

54 City Manager Lisenbee said that the third topic is public infrastructure. In our community we are  
55 served by an aging water treatment plant, an aging water distribution system, an aging wastewater  
56 collection system and an aging wastewater treatment plant. The City has addressed these needs in the

1 past by using local funds as well as state grant and loan funds from the Texas Water Development  
2 Board. He asked if there were any comments about the City's local infrastructure needs.  
3

4 Mayor Teddy Reel opened a public hearing at 6:23 p.m. No one came forward, and he closed the  
5 public hearing at 6:23 p.m.  
6

7 City Manager Lisenbee said that the fourth topic is economic development. In our community we  
8 have a stable presence of educational, institutional and industrial jobs. However, as the population  
9 grows, we need to develop additional blue-collar and white-collar jobs that allow families to improve  
10 their social economic conditions.  
11

12 Mayor Reel opened a public hearing at 6:24 p.m. No one came forward, and he closed the public  
13 hearing at 6:24 p.m.  
14

15 City Manager Lisenbee said that now that many of the needs within our community have been  
16 outlined, they needed to discuss the specific funding opportunity that is available in 2024. The Texas  
17 Department of Agriculture is accepting applications for the Downtown Revitalization Program, and  
18 the City intends to submit an application. The City will apply for \$500,000 and will commit local-  
19 match funds up to or exceeding \$50,000 which is the 10% requirement in order to improve the City's  
20 application score. If its initial application is successful, the TDA will invite the City to identify a  
21 specific project and develop a full application that must address the blighted conditions of our  
22 downtown area. He said that he does not anticipate that any project the City identifies will result in the  
23 displacement of residents or businesses. However, if this does occur, the City will minimize the  
24 impact to such displacement and assist displaced persons as required by the program. We have a copy  
25 of the community application guide that includes a list of eligible activities for this funding  
26 competition, which we can share. If any people have additional comments or concerns on community  
27 needs after this hearing, they can reach out to Assistant City Manager-Financial Services Jamie  
28 Campbell.  
29

30 Within this grant application, the City will be looking at ADA accessibility improvements to the  
31 sidewalk system downtown. There are a number of ADA ramps and accessibility points that have  
32 begun to fail and have created trip hazards. There have actually been citizens who have tripped and  
33 fallen in some of these areas. Then, there are a couple of locations that need an accessibility point that  
34 do not have one. The City would be using these grant funds to support addition and improvements to  
35 existing ADA ramps and accessibility points to our downtown sidewalk system. There were no  
36 questions for City Manager Lisenbee.  
37

38 **11. Discussion and Possible Action on a Resolution of the City Council of the City of Commerce,**  
39 **Texas Authorizing the Submission of a Texas Community Development Block Grant (TxCDBG)**  
40 **Program Application to the Texas Department of Agriculture for the Downtown Revitalization**  
41 **Program.**

42 -Howdy Lisenbee, City Manager, informed the Council that this application is due by April 3. The  
43 team with Grantworks will be working to assist the City in putting this application together. It is a  
44 two-stage process. The initial application just qualifies our community. If we are selected to go to  
45 round two, we will begin to submit detailed project plans. There will be an engineer involved. This  
46 Resolution authorizes us to complete the application and submit it to the Department of Agriculture.  
47 No one had any questions, and Mayor Teddy Reel asked for a motion.  
48

49 Council Member Beckey Thompson made a motion to approve the Resolution. Council Member Jim  
50 Ayres seconded the motion, and it carried unanimously.  
51

52 **12. Discussion and Possible Action on the Award of a Contract to Grantworks for the**  
53 **Administration, Project Delivery and Construction Management Services for the Homeowner**  
54 **Reconstruction Assistance Program (HRA) through the Home Investment Partnerships**  
55 **Program Fund from the Texas Department of Housing and Community Affairs (TDHCA) to**

1 **manage grant facilitation and construction management on behalf of the City of Commerce;**  
2 **and Authorizing the City Manager or his designee to execute associated documentation.**

3 -Jamie Campbell, Assistant City Manager-Financial Services, said that in February of 2024, the City  
4 released a request for proposals for the administration, project delivery services and construction  
5 management related to the Homeowner Reconstruction Assistance Program through the Home  
6 Investment Partnerships Program Fund through the Texas Department of Housing and Community  
7 Affairs. The deadline for the submission of the proposals was March 5, and the City received only one  
8 responding request, which was from Grantworks. The City has worked with Grantworks on projects  
9 in the past and is confident in their abilities and the services that they provide. Although, the City  
10 received only one bid, the scoring process was still completed. Grantworks was evaluated and  
11 received an average score of 97% out of 100%. Staff recommends awarding the administration  
12 contract to Grantworks.

