MINUTES
REGULAR CITY COUNCIL MEETING
September 15, 2026 – 6:00 p.m.

PRESENT: Mayor Stephanie Muller
Council Members: Anthony Henry, Beckey Thompson, Daniel Starks, and Jim Ayres
Attorney Regina Edwards
City Manager Howdy Lisenbee
Assistant City Manager-Community Services Molly Jacobsen
Assistant City Manager-Financial Services Jamie Campbell
Community Development Director Jon Harper
Public Works Director Timothy Jones
Patrol Lieutenant David Wallace
Fire Captain Jeremy Littlefield
Executive Assistant Haley Rye
Community Engagement Specialist Nicole Fernandes

ABSENT:

1. Call to Order
There was a quorum present, so Mayor Stephanie Muller called the meeting to order at 6:00 p.m.

2. Invocation
The invocation was led by Council Member Jim Ayres.

3. Pledges of Allegiance
The pledges of allegiance were led by Whitney Vaught and the Commerce Middle School cheerleaders.

4. Presentation of Proclamation for Constitution Week
Charles Croxall Chapter, Daughters of the American Revolution.
- Mayor, Stephanie Muller

Mayor Stephanie Muller presented a proclamation to the Daughters of the American Revolution representative Connie Hale declaring September 17–23, 2026, as United States Constitution Week in the City of Commerce, Texas.

5. Presentation to the City Council by Members of the Public
Commerce citizen Rob Ford expressed concerns regarding truck traffic on North Neil Street and requested that the City address the traffic issues.

6. Council Comments
Mayor Stephanie Muller thanked the East Texas A&M Student Government Association for inviting the City to participate in its fall retreat and for the opportunity to discuss City government and ways students can become involved in the Commerce community.
Council Member Anthony Henry thanked staff for their additional efforts in communicating the City's budget to citizens through social media.
Council Member Beckey Thompson -None.
Council Member Daniel Starks -None.

Council Member Jim Ayres reminded the public that the annual Waves of Glory event honoring veterans and first responders will be held in early November, with the opening ceremony scheduled for November 7.

7. Consent Agenda.

7.1 Acceptance of Minutes:

7.1.1 Parks & Recreation Advisory Board Meeting- July 8, 2026

7.1.2 Commerce Economic Development Corporation - July 17, 2026

7.1.3 Regular City Council Meeting - August 18, 2026

7.1.4 Building Standards Commission - August 20, 2026

7.2 Consider and Take Action on:

7.2.1 Depository Contract with Alliance Bank.

A Resolution Authorizing an Extension of a Depository Contract between the City of Commerce and Alliance Bank; Authorizing the City Manager or his Designee to Execute any Associated Documentation.

7.2.2 Resolution Awarding Contracts for Employee Benefits.

A Resolution Awarding the Contract for all Health Insurance Related Benefits for City of Commerce Employees and Authorizing the City Manager or his Designee to Execute all Necessary Documentation.

There were no questions. Council Member Jim Ayres made a motion to accept the consent agenda as presented. Mayor Pro Tem Anthony Henry seconded the motion, and it carried unanimously.

8. FY 2026 Budget Amendment

First and Only Reading - Consideration of an Ordinance Amending "Ordinance 2025 - 09 - 04" which adopted the Fiscal Year 2025-2026 ('Fiscal Year 2026') Budget; Providing for the Adoption of Amendments to the Fiscal Year 2026 Budget thereto as set forth in Exhibit "A"; and providing for an Effective Date.

- Jamie Campbell, Assistant City Manager - Financial Services

Assistant City Manager of Financial Services Jamie Campbell presented the Fiscal Year 2026 budget amendments and explained that the adjustments were part of the year-end process to reconcile budgeted amounts with actual revenues and expenditures. The General Fund amendments included $26,000 for library passport services and $180,000 for insurance claims and related reimbursements. Additional amendments included $483,000 for depreciation in the Public Utility Fund, $231,194 for debt service. Grant Funds adjustments for several grant awards supporting police and fire department expenses. The Street Maintenance Fund included adjustments for equipment purchases, and the Recreation Fund included a $7,000 adjustment for basketball fees that were reimbursed by the Boys and Girls Club.

