



AGENDA

BOARD OF DIRECTORS MEETING

WEDNESDAY, APRIL 27, 2022

9:00 A.M.

COMMERCE CITY HALL

1119 ALAMO STREET

COMMERCE, TX 75428

: SCOTT WARD – PRESIDENT

: CECE GASSNER, J.D. – VICE-PRESIDENT

: MICHAEL GLAS – SECRETARY/TREASURER

: MANDY FREEMAN – MEMBER

: DAN LUCKETT – MEMBER

: STAN MCKEE – MEMBER

: JOE SHIPMAN – MEMBER

-
1. Call to Order
 2. Consider Approval of the Minutes of the Regular Meeting on January 25, 2022
 3. Discuss and Consider Approval of the Financial Reports Ending January 31, February 28, and March 31, 2022
 4. Date and Time for Upcoming Meeting(s)
 5. Comments and Reports
 - a. Citizens' Comments [Citizens will be allotted three (3) minutes to comment or speak to the board.]
 - b. City Manager
 - c. Legal Counsel
 - d. Ex-Officio Member(s)
 - e. Board Members
 - f. Executive Director
 6. Executive Session [The CEDC Board of Directors will adjourn into executive session in accordance with the Texas government Code, Sections 551.071; 551.072; 551.074 and 551.087].
 - a. Section 551.071 – consultation with attorney
 - b. Section 551.072 – deliberations regarding real property; land/building
 - c. Section 551.074 – personnel matters
 - d. Section 551.087 – deliberations regarding economic development negotiations
 7. Reconvene to Open Session
 8. Announcement of Executive Session [The Board will announce any action to be taken resulting from executive session.]
 9. Adjournment

The CEDC Board of Directors reserve the right to enter closed Session at any point in this meeting in accordance with the following Texas Government Codes: Section 551.071 – consultation with attorney; Section 551.072 – deliberations about real property; Section 551.074 – personnel matters; and Section 551.087 – deliberation regarding economic development negotiations.

CERTIFICATION

I, Bonnie Hunter, Executive Director for the Commerce Economic Development Corporation, hereby certify that the above notice of meeting was posted on the bulletin board at Commerce City Hall, 1119 Alamo Street, Commerce, Texas on or before 8 a.m. on April 24, 2022.



Bonnie Hunter, Executive Director

Commerce City Hall is wheelchair accessible; accessible parking spaces are available.

COMMERCE ECONOMIC DEVELOPMENT CORPORATION
April 27, 2022

ITEM 1 / SUBJECT: Call to Order

BACKGROUND: The Board President will call the meeting to order and announce if a quorum is present.


Bonnie Hunter, Executive Director

ASSOCIATED INFORMATION: None

COMMERCE ECONOMIC DEVELOPMENT CORPORATION
April 27, 2022

ITEM 2 / SUBJECT: Consider Approval of the Minutes of the Regular Meeting January 25, 2022

BACKGROUND: Minutes from the Regular Meeting of January 25, 2022 are provided for your review.

DISCUSSION/CONCLUSION:

RECOMMENDATION: Approve the minutes from the January 25, 2022 meeting as presented.

FINANCIAL CERTIFICATION: None



Bonnie Hunter, Executive Director

ASSOCIATED INFORMATION: Minutes of November 29, 2021

**MINUTES
COMMERCE ECONOMIC DEVELOPMENT CORPORATION
REGULAR MEETING**

January 25, 2022 – 9:00 a.m.

MEMBERS PRESENT: Scott Ward, President
Cece Gassner, J.D., Vice President
Mandy Freeman
Stan McKee
Joe Shipman
Bonnie Hunter, Executive Director

BOARD MEMBERS ABSENT: Michael Glas, Secretary/Treasurer and Mark Rudin

EX-OFFICIO MEMBERS

PRESENT: None

STAFF PRESENT: Howdy Lisenbee, City Manager
Molly Jacobsen, Director of Administrative Services

OTHERS PRESENT: Edgar J. Garrett, Attorney

1. **Call to Order:**
President Scott Ward called the meeting to order at 9:02 a.m.
2. **Administer Oath of Office to Newly Appointed Board Member**
Molly Jacobsen, Director of Administrative Services, administered the Oath of Office to newly appointed board member Dan Lockett.
3. **Discuss and Consider Appointment of Officers for 2022.**
Member Stan McKee made a motion recommending that Scott Ward continue serving as President of the Board for 2022; Cece Gassner remain Vice President; and Michael Glas remain as the Secretary/Treasurer. Mandy Freeman seconded, and the motion carried unanimously.
4. **Discuss and Consider Action Regarding Signatories and Authorization for all Commerce Economic Development Corporation Bank Accounts.**
The three officers of the EDC Board: President Scott Ward, Vice President Cece Gassner, and Secretary/Treasurer Michael Glas will remain signatories for all bank accounts of the Commerce Economic Development Corporation.