13  
14 Council Member Jim Ayres made a motion to award the contract to Grantworks. The motion was  
15 seconded by Council Member Beckey Thompson, and it carried unanimously.

16  
17 **13. Discussion and Possible Action on the Approval of Task Authorization #5 with Freese & Nichols**  
18 **in the amount of \$200,000 for the Development of a Comprehensive Plan (2025-2045) for the**  
19 **City of Commerce and Authorizing the City Manager or his Designee to Execute Any Necessary**  
20 **Documentation.**

21 Howdy Lisenbee, City Manager, stated that within state law, there are provisions that allow for a city  
22 to adopt the Comprehensive Plan. The Comprehensive Plan is a 20-year development strategy to give  
23 direction to development processes and infrastructure goals to facilitate population growth that may  
24 be experienced by a community. The last Comprehensive Plan that was done for Commerce was in  
25 2002. Since those are 20-year plans, that plan expired in 2022. Thus, the City is still operating,  
26 technically, under that old Comprehensive Plan. As the Council is aware, growth patterns in this part  
27 of Texas are changing and changing rapidly. Thus, the old Comprehensive Plan does not adequately  
28 foresee the types of growth that might be coming our way. It is definitely time to update and renew  
29 the City's Comprehensive Plan. Freese and Nichols was selected through a procurement process and  
30 formed the City's Downtown Master Plan. They did an exceptional job, and staff feels like the  
31 community responded well to them. Based on qualifications, it is recommended that the City continue  
32 to use Freese and Nichols for these planning services. He began negotiating a scope of work with  
33 Freese and Nichols to tackle this Comprehensive Plan process and then to negotiate a price associated  
34 with that. A negotiated cost of \$200,000 was reached. This is going to be a 9 to 12-month process.  
35 There will be a number of steps that will be involved. There will be a number of community  
36 stakeholder meetings. There will be Town Hall meetings, so there will be a number of opportunities to  
37 get feedback from the community regarding this 20-year look into the future.

38  
39 There will be chapters in the Comprehensive Plan, each looking at a different function of growth  
40 within the community. Chapter 1 is a community snapshot. They will come in and do a  
41 comprehensive analysis of the community as it exists today, in both population, housing and  
42 infrastructure resources that are available to this community today. It will also include some planning  
43 context for how we are going to take today's community and start projecting it into the future.

44  
45 Chapter 2 looks at future land use. As the community grows, we will look at the current land use  
46 patterns for our community and the market forces that drive our community to see if there are any  
47 changes to our existing land use or projections into the future of what that land use could be. It will  
48 make recommendations for how we handle future land use, and that will include population  
49 projections as well.

50  
51 Chapter 3 looks at transportation and mobility. It will look at how citizens move into, through and  
52 around Commerce now and into the future. We will project growth and look at where land use will  
53 go, where we will have residential areas, where we will have commercial areas, how will the  
54 development of community flex and what is the transportation needs presented by that growth and  
55 change in land use. It will present a transportation master plan that will identify where and how we  
56 need to make addition or changes to our transportation system and if we need to change the mobility

options for moving around our community. Being a college town, it will take a specific look at pedestrian, bicycle and alternative forms of transportation and how people move in and through our community.

Chapter 4 is about housing needs. It will do an in-depth analysis of the existing housing market and the housing inventory that is available to those to residents. It will identify where the predominant neighborhoods are and what the resources are that are available to those neighborhoods. Then it will project into the future where the housing gaps are, what do we need to focus on as we future-develop housing and residential neighborhoods. Also, do we need to rethink and redesign the neighborhood concept so that there is land use allowed for localized services and resources within those neighborhoods? It will provide a recommendation to our community.

Chapter 5 is the parks master plan. It will do an analysis of the existing parks and recreation resources for our community. Then as the community grows, additional population is going to require additional spaces for parks and recreation. It will give a recommendation on how many parks, what types of parks, what is the spacing and the movement of parks so that we have a good, solid plan for how to keep greenspace available to our citizens as we grow.

Chapter 6 is an annexation and growth management plan. Annexation in Texas is completely different than it was a number of years ago, so the tools that are available to communities to grow and develop are different. Therefore, Commerce does not currently have an adequate growth management plan and a toolbox that allows us to determine what are the options we have as growth happens, both within the city limits and then outside the city limits so that we can incorporate those growing areas and continue to provide services. That chapter will give us a good toolbox of things to use as we manage the growth of our community.

Chapter 7 is the implementation plan. It will take all of those previous chapters, look into the future and then give us a series of milestones and triggers that would start the development of a next set of plans so that we have a way of pacing ourselves as well as funding what these improvements would be.