There were no questions. Council Member Jim Ayres made a motion to approve the ordinance. Council member Beckey Thompson seconded the motion, and it carried unanimously.

9. Adopt FY 2027 Budget

First & Only Reading- Receive a Report, Conduct a Public Hearing and Consider Action on an Ordinance Adopting the Fiscal Year 2026-2027 ('Fiscal Year 2027') Operating Budget.

- Howdy Lisenbee, City Manager

"This budget will raise less revenue from property taxes than last year's budget by an amount of $118,278, which is a 2.2% decrease from last year's budget. The property tax revenue to be raised from new property added to the tax roll this year is $114,005."

Required under Texas Government Code Chapter 551, as amended by House Bill 1522, effective September 1, 2025:

This notice informs taxpayers of the potential impact of the proposed budget and tax rate for Fiscal Year 2026-2027, comparing what would be paid under the no-new-revenue tax rate versus the proposed tax rate.

Rate Scenario	Median Homestead Taxable Value	Tax Rate (per $100 of value)	Estimated Property Tax Bill
FY 2025-2026 Tax Rate (Curent)	$184,611	$0.830600	$1,533
FY 2026-2027 No-New-Revenue Tax Rate	$181,345	$0.852403	$1,546
FY 2026-2027 Proposed Tax Rate	$181,345	$0.830600	$1,506

City Manager Howdy Lisenbee presented the proposed Fiscal Year 2027 budget for final adoption, noting two minor changes from the prior presentation. The first corrected the classification of the part-time airport grounds worker. The second added $60,000 to provide cancer screenings for all full-time firefighters, in accordance with state requirements. Mr. Lisenbee stated that the proposed budget is balanced and includes adjustments made in response to declining property valuations. Staff reviewed expenditures and reduced, removed, or reclassified approximately $350,000 in General Fund expenditures. The budget also includes salary reclassifications and compensation adjustments based on the City's compensation study. The City Manager thanked staff for their work in preparing the Fiscal Year 2027 budget and stated that the budget had been fully presented.

Mayor Stephanie Muller opened the public hearing at 6:28 p.m. Citizen Rob Ford asked whether the budget amendments discussed by Jamie Campbell were included in the proposed Fiscal Year 2027 budget. Mr. Lisenbee clarified that the amendments applied to the current fiscal year budget, while the Council was considering adoption of the Fiscal Year 2027 budget. No one else came forward to address the Council, and Mayor Stephanie Muller closed the public hearing at 6:29 p.m.

Council Member Beckey Thompson made a motion to approve the ordinance adopting the Fiscal Year 2027 Budget. Mayor Pro Tem Anthony Henry seconded the motion. This item required a roll call vote with Mayor Pro Tem Anthony Henry voting aye, Council Member Beckey Thompson voting aye, Council Member Daniel Starks voting aye, Council Member Jim Ayres voting aye, and Mayor Stephanie Muller voting aye.

10. Adopt Fiscal Year 2027 Tax Rate

First & Only Reading - Receive a Report, Conduct a Public Hearing Regarding a Proposed Tax Rate of $0.830600 per $100 of assessed valuation on taxable property within the City of Commerce; Consider action on an Ordinance approving the 2026 Certified Property Tax Values, levying and Adopting the tax rate of $0.830600 per $100 of assessed valuation on taxable property for Fiscal Year 2026-2027 ('Fiscal Year 2027'); and providing an effective date.
- *Howdy Lisenbee, City Manager*

City Manager Howdy Lisenbee presented the proposed Fiscal Year 2027 property tax rate and reviewed the required tax rate information included in the agenda. The current tax rate is 0.830600, and staff recommended maintaining the same rate for Fiscal Year 2027. The City Manager explained the differences between the current tax rate, the no-new-revenue rate of 0.852403, and the voter-approval rate of 0.874266. Mr. Lisenbee noted that, due to a decrease in the median homestead value, maintaining the current tax rate would result in an estimated decrease of approximately $27.13 annually in the City portion of the tax bill for a median-value homestead. Staff recommended approval of the proposed tax rate.