Executive Director Bonnie Hunter will also remain as a signatory for all Commerce Economic Development Corporation bank accounts, with a \$10,000.00 signature limit on check transactions with her signature. No formal action is necessary, as this is currently how signatories for EDC accounts operate.

5. Consider Approval of the Minutes of the Regular Meeting on November 29, 2021.

Vice President Cece Gassner made a motion to approve the minutes of the regular meeting on November 29, 2021. Seconded by Stan McKee, the motion carried unanimously.

6. Discuss and consider Approval of the Financial Reports Ending November 30 and December 31, 2021.

Executive Director Bonnie Hunter summarized the EDC financials for November, with the Reserve Account at \$1.1 million; Cash/Checking account with a balance of \$1.7 million; and the USDA Revolving Loan with just under \$63,000.

December financials reflected the following: \$1.4 million in Reserves; \$1.8 million in the Cash/Checking Account; and the USDA Revolving Loan had a balance of approximately \$63,600.

Vice President Cece Gassner moved to approve the financial reports for November and December as presented. Seconded by Joe Shipman, the motion carried unanimously.

7. Discuss and Consider Possible Action Regarding a Rail Spur Track.

Gramazini Stone had expressed interest in a potential rail spur track for their facility. Executive Director Bonnie Hunter stated that Gramazini Stone is finalizing the purchase of two U.S. quarries, with plans to start bringing product in from California, Virginia, Alabama, and Georgia. Given the quantity, weight, and transportation costs, they have determined that rail is the best option. Various meetings have taken place with Freedom Rail Group, NETC, Gramazini and the CEDC regarding a temporary location to offload product and plans for the construction of a spur track to support the company's needs. A very rough estimate by Freedom Rail was \$600-800 per foot to build the spur, with an additional cost of \$150,000 for the hand switch. Freedom Rail will get hard costs and get back to everyone.

Cece Gassner suggested the EDC hold off for more specific numbers before making any decision. No action taken.

8. Comments and Reports

a. Citizens' Comments [Citizens will be allotted three (3) minutes to comment or speak to the board.] No one came forward.

b. City Manager – Howdy Lisenbee stated that the City Council had approved a Chapter 380 Agreement with Bloomfield Homes. They will participate in absorbing the cost of new sewer and water infrastructure. When Bloomfield Homes buys materials for building homes and that transaction yields sales tax, Commerce will get the sales tax, regardless of where the materials are purchased. Bloomfield Homes asked that the city give 50% of the sales tax back to them. Manager Lisenbee told Bloomfield the EDC could

not participate in an agreement of this sort, and an agreement was reached between Bloomfield and the City. The EDC will keep its usual ½ cent of the sales tax, and the city would split its portion of the sales tax revenue with Bloomfield Homes. The EDC should expect to receive around \$100,000 from this agreement.

c. Legal Counsel – Nothing to report.

d. Ex-Officio Member(s) – Molly Jacobsen reported that the General Election for the Mayor’s seat will be held on May 7, 2022. Incumbent Mayor Williams will not be running for re-election. The filing period for Mayor runs through February 18.

e. Board Members – Cece Gassner summarized that a \$45 million agricultural complex will be constructed at the site of the old president’s house on Highway 24. Construction is anticipated to begin near the end of 2022 and continue through 2025. This complex should bring more businesses to Commerce.

f. Executive Director – Bonnie Hunter announced a Job Fair for Tuesday, February 8 from 10 am to 2 pm here at City Hall. Participating industries include: Gramazini, Huaru Pipe, Hydro Aluminum and Nexii.

Director Hunter will attend the TEDC Winter Conference in Sugar Land February 16-18.

Hunt County Commissioners Court will be meeting to discuss various tax abatements for Huaru, Zurn and Nexus-2 on February 22 at 10:00 a.m.