All of this wraps up into a comprehensive look at Commerce as it exists today, what we want Commerce to look like as we grow into the future and then develop the policies, the regulations and the toolbox to manage and complement that growth throughout our community. This is a process that will take up to 12 months. Based on the estimated time and resources needed to help us put this plan together and implement it, we agreed on a negotiated sum of \$200,000. City Manager Lisenbee said that the City currently has that money available within the Fund Balance, so staff recommends approval of this task authorization with Freese and Nichols so that we can begin the comprehensive planning process with the price tag of \$200,000. He asked if there were any questions.

Council Member Stephanie Muller asked if this is approved, when would Freese and Nichols begin that process? City Manager Lisenbee replied that it would be negotiated, but that they would probably start within the next 30 to 60 days. There were no other questions.

Mayor Pro Tem Anthony Henry made a motion to Approve the Task Authorization #5 with Freese and Nichols in the amount of \$200,000. Council Member Stephanie Muller seconded the motion, and it carried unanimously.

**14. Discussion and Possible Action on the Approval of Task Authorization #6 with Freese & Nichols related to Downtown Sidewalk Design and Authorizing the City Manager to Execute all Necessary Documentation.**

-Howdy Lisenbee, City Manager, said as discussed earlier in the meeting, the City worked with Freese and Nichols to develop a Downtown Master Plan that would allow for the revitalization of our downtown area as both an economic Center but also a social center for our community. There are a number of streetscape and sidewalk improvements that are necessary that would facilitate the investment of private property owners in their buildings. We had put together a plan and submitted

1 that to the Texas Department of Transportation in their TAP grant program for that funding of  
2 approximately \$4.7 million worth of construction work. If that grant had been approved, that grant  
3 would have funded all of the design services associated with that process. The City did not get that  
4 grant, but we still need to look at those improvements. Thus, as the downtown exists today, there is  
5 something of a disincentive for property owners to invest in their properties because the condition of  
6 the sidewalks and streetscapes makes it difficult for visitors, customers and citizens to move around  
7 the downtown area. We are proposing to take the plan that was presented within the downtown master  
8 plan and go ahead and start the actual engineering design of those sidewalk and streetscape  
9 improvements. If we wait until we find funding then start design, that design takes about 12 months,  
10 so if we wait to find funding then start design, we would be pushing into the future the improvements  
11 that are necessary for our downtown area. In the FY22 Capital Improvements Program, the City  
12 allowed for a million dollars of the investment in the downtown improvements, and we have almost  
13 \$600,000 left of that million dollars. The scope of work and the design necessary for these  
14 improvements has a cost of \$554,000. We have the funding remaining in that initial million-dollar  
15 investment in our downtown. While \$554,000 is a large sum of money, one of the things you look at  
16 is the engineering cost as a percentage of the cost of the construction project. In a \$4.5 million  
17 construction project, this is about 12 ½% of that cost. Engineering costs in the 12 to 15% range for a  
18 project this size is considered an industry standard. He said that this cost proposal from the  
19 engineering team of Freese and Nichols is within a range that he finds acceptable for a project in the  
20 \$4.5 to \$4.7 million range. Staff recommended approval of the task authorization with Freese and  
21 Nichols to begin all of the engineering design for the downtown sidewalk and streetscape projects  
22 necessary to implement the City's Downtown Master Plan. He asked for any questions.  
23

24 Mayor Teddy Reel asked if this would result in an implementation plan as well. City Manager  
25 Lisenbee replied that yes it would. Once it is completely designed, it will be designed in a manner so  
26 that we can phase it based on the funding sources that the City receives. If we have enough funding to  
27 do just Main Street, we will have construction plans ready to roll out and start the construction. If we  
28 have the funding to do Main Street and Washington Street but not enough to do Alamo Street, we  
29 would be able to roll it out based on the funding that we find available to assist with the development.  
30 Thus, it would have an implementation plan, an of probable cost based on that design and be able to  
31 give us the flexibility to roll out this plan all at once or in pieces as we get funding.  
32

33 Council Member Beckey Thompson asked, going back a couple of agenda items, on the ADA ramps,  
34 would Freese and Nichols be doing that design in conjunction with this? City Manager Lisenbee  
35 replied that at the time that they did the grant administrator proposals with Grantworks for that  
36 program, they also did a full procurement request for qualifications. They had a number of  
37 engineering firms that submitted. Due to the design of those ADA pieces of the downtown  
38 streetscapes and sidewalks. Freese and Nichols scored the best on that evaluation, so this design  
39 includes the ADA cost or portions. One of the challenges that would come is if you had two different  
40 engineering firms, one engineering firm doing the ADA ramps and another firm doing the sidewalks  
41 and streetscapes, they would have to connect, and the slopes and the elevations and all of that would  
42 have to be perfect. Having one engineering team doing all of that simplifies the process.  
43