Council had no questions and Mayor Stephanie Muller opened the public hearing at 6:35 p.m. No one came forward to speak, and Mayor Stephanie Muller closed the public hearing at 6:36 p.m.

Mayor Pro Tem Anthony Henry made a motion to approve the ordinance adopting the Fiscal Year 2027 Tax Rate. Council Member Beckey Thompson seconded the motion. This item required a roll call vote with Mayor Pro Tem Anthony Henry voting aye, Council Member Beckey Thompson voting aye, Council Member Daniel Starks voting aye, Council Member Jim Ayres voting aye, and Mayor Stephanie Muller voting aye.

11. Adopt FY 2027 CIP Plan

First & Only Reading - Receive a Report, Conduct a Public Hearing, Discussion and Possible Action on an Ordinance by the City Council of the City of Commerce, Texas Accepting the Fiscal Year 2027 Capital Improvement Plan (CIP).
- Howdy Lisenbee, City Manager

City Manager Howdy Lisenbee presented the Fiscal Year 2027 Capital Improvement Plan (CIP). Mr. Lisenbee explained that no new General Fund capital projects are proposed for Fiscal Year 2027, allowing staff to complete projects already underway. The Utility Fund includes two grant-dependent projects: rehabilitation of the water treatment plant, for which an $8.329 million grant has been requested, and replacement of a major sewer line crossing Highway 224 and the railroad tracks, for which a $750,000 grant is currently being pursued. Staff clarified that the water treatment plant project would be fully grant-funded if awarded, while the sewer project would require a local match. Both projects will proceed only if grant funding is received.

Mayor Stephanie Muller opened the public hearing at 6:40 p.m. No one came forward to speak. Mayor Stephanie Muller closed the public hearing at 6:41 p.m.

Council Member Jim Ayres made a motion to approve the ordinance adopting the Fiscal Year 2027 CIP plan on the first and only reading. Council Member Daniel Starks seconded the motion and it carried unanimously.

12. Solid Waste Fees 2027

First & Only Reading - Discussion and Possible Action on an Ordinance Amending Appendix "C", "Fees, Rates and Charges," of the City of Commerce Code of Ordinances by Repealing and Adopting New "Solid Waste Fees" to Provide for Updated Rate Increase for Residential and Commercial Solid Waste Services to Citizens of Commerce; and Providing for an Effective Date.
- Jamie Campbell, Assistant City Manager-Financial Services

Assistant City Manager of Financial Services Jamie Campbell presented proposed sanitation rate adjustments related to the City's contract with City Sanitation. The adjustments, approximately 3.5%, would primarily affect commercial and bulk customers to align with increased contract costs. The residential sanitation rate will remain unchanged.

Council Member Daniel Starks made a motion to approve the ordinance. Mayor Pro Tem Anthony Henry seconded the motion, and it carried unanimously.

13. FY 2027 Water & Wastewater Rates

First & Only Reading - Discussion and Possible Action on an Ordinance Amending Chapter 94, "Utilities", Article I, "In General", Section 94-1 "Rates for Water and Sewer Services Furnished by the City" and Amending Article II, "Water and Sewer", Division 7, "Water Conservation Plan" within the Code of Ordinances to Adopt Modified City of Commerce Water and Wastewater Rates for FY 2027.
- Howdy Lisenbee, City Manager

City Manager Howdy Lisenbee reviewed the proposed utility rate adjustments, noting that the rate structure presented at the previous meeting remains unchanged. Approximately 70% of residential customers are in the first consumption tier and are expected to see an average monthly decrease of $2. Staff stated that customer growth will allow the City to make minor rate adjustments while maintaining sufficient revenue to cover the budget.

Council Member Beckey Thompson made a motion to approve the ordinance. Council Member Jim Ayres seconded the motion, and it carried unanimously.