The grand opening of NEXUS-1 in Hazelton, PA is set for Wednesday, March 30. Director Hunter and City Manager Lisenbee plan to attend.

9. Date and Time for Upcoming Meeting(s)

The next meeting is scheduled for Wednesday, March 2 at 9:00 a.m.

10. Adjournment:

With no further business, Joe Shipman moved to adjourn the meeting. Seconded by Cece Gassner, the motion carried. President Scott Ward adjourned the meeting at 9:58 a.m.

Scott Ward, President

Molly Jacobsen, Director of Administrative Services

Date

COMMERCE ECONOMIC DEVELOPMENT CORPORATION
April 27, 2022

ITEM 3 / SUBJECT: Discuss and Consider Approval of the Financial Reports Ending January 31, February 28, and March 31

BACKGROUND: Receipt of financial reports ending January 31, February 28, and March 31, 2022.

Account summaries and financial statements have been included for the months ending January 31; February 28; and March 31, 2022.

- ✓ JANUARY
 - Account Summary ending January 31
 - Financial Statements through January 31
 - Summary of Invoices for Payment – February

- ✓ FEBRUARY
 - Account Summary ending February 28
 - Financial Statements through February 28
 - Summary of Invoices for Payment – March

- ✓ MARCH
 - Account Summary ending March 31
 - Financial Statements through March 31
 - Summary of Invoices for Payment – April
 - Sales Tax Report – April
 - Detailed Analysis of Sales Tax – April

DISCUSSION/CONCLUSION:

RECOMMENDATION: Approve the financial reports as presented.