44 Council Member Stephanie Muller asked if this would be a 12-month project. City Manager Lisenbee  
45 said that it would be 9 to 12 months. Council Member Stephanie Muller asked if they would have the  
46 amounts of how much this is all going to cost so that they could start looking at it for 2025 to 2026.  
47 City Manager replied that that was correct.  
48

49 Mayor Teddy Reel asked for a motion. Council Member Beckey Thompson made a motion to  
50 approve the Task Authorization #6 with Freese and Nichols. The motion was seconded by Council  
51 Member Jim Ayres, and it carried unanimously.  
52

- 53 **15. Discussion and Possible Action on a Resolution Awarding a Contract to Langford Community**  
54 **Management Services for the Administration/Project Delivery and Construction Management**  
55 **Service of Parks & Recreation related grants; and Authorizing the City Manager or his**  
56 **designee to Execute any Necessary Documentation.**

1 -Mayor Teddy Reel stated that because of the content of this agenda item that he would turn over the  
2 presentation and execution of this agenda item to Mayor Pro Tem Anthony Henry. Mayor Pro Tem  
3 presented the agenda item aloud.  
4

5 Jamie Campbell, Assistant City Manager-Financial Services, advised that on February 6, 2024, the  
6 City released a request for proposals for the administration project delivery and construction  
7 management services of a grant administrator for the purpose of selecting an individual to assist the  
8 City in finding and securing Parks and Recreation related grants. The deadline was March 5, 2024.  
9 The City received two proposals. One proposal was from Capstone Grant Consulting out of Denton,  
10 Texas, and the other one was from Langford Community Management Services out of Liberty Hill,  
11 Texas. She continued that the staff completed a review of each proposal and scored each one  
12 individually. Capstone Consulting received an average score of 68.7, and Langford received an  
13 average score of 83.8. Langford scored higher based on their references and their past experience with  
14 state and federal grants. Because of their higher score, City staff recommends that the Council select  
15 Langford for the Parks and Recreation grant administrator.  
16

17 Mayor Pro Tem Anthony Henry asked for any discussions or questions. There were none, so he asked  
18 for a motion. Council Member Stephanie Muller made a motion to approve the Resolution. Council  
19 Member Becky Thompson seconded the motion. Mayor Teddy Reel recused himself from voting.  
20 The motion carried on a vote of four to zero.  
21

22 **16. Discussion and Possible Action on a Resolution by the City Council of the City of Commerce,**  
23 **Texas adopting a set of Financial Policies.**

24 -Mayor Teddy Reel read aloud agenda item 16.  
25

26 Jamie Campbell, Assistant City Manager-Financial Services, said that over the last two years, the City  
27 Council has been adopting financial policies. These policies are to be reviewed every year. She said  
28 that they review them to make sure that they are following GFOA Best Practices and following our  
29 actual daily procedures. The policies that are in the financial policy binder are the Fund Balance  
30 policy which sets thresholds of fund balance in each fund and discusses what types of fund balances.  
31 This is very important because it is setting a minimum balance for our major funds to make sure that  
32 the City has cash liquidity throughout the year. The investment policy is a required policy of any  
33 agency that invests public funds. It provides that the City will be a good steward of public funds and  
34 follow all regulatory codes in place. The final policy that the City has is the Debt Management policy,  
35 which is very similar to our Investment policy, except that it is not a required policy. It states that City  
36 staff and Council will make the best decision when deciding to issue debt or refund debt by looking at  
37 long-term effects of the debt and reviewing all the issues concerning debt issuance and management.  
38 After reviewing all of these policies this year, she made no changes as they are still within the  
39 guidelines of GFOA, and there have been no significant changes in the law that would cause staff to  
40 significantly change the policies. Therefore, staff asks that Council approve them. This is something  
41 that they ask on an annual basis.  
42

43 Council Member Becky Thompson made a motion to adopt the Resolution. Council Member  
44 Stephanie Muller seconded the motion, and it carried unanimously.  
45

46 **17. Public Hearing, Discussion and Possible Action on a Resolution Reauthorizing all Building**  
47 **Permit Fees.**

48 -Jon Harper, Assistant Director of Community Development, said that every couple of years the  
49 people down in Austin like to put out some new laws for us taking effect on January 1. Every 10 years  
50 now, if permit fees are not reauthorized, they will be abolished at the time they were approved. He  
51 advised that none of the permit fees will change at all with this authorization. He said as the Council  
52 can see by agenda items 6 through 16, the City will get busy moving forward. He advised that they  
53 need to go ahead and get this reset to 10 year and have this reauthorized.  
54