14. Fee Ordinance Amendment

First & Only Reading - An Ordinance of the City of Commerce, Texas Amending Appendix "C", "Fees, Rates and Charges" of the Code of Ordinances of the City of Commerce, Texas specifically: Utility Fees, Building & Development Fees, Mitigation Rates, and Parks and Recreation Fees; Establishing an Updated Master Fee Schedule for Costs, Fees, and Rates Associated with Services Provided by the City of Commerce, Texas; Providing Purpose and Intent; Providing for the Incorporation of Premises; Providing for an Amendment; Providing for a Savings/Repealing Clause; Providing a Severability Clause; and Providing for an Effective Date.
- Jamie Campbell, Assistant City Manager - Financial Services

Assistant City Manager of Financial Services Jamie Campbell presented proposed updates to the City's Schedule of Fees for Community Development, Utilities, Parks and Recreation, and Fire Departments. The Community Development update adds a permit fee for new HUD-code manufactured homes in residential zoning districts, consistent with the existing fee for new single-family dwelling permits. The Utilities update adds a $100 meter relocation fee to cover staff costs. Parks and Recreation updates include a new volleyball registration fee, removal of the higher non-resident program fees, an increase in pavilion reservation fees from $50 to $75 with an additional $50 refundable deposit, and an increase in seasonal program registration fees from $65 to $75. Fire and Hazard Mitigation fees were updated based on recommended service and pricing changes under the City's agreement with Emergent Fire. Staff clarified that the ordinance will not include an automatic annual fee increase, allowing Council to review and approve the fees each year.

Mayor Pro Tem Anthony Henry made a motion to approve the fee amendment ordinance on the first and only reading. Council Member Daniel Starks seconded the motion and it carried unanimously.

15. Mack Dump Truck Purchase

Discussion and Possible Action on a Resolution by the City Council of the City of Commerce, Texas Approving the Purchase of a 2026 Mack MD Series Cummins 280 HP 8yrd Dump Truck from Volvo & Mack Trucks of Waco, in an Amount Not to Exceed $130,000.00; and Authorizing the City Manager or his Designee to Execute any Necessary Documentation.
- Howdy Lisenbee, City Manager/ Timothy Jones, Public Works Director

Mayor Stephanie Muller asked for a motion to remove this item from the table. Council Member Jim Ayres made a motion. Seconded by Mayor Pro Tem Anthony Henry. The motion carried unanimously.

City Manager Howdy Lisenbee presented a revised proposal for the purchase of a dump truck for the Streets and Maintenance Department. Staff determined that the existing dump truck is not compatible with the City's new laydown machine, limiting the department's ability to efficiently perform larger street maintenance projects. Mr. Lisenbee explained after contacting multiple vendors, staff identified an 8-yard dump truck available through Buyboard, a statewide purchasing cooperative that meets the department's specifications. The truck is available immediately at a cost of $130,000, compared to the previously proposed 10–12-yard truck at $167,000. Staff recommended purchasing the 8-yard dump truck, which is currently in stock and ready for pickup.

Council Member Beckey Thompson made a motion to approve the resolution to purchase the Mack Dump Truck. Mayor Pro Tem Anthony Henry seconded the motion, and it carried unanimously.

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

- Public Input Feedback -None.
- Department Update
  - ❖ Parks & Recreation

    Assistant City Manager of Community Services Molly Jacobsen provided an update on current and upcoming projects. Staff reported that a Texas Parks and Wildlife grant application was submitted for replacement of the playground at Centennial Park, including ADA-accessible equipment and a connecting sidewalk. Grant award announcements are expected in 2027. Molly Jacobsen informed Council that at City

Park, staff will be replacing four pieces of aging playground equipment, updating the swings, and adding an inclusive swing and shade structure. The project is expected to be completed by the end of the year, followed by new engineered wood fiber throughout the playground area. Park signage will also be updated, including updated park rules, hours, and QR access to Spanish-language rules and regulations. Recreation participation numbers were also reviewed, with baseball and softball having the highest enrollment and volleyball continuing to grow following its introduction in 2025.