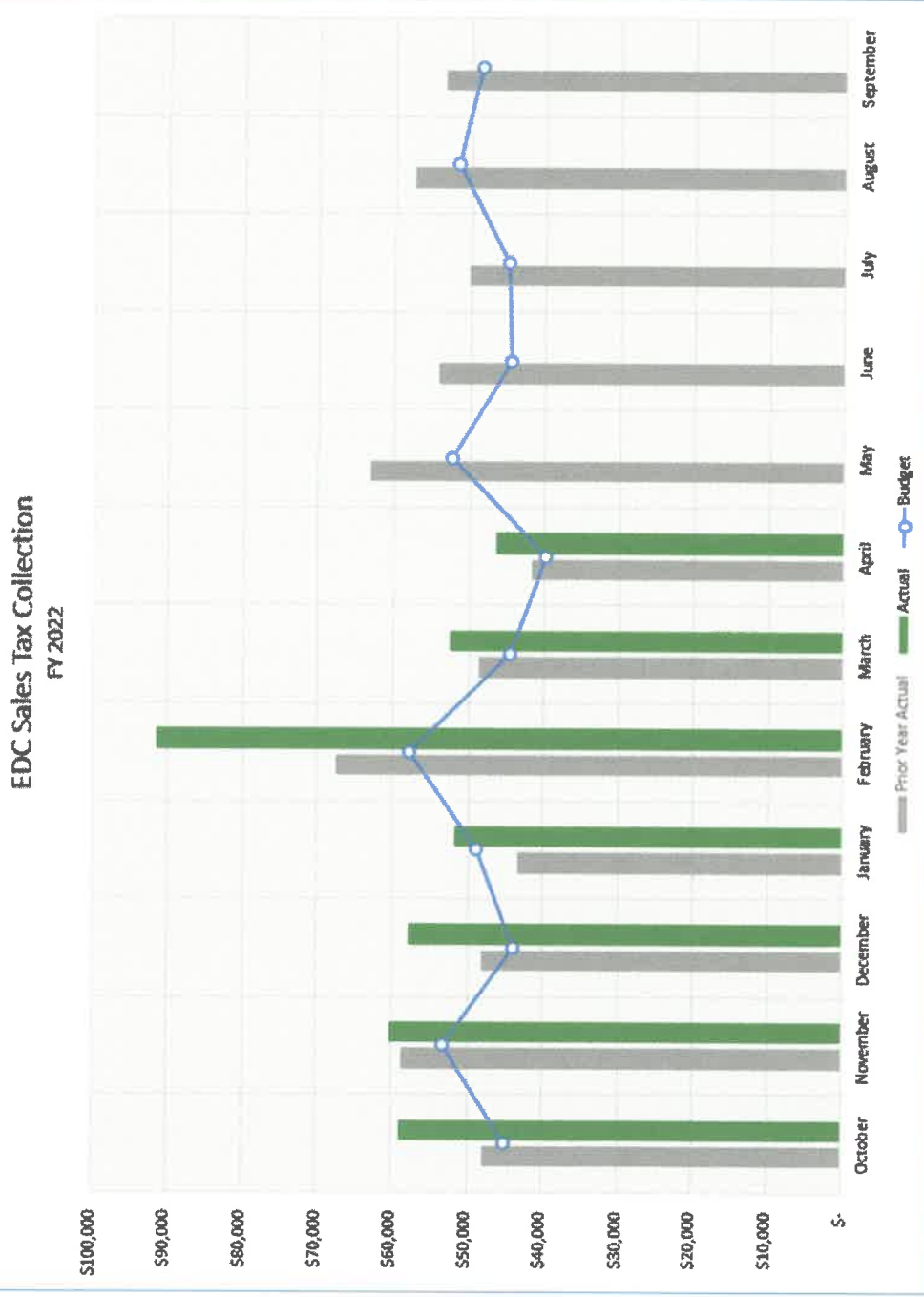

Bonnie Hunter, Executive Director

ASSOCIATED INFORMATION: Financials ending January, February, and March 2022

SALES TAX COLLECTION FY 2022

APRIL 2022 **\$46,478.59**
 Prior Year **\$41,580.96**

**Sales Tax represents
 spending two months prior
 - FEBRUARY 2022 -**



Current Annual Budget		Prior Year		Monthly		Cumulative		Cumulative		Projected	
Month	Percentage	Budget	Actual	Actual	Variance	Percentage	Budget	Actual	Variance	Percentage	Allocation
		\$ 575,000.00									
October	7.8%	\$ 44,989.06	\$ 47,910.80	\$ 58,887.06	\$ 13,898.00	30.9%	\$ 44,989.06	\$ 58,887.06	\$ 13,898.00	30.9%	\$ 58,887.06
November	9.3%	\$ 53,336.66	\$ 58,844.44	\$ 60,248.09	\$ 6,911.43	13.0%	\$ 98,325.72	\$ 119,135.15	\$ 20,809.43	21.2%	\$ 60,248.09
December	7.7%	\$ 44,003.78	\$ 48,158.54	\$ 57,753.19	\$ 13,749.41	31.2%	\$ 142,329.50	\$ 176,888.33	\$ 34,558.84	24.3%	\$ 57,753.19
January	8.5%	\$ 48,874.06	\$ 43,383.46	\$ 51,712.15	\$ 2,838.10	5.8%	\$ 191,203.55	\$ 228,600.49	\$ 37,396.93	19.6%	\$ 51,712.15
February	10.1%	\$ 57,884.22	\$ 67,589.64	\$ 91,420.59	\$ 33,536.38	57.9%	\$ 249,087.77	\$ 320,021.08	\$ 70,933.31	28.5%	\$ 91,420.59
March	7.7%	\$ 44,481.44	\$ 48,651.73	\$ 52,466.81	\$ 7,985.36	18.0%	\$ 293,569.21	\$ 372,487.89	\$ 78,918.67	26.9%	\$ 52,466.81
April	6.9%	\$ 39,729.08	\$ 41,580.96	\$ 46,478.59	\$ 6,749.51	17.0%	\$ 333,298.29	\$ 418,966.47	\$ 85,668.18	25.7%	\$ 46,478.59
May	9.1%	\$ 52,351.88	\$ 63,050.30				\$ 385,650.18				\$ 52,351.88
June	7.7%	\$ 44,478.35	\$ 54,181.38				\$ 430,128.53				\$ 44,478.35
July	7.8%	\$ 44,929.33	\$ 50,292.43				\$ 475,057.86				\$ 44,929.33
August	9.0%	\$ 51,528.50	\$ 57,465.84				\$ 526,586.36				\$ 51,528.50
September	8.4%	\$ 48,413.03	\$ 53,508.33				\$ 574,999.39				\$ 48,413.03
Total	100%	\$ 574,999.39	\$ 634,628.66	\$ 418,966.47	\$ 85,668.18	173.8%					\$ 660,667.57