55 City Manager Lisenbee added that many cities are wrestling with this issue because it is new  
56 legislation. He said that every year during the budget planning, they have a number of public hearings,

1 and they adopt the fees as part of the City's budget. However, there is a question out there about the  
2 application of this new law. If the City does not specifically have a public hearing just for that, would  
3 the courts overturn this 10 years from now? He said that Assistant Director of Community  
4 Development Jon Harper, in an abundance of caution, felt that the City needed to go ahead and have a  
5 public hearing. Thus, they need to get this done just for building permit fees in case someone decides  
6 that the City's budget adoption process is not enough.  
7

8 At 6:51 p.m. Mayor Teddy Reel opened a Public Hearing. On one came forward, so he closed the  
9 Public Hearing at 6:51 p.m.  
10

11 Mayor Teddy Reel asked for a motion. Council Member Stephanie Muller made a motion to approve  
12 the reauthorization of all building permit fees. Mayor Pro Tem seconded the motion, and it carried  
13 unanimously.  
14

15 **18. Discussion and Possible Action on a Resolution of the City Council of the City of Commerce,**  
16 **Texas Authorizing the Filing of a Staffing for Adequate Fire and Emergency Response (SAFER)**  
17 **Grant.**

18 Howdy Lisenbee, City Manager, said that as part of the City's Strategic Plan process there have been  
19 a number of conversations about quality of life. They have defined quality of life as a combination of  
20 adequate housing, access to jobs, access to health care, having a safe community and having  
21 opportunities for recreation and enjoyment. Within that component of a safe community is making  
22 sure that the community has the appropriate assets and the staffing to provide fire protection for all the  
23 residents and visitors of our community. Additionally, the Strategic Plan calls for us to look for other  
24 revenue sources to help cover the cost of some of these services that the City provides. The SAFER  
25 grant meets both of those needs within our strategic planning process. As a community grows, the  
26 calls for service volume will grow. Our fire department does not serve just the city of Commerce but  
27 also the University campus as well as a significant portion of Hunt County. The current recommended  
28 staffing levels have four staff on a general shift. We have found that as we have a call in the county,  
29 two officers will be sent, and this leaves two in town. Then those two may end up getting a call, and  
30 you could have another call for service at the same time with only two firefighters in town. They are  
31 finding that that situation sometimes is putting them in some dangerous or at-risk positions. You may  
32 have one firefighter in the structure and one outside, which becomes a challenge. He said that as the  
33 City prepares for growth in our community, we want to take a look at the minimum staffing levels that  
34 are put within our fire department. At some point in the future, we may grow to the point where we  
35 need a second station. We are in between the area of one station that is fully staffed and two stations.  
36 We do not need two stations yet, but we have more need than just one normally staffed station.  
37

38 He continued that he has been discussing with Fire Chief Chris Bassham the need to look at changing  
39 the staffing model for the fire department to allow for five full-time firefighters on each shift. That  
40 would require creating three new full-time firefighter positions. That would allow us to go to five full-  
41 time firefighters on each shift. In the first year of that project, the City would be looking at  
42 approximately \$200,000 of additional cost, and we have not yet seen a growth in our tax base that  
43 could support taking on \$200,000 in one year. Thus, the SAFER grant is a program that allows you to  
44 improve the level of service that you give to your community, and the SAFER grant would cover  
45 100% of the cost for three years. Then the community would cover 100% of the cost in year four.  
46 After that fourth year, if the City finds that the need is not really there, then the staffing model could  
47 be changed. However, if you apply for the SAFER grant, you know that you are at least minimally  
48 required to cover 100% of the cost in year four of that program. Based on our analysis, if the City  
49 were to add three full-time firefighters and all their benefits and the bunker gear and all the equipment  
50 that goes with it, that year four cost would be approximately \$250,000. If you look at the tax base that  
51 the City has right now for maintenance and operations, ask yourself how much that tax base would  
52 have to grow to support \$250,000. In that fourth year, we would need a 7.5% growth in the tax base  
53 over a three-year period. As our financial advisor indicated last year, we grew 14%. We are  
54 conservatively estimating 7% every year, so they feel comfortable that the City will have a growth in  
55 its tax base and its resources to honestly consider covering that cost in year four. This presents an  
56 opportunity for us to initiate the new program, run it for three years with an outside revenue source to