- ❖ Animal Control

City Manager Howdy Lisenbee provided an update on Animal Services, including shelter activity and outcomes for October 2025 through August 2026. The recently completed shelter expansion has increased capacity. Staff reported that 51% of animal intakes were owner surrenders and 41% were strays, while outcomes included adoptions, owner claims, transfers, and euthanasia, with many euthanasia cases related to medical conditions or safety concerns. Mr. Lisenbee also reported that the City will provide emergency animal services to Hunt County for specified calls, including animals involved in arrests, bite cases, and suspected rabies, with the County paying a fee for those responses. The City's new in-house spay and neuter program is currently averaging four to five procedures per week, which is expected to improve adoption and rescue opportunities. Council Member Beckey Thompson and Mr. Lisenbee recognized the Animal Services staff for their efforts to care for animals and work toward successful adoptions.

- Finance Update
  - ❖ Property Tax- None.
  - ❖ Sales Tax- None.
- Calendar of Upcoming Events and Meetings

Assistant City Manager of Community Services Molly Jacobsen addressed the Council.

- ❖ Clean Commerce Campaign Section B pick up scheduled for September 30, 2026.
- ❖ Mosquito Spraying will continue through community Sections until September 24, 2026.
- ❖ North Texas Giving Day will take place on Thursday, September 17, 2026. Additional information and donations can be made by going to northtexasgivingday.org
- ❖ Commerce Youth Basketball League Registration is open until October 19, 2026. Sign up at commercerecreation.com
- ❖ Bois D' Arc Bash will be held on the evening of Friday, September 25 and all day on September 26. The event will include several activities and community events, including the Bash Dash 5K, scheduled for 8:00 a.m. on Saturday, September 26, followed by the Bash Parade at 10:00 a.m. The Kidpreneur marketplace will also return and will provide an opportunity for children to operate their own businesses and booths. Additional activities planned for the event include a duck-plucking fundraiser, a community scavenger hunt, an outdoor adventure package raffle sponsored by the Commerce Leadership Institute Class of 2026, Cow Patty Bingo in partnership with Commerce FFA, and a cornhole tournament with beginner and intermediate divisions and cash prizes. The musical entertainment will feature Straight Country, a George Strait tribute band. VIP wristbands will be available and will include preferred seating near the stage, access to a VIP beverage area, and an opportunity for photographs following the performance. Appreciation was expressed to Karen Starks, the new Bash Director, for her work organizing the event, coordinating volunteers, and implementing improvements to this year's activities.
- ❖ Commerce Farmers Market on Saturday, September 19, 2026, from 8:00 a.m. – 12:00 p.m.
- ❖ Reminder that the last day to register to vote in the November 3, 2026, election is October 5, 2026. Early voting will begin on October 19, 2026. Check voter registration status at votetexas.gov

- ❖ National Night Out is scheduled for October 6, 2026, from 5:00 p.m. – 8:00 p.m. at City Park.
- ❖ Reminder to register to receive emergency alerts from Hyper Reach alerts at hyper-reach.com/txcityofcommercesignup.html

- Personnel -None.
- Projects Update City Manager Howdy Lisenbee reported that the City completed a request for proposals (RFP) and bid selection process for the contractor selected to construct the community center in the former Inwood Bank building. The City is currently negotiating the contract with the selected contractor. The proposed contract will be presented to the City Council for consideration at the following month's meeting.
- Intergovernmental Events & Issues -None.

16. Adjourn.

Mayor Stephanie Muller asked for a motion to adjourn. Mayor Pro Tem Anthony Henry made a motion to adjourn, which was seconded by Council Member Beckey Thompson. Mayor Stephanie Muller adjourned the meeting at 7:32 p.m.

Stephanie Muller

Stephanie Muller, Mayor

Molly Jacobsen, Assistant City Manager-Community Services

10/20/2026

Date

9.15.2026.MINS