EDC Sales Tax Collection
APRIL 2022
REFLECTS FEBRUARY SALES

\$46,478.59
2021 \$41,580.96

CITY Sales Tax \$92,957.17
Prior Year Tax \$83,161.92

\$ 660,667.57 \$ 85,668.18

COMMERCE ECONOMIC DEVELOPMENT CORPORATION
April 27, 2022

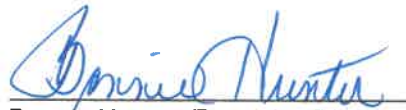
ITEM 4 / SUBJECT: Discuss Date and Time for Upcoming Meeting(s)

BACKGROUND: The next meeting of the Board of Directors is set for Thursday, May 26 at 9 a.m. Prior to this date, the Director, President and Secretary/Treasurer will meet in preparation for the upcoming Proposed budget.

DISCUSSION/CONCLUSION:

RECOMMENDATION:

FINANCIAL CERTIFICATION: None



Bonnie Hunter, Executive Director

ASSOCIATED INFORMATION: None

COMMERCE ECONOMIC DEVELOPMENT CORPORATION
April 27, 2022

ITEM 5 / SUBJECT: Comments and Reports

BACKGROUND: At this time, the Board will hear comments and reports.

- a. Citizens' Comments [During this time, a three (3) minute time-period to comment or speak to the board will be allotted.]
- b. Ex-officio member(s)
- c. City Manager
- d. Legal Counsel
- e. Board Members; and
- f. Executive Director

DISCUSSION/CONCLUSION:

RECOMMENDATION:

FINANCIAL CERTIFICATION: N/A



Bonnie Hunter, Executive Director

ASSOCIATED INFORMATION: None

COMMERCE ECONOMIC DEVELOPMENT CORPORATION
April 27, 2022

ITEM 6 / SUBJECT: Executive Session (The CEDC Board of Directors will adjourn into executive session in accordance with the Texas Government Code, Sections 551.071; 551.072; 551.074 and 551.087)

BACKGROUND: At this time, the Board of Directors will convene into executive session in accordance with the Texas Government Code, Sections 551.071; 551.072, 551.074 and 551.087.

1. **Consultation with Attorney.** Tex. Gov't Code, Section 551.071
2. **Deliberations regarding real property.** Tex. Gov't Code, Section 551.072
Deliberate the purchase, exchange, lease, or value of real property if deliberation in an open meeting would have a detrimental effect on the position of the governmental body in negotiations with a third person,
3. **Personnel matters.** Tex. Gov't. Code, Section 551.074
Deliberate the appointment, employment, evaluation, reassignment, duties, discipline or dismissal of a public officer or employee.
4. **Deliberations regarding economic development negotiations.**
Tex. Gov't. Code, Section 551.087
Discuss or deliberate regarding commercial or financial information that the governmental body has received from a business prospect that the governmental body seeks to have locate, stay or expand in or near the territory of the governmental body and with which the governmental body is conducting economic development negotiations; or (2) to deliberate the offer of a financial or other incentive to a business prospect described by Subdivision (1) in accordance with V.T.C.A. Government Code, Section 551.087.

DISCUSSION/CONCLUSION:

RECOMMENDATION:

FINANCIAL CERTIFICATION:



Bonnie Hunter, Executive Director

ASSOCIATED INFORMATION: Executive Session

COMMERCE ECONOMIC DEVELOPMENT CORPORATION
April 27, 2022

ITEMS 7-8 / SUBJECT: Reconvene to Open Session and Announcement of Executive Session

BACKGROUND: The Board will reconvene and announce any action to be taken from executive session.

1. Consultation with attorney.
2. Discussion and possible action taken regarding real property.
3. Discussion and possible action regarding personnel matters.
4. Discussion and possible action taken regarding economic development negotiations.


Bonnie Hunter, Executive Director

ASSOCIATED INFORMATION: Announcement of Executive Session

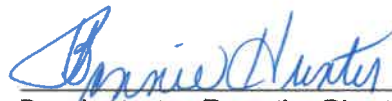
COMMERCE ECONOMIC DEVELOPMENT CORPORATION
April 27, 2022

ITEM 9 / SUBJECT: Adjournment

BACKGROUND: The meeting will be adjourned if there is no further action or discussion.

DISCUSSION/CONCLUSION:

RECOMMENDATION:


Bonnie Hunter, Executive Director

ASSOCIATED INFORMATION: Adjournment