1 cover that cost and then the City would be committing to that cost in year four. City Manager  
2 Lisenbee said that he asked some of the firefighters to be here tonight. He wanted them to share the  
3 reality that they find as they are working calls under this current four-man staffing. He added that they  
4 are not recommending that the City submit this grant this year. The agency that does the grant, for  
5 some reason, has not been broadcasting in advance when it is going to come. He said that about a  
6 week ago it was said that SAFER grants are open and we have until the middle of April to submit the  
7 grant. The City does not really have everything together. We could scramble, and we could throw  
8 together an application and submit it, but we are not confident that they could have the full application  
9 and the full support necessary to give that grant and honest go. He said they want to present the issue,  
10 present the option and then start preparing for next year's grant opportunity to submit and to get  
11 funding for that program. He asked for Lieutenant Matt Hooten of the fire department to talk about  
12 their experience and the need that they are trying to solve with this grant.  
13

14 Lieutenant Matt Hooten addressed the Council. He wanted to give them some insight into what they  
15 go through. The fire department covers not just the City but also a combined total of roughly 200  
16 square miles. The whole northeast section of the county is what they cover. On their best day they  
17 have five people; that is four full-time guys and one part-timer. They do not always get the  
18 opportunity to have a part-timer on staff. They have 12 part-timers on their roster, but they could go a  
19 week without having one because they work other jobs and so forth. On a typical day there are four  
20 firefighters, but they have holidays, vacations and all. In the worst-case scenario, they do not have a  
21 part-timer and somebody took off. That leaves three people at the fire station. The way that they  
22 typically run the model with three people is two will staff the engine and one person will staff the  
23 ladder truck. If they catch a call out in the county for a structure fire, the two on the engine would  
24 respond, leaving one firefighter at the station. The mutual aid departments automatically go, which is  
25 typically Campbell and Wolfe City. Thus, Commerce, Campbell and Wolfe City at the structure fire.  
26 If a call comes in from the county or the City, only one firefighter can respond. It is not a matter of if  
27 this will happen; it is a matter of when. They have been lucky for years. It really boils down to yes,  
28 they are very good at their job, but nobody is that good to do all that with just one person. What if  
29 something catches fire and is burning to the ground and someone is in there? The one firefighter  
30 would need to rescue that person. The one firefighter would do everything he/she to rescue that  
31 person, but with all their gear and the fire, it would take three people to get the person out. We are  
32 looking at not only the increased risk of businesses and the economic implications on the City of  
33 having to rebuild, the citizens would have to deal with all their financial issues of losing what they  
34 have. You are looking at an increased potential loss of life with only one person doing the job of 10 to  
35 15. That puts increased strain on the firefighters not only mentally but also physically. There is  
36 documentation about the increased chance of collapsing on scene due to cardiac arrest just from them  
37 over-exerting themselves.  
38

39 He presented some numbers that he had checked on. Last year they ran roughly 1,800 calls. Of that  
40 number, 30% were fire and 70% were EMS related. Of the 1,800 calls, 188 were outside of the City.  
41 Of that 188 number, 66% were fire related such as grass fires, structure fires and car fires and 34%  
42 were EMS related. Out of all the shifts last year, they had 60 shifts where they had only three people,  
43 so that was 60 opportunities for something to go really bad here in the City. He continued that so far  
44 this year, not counting today, that they have run 421 calls. Of that number, 40% were fire related and  
45 60% were EMS. Of those calls, 70 have been outside the City with 74% being fire related and 26%  
46 being EMS. With it being only the third month this year, they have had 12 days so far that they were  
47 at minimum staffing of just three people. Typically, they have to go by NFPA regulations. If they do  
48 not, then laws would come back on them and on the City. In a typical structure fire, there is a two in  
49 and two out rule, which basically means if you are going to send somebody in, you need to send two  
50 people. If you have two people in, you had better have two people outside to help those inside. With  
51 an extra person, if anything were to happen in the City and one person takes off that shift, they could  
52 still meet that minimum standard of two inside and two outside.  
53

54 He said that Commerce has only one fire station, but they consider themselves to be a dual company  
55 house because they have an engine and a ladder, so it is somewhat like having two stations in one.  
56 They have two different companies, and the standard for that is four per apparatus. They are not

1 asking for that. They are realistic; they know that it is not going to happen, but they are asking to have  
2 at least one extra guy so if someone takes off and they do not have the luxury of having a part-timer,  
3 they would still have four people. On the many occasions that there is another engine out in the  
4 county, not only is that firefighter alone right then but no help is coming. That firefighter would have  
5 to wait for Greenville, Sulphur Springs or somebody like that to get there. By the time that they get  
6 there, there really is not anything to save.  
7

8 Council Member Stephanie Muller said that this is scary.  
9

10 City Manager Lisenbee stated that the arrangement that the City has with the county is around  
11 \$54,000 a year that the county contributes to Commerce's fire department for the coverage that is  
12 provided. At this point it would be very difficult to negotiate that contribution because the county  
13 gives funds to all the fire departments within the county that protect the unincorporated areas. The  
14 county has a budget line item of what the give, and they divide it by the number of agencies. Thus,  
15 everybody gets basically a similar number. He said that he had looked to see what the chances would  
16 be of the City negotiating up their contribution for the amount of work that the City's fire department  
17 does to cover the county, but that is not going to be a funding option. If the City can get the benefit of  
18 the SAFER grant, that would help us kickstart this program and would have three years to get ready to  
19 carry the cost of that staffing model. He said that it is a very effective grant to use and that most  
20 agencies have to submit a couple of times before they get it. Thus, they are hesitant to just throw  
21 something together because it is such short notice. However, they are definitely looking at being ready  
22 for the next grant cycle.  
23

24 Council Member Beckey Thompson asked if City staff would write it or do we have a grant writer to  
25 do it. City Manager Lisenbee replied that he thought that it was done in-house last time. Council  
26 Member Thompson then asked for clarification that the City does not receive any funds from the  
27 University for their fire protection. City Manager Lisenbee said that that is correct. The City provides  
28 all of the fire services and emergency response for the campus with no contribution from the system.  
29 The University has committed that they will pay for direct services that are given directly to their  
30 campus, so staff have begun to track every month the number of calls and the type of calls that the  
31 City makes to that campus. He added that they are exploring options to send them an invoice for those  
32 calls. However, he is afraid that they will just stop calling. They will not contribute to the department  
33 that is on-call to help them when needed and then someone could die of a heart attack because the  
34 University did not want to call us. He said that what we as a local government provide first is public  
35 safety, second public infrastructure and third is quality of life. That is to some degree the mass  
36 hierarchy of needs. If you do not handle the base needs of that pyramid, it really does not matter what  
37 you do above that. As the City's budget exists right now, he believes it is almost 60% of the General  
38 Fund budget that is tied up in first responders, police and fire. As the City sees growth in its tax base  
39 and growth in the resources available, public safety is the fundamental thing that the City does. We  
40 have not seen an extra \$200,000 lying around to start this program, but there are other revenue  
41 sources that we can tap into to try and get it started. He wanted Council to be aware of the program  
42 and aware of the need so that staff can start getting everything ready to have a very competitive  
43 change of going after that when the time comes.  
44

45 Mayor Teddy Reel commented that he thinks the City should be looking beyond this grant to meet  
46 this need. City Manager Lisenbee said that they have authorization for 15 part-timers and currently we  
47 have 12. That has been a great supplement, but there are still calls, 60 so far this year, that they have  
48 potentially had minimum staffing responding to our community. Council Member Stephanie Muller  
49 said that she agrees with the Mayor. She thinks that we need to start looking at taking care of some  
50 other things, whatever we have to do. She said that she is thinking about how many people in this  
51 community have old homes with old wiring. She can just see all these structure fires that could  
52 happen. Mayor Reel said that the idea of waiting two years to maybe getting the grant is not  
53 answering the need. City Manager Lisenbee said that we will see if we can get a competitive grant  
54 application together. If Council wants them to try, then they will need to pass the Resolution that is in  
55 front of them authorizing them to make a run at this year's SAFER grant. However, it is our  
56 commitment to have a full and complete packet to submit. We do not want to submit a half-done

1 packet and hurt ourselves in the future. Council Member Stephanie Muller said that she agreed, but  
2 that we need to be looking at funding somewhere on how the City can get that funding within their  
3 budget to get this taken care of somehow. Council Member Beckey Thompson said that if she  
4 understands correctly, that if we do not get approved, it will hurt our chances. Mayor Reel said that he  
5 thinks that they are looking for a recommendation. He would like them to put together a grant, but he  
6 would defer to the City Manager and the fire department. If at the end of the day, it is not an adequate  
7 presentation, then we do not do it.

8  
9 Mayor Reel asked for a motion. Mayor Pro Tem Anthony Henry made a motion to approve the  
10 Resolution. Council Member Stephanie Muller seconded the motion, and it carried unanimously.

11  
12 **19. City Manager's Report; discussion of same.**

13  
14 • **Public Input Feedback**

15 -None needed.

16  
17 • **Finance Update**

18 -Assistant City Manager-Financial Services Jamie Campbell addressed the Council.

19  
20 **Property Tax**-As of February 2024 the City has reached 91% collections of the budgeted  
21 property tax revenue, which is \$4.17 Million. As refunds continue for prior years, there is a  
22 deficit showing in the delinquent property tax collections.

23  
24 She said that she had yet to receive the confidential report on sales tax from the state controller's  
25 office, so there was nothing for her to analyze.

26  
27 • **Calendar of Upcoming Events and Meetings**

28 -Assistant City Manager-Community Services Molly Jacobsen, updated the Council.

29  
30 **1. FFA Alumni Auction & Fish Fry**-Friday, March 29 at 6:00 p.m. at Commerce High  
31 School-The public is invited to attend.

32  
33 **2. 2024 Farmers Market**-The City is currently accepting applications from vendors for the  
34 2024 Farmers Market. The Farmers Market is located at 1100 Bonham Alley. It will run  
35 from May through September. The applications are available online at [commercetx.org](http://commercetx.org)  
36 under Departments. On Parks and Recreation there is a section for Farmers Market. The  
37 application for vendors is linked there. Vendors may also stop by City Hall to get a paper  
38 copy. Applications will be accepted through the end of March. The Farmers Market  
39 season will begin on May 4, which is the first Saturday in May.

40  
41 **3. City Council Election**-The deadline to register to vote for the May 4 election is Thursday  
42 April 4. You always have to register to vote. If you are not registered to vote 30 days in  
43 advance of election day, you will not be able to vote. You may check your voter  
44 registration status at [votetexas.gov](http://votetexas.gov). They can search by your date of birth and name.  
45 There are also resources on the City's website at [commercetx.org](http://commercetx.org). Go to Departments,  
46 and under the City Secretary's Department, there is a whole page on elections. There are  
47 two tabs-One if you are interested in running for the election, which that time has already  
48 passed as far as filing. Another section has good information for voters.

49  
50 **4. Eclipse Fundraiser**-Hosted by Commerce School District on April 8 at Commerce High  
51 School. Begins at 12:00 p.m. and ends at 3:30 p.m. Entry fee will be \$20 per vehicle.  
52 Glasses will be available while supplies last. There will be live music, face painting and  
53 photo backdrop.

54  
55 • **Personnel**

56 -None

1  
2 • **Projects Update**

3 -City Manager Howdy Lisenbee gave the Council members a first draft of the Strategic Plan  
4 document. He said that during the month of February, three Town Hall meetings were held and an  
5 opportunity for public hearing was given during the regular Council meeting in February. This was  
6 the first draft based on the feedback received from citizens in those meetings. The information will  
7 be discussed during the Council's workshop meeting in April. The final version will be presented at  
8 the regular Council meeting in April.  
9

10 He continued that they had no new objectives that were submitted through the Town Hall process.  
11 However, they did get a clear sense of priority. The five objectives are now listed in ranking of  
12 priority that the citizens gave to the City. Number One is the development of new revenue streams.  
13 Number Two is the development of sustainable infrastructure. Number Three is the appearance of  
14 the City. Number Four is the quality of life. Number Five is long-term identity. He told the Council  
15 that on page four of the draft were listed specific action items, or what they are calling key results,  
16 that that were presented to the Community as options. They had an opportunity to vote on the  
17 action items that they felt were the most substantial. The draft includes a list of those action steps  
18 that received the most support and attention from the citizens that participated. Also on page four  
19 are a number of ideas and action items that were submitted by multiple members of the public.  
20 These include bringing back recycled trash service, consider putting trash bins instead of bags on  
21 the curb, give attention to stray cats and dogs and adding new festivals, such as a children's festival  
22 in partnership with the Northeast Texas Children's Museum.  
23

24 In the draft, the action items that are in bold font are the ones that received a significant amount of  
25 interest from the community. The rest are in normal font. There are a couple of areas that have red  
26 font that are additions to these action items based on feedback and interest from the community.  
27

28 The intent would be to present the formal plan to the Community at the regular Council meeting on  
29 April 16 and then adopt it.  
30

31 • **Intergovernmental Events & Issues**

32 -None.  
33

34 **20. Adjourn.**

35 -Mayor Teddy Reel said that there was no need for an Executive Session and asked for a motion to  
36 adjourn. Mayor Pro Tem Anthony Henry made a motion to adjourn. Council Member Stephanie  
37 Muller seconded the motion, and it carried unanimously. Mayor Teddy Reel adjourned the City  
38 Council meeting at 7:22 p.m.  
39

40  
41 \_\_\_\_\_  
42 Teddy Reel, Mayor  
43

44  
45 \_\_\_\_\_  
46 Molly Jacobsen, Assistant City Manager-Community Services  
47

48  
49 \_\_\_\_\_  
50 Date  
51

52 3.19.2024.MINS