

The City Commission of the City of Canyon ,met at 3:00 p.m. in the City Commission Chambers of the Civic Complex for a Worksession at 3:00 pm and a regular meeting at 4:30 pm. The meeting was broadcast through YouTube. Mayor Gary Hinders presided over the meeting with the following Commissioners in attendance, Mayor Pro-Tem Cody Jones, Roger Remlinger, Randy Ray, and Paul Lyons.

Also present were the following City Staff: City Manager Joe Price, Assistant City Manager Jon Behrens, City Secretary Gretchen Mercer, IT Manager Shaun Holtman, Director of Finance Joel Wright, City Manager Intern Christian Campbell, Fire Chief Vince Whitfill, Chief of Police Steven Brush and City Attorney Chuck Hester.

Item 1. Call to Order.

Mayor Hinders called the worksession to order at 3:06 p.m. City Manager Joe Price and Director of Finance Joel Wright presented proposed policies for the Canyon Public Funds Investment Act, Canyon Fund Balance, Canyon Fiscal Principles and Policies and held discussion on Debt Obligations and Bond Ratings.

The worksession was closed at 4:20 pm. The Commission took a break.

Mayor Hinders called the Regular meeting to order at 4:32 pm.

Item 2. Invocation.

Commissioner Randy Ray gave the invocation.

Item 3. Pledge of Allegiance.

The Pledge of Allegiance was led by Commissioner Lyons.

Item 4. Approval of the Minutes of the Meeting May 4, 2020.

Mayor Pro-Tem Jones moved, duly seconded by Commissioner Remlinger to approve the minutes of May 4, 2020 as presented. Motion carried unanimously.

Item 5. Public Comment – Comments From Interested Citizens.

No Public Comments were made.

Item 6. Consider and Take Appropriate Action on Resolution No. 12-2020, A Resolution of the City Commission of the City of Canyon, Texas, Reviewing the City of Canyon's Investment Policy Pursuant to the Public Funds Investment Act.

Commissioner Remlinger moved, duly seconded by Mayor Pro-Tem Jones to adopt Resolution No. 12-2020 as presented. Motion carried unanimously.

RESOLUTION NO. 12-2020
A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF
CANYON, TEXAS, REVIEWING THE CITY OF CANYON'S
INVESTMENT POLICY PURSUANT TO THE PUBLIC FUNDS
INVESTMENT ACT

- Item 7. Consider and Take Appropriate Action on Resolution No. 13-2020, A Resolution of the City Commission of the City of Canyon, Texas, Adopting the City of Canyon's Comprehensive Fund Balance and Reserve Policy.

City Manager Joe Price presented Resolution No. 13-2020 for consideration. Mr. Price stated staff would make changes to the policy and resolution as discussed in the worksession and bring back to the Commission for consideration at the next meeting.

Mayor Pro-Tem Jones moved, duly seconded by Commission Lyons to table Resolution No. 13-2020 until the next meeting. Motion carried unanimously.

RESOLUTION NO. 13-2020
A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF
CANYON, TEXAS, ADOPTING THE CITY OF CANYON'S
COMPREHENSIVE FUND BALANCE AND RESERVE POLICY

- Item 8. Consider and Take Appropriate Action on March 31, 2020 Finance Report by Finance Director Joel Wright.

Finance Director Joel Wright presented the Finance Report for consideration. After discussion Commissioner Ray moved, duly seconded by Mayor Pro-Tem Jones to approve the Finance Report as presented. Motion carried unanimously.

- Item 9. Consider and Take Appropriate Action on March 31, 2020 Investment Report by Finance Director Joel Wright.

Finance Director Joel Wright presented the Investment Report for consideration. After discussion Commissioner Remlinger moved, duly seconded by Mayor Pro-Tem Jones to approve the Investment Report as presented. Motion carried unanimously.

- Item 10. Consider and Take Appropriate Action on Resolution No. 11-2020, A Resolution of the City Commission of the City of Canyon Ratifying and Extending the First Amended Declaration of Disaster by the Mayor of the City of Canyon in Response to Statewide Epidemic of COVID-19 Consistent with Governor's Executive Order GA-21.

City Manager Joe Price presented Resolution No. 11-2020 for consideration. Mr. Price said Resolution No. 11-2020 would extend the disaster declaration for the City of Canyon in line with Texas Governor Greg Abbott's orders through May 18, 2020 and be readdressed at that time. Mr. Price stated relief funds were only reimbursable while the city actively declared a disaster as enacted by the Governor. Commissioners asked for clarification on the GA number and the date.

After discussion, City Attorney Chuck Hester stated the Resolution should be amended to read "Consistent with Governor's Executive Order GA-23 and extend the order through June 3, 2020. Mr. Hester stated he would amend the Resolution as stated.

After discussion, Commissioner Remlinger moved, duly seconded by Commissioner Ray to adopt Resolution No. 11-2020 with stated amendments. Motion carried unanimously.

RESOLUTION NO.11-2020
A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF CANYON RATIFYING AND EXTENDING THE FIRST AMENDED DECLARATION OF DISASTER BY THE MAYOR OF THE CITY OF CANYON IN RESPONSE TO STATEWIDE EPIDEMIC OF COVID-19 CONSISTENT WITH GOVERNOR'S EXECUTIVE ORDER GA-23.

Item 11. Second of Three Required Readings of Ordinance No. 1125, First Amendment to Atmos Energy Franchise Agreement.

City Manager Joe Price presented Ordinance No. 1125 for the second of three readings as required by the City of Canyon Charter. Mr. Price stated this would amend the Atmos Energy Franchise Agreement adopted January 31, 2011 and increase the franchise fee from 4% to 5% and add five more years to the agreement extending it from 2026 to 2031. Mr. Price stated the City of Canyon currently receives approximately \$110,000 to \$114,000 per year in franchise fees from Atmos. Mr. Price said staff anticipates an increase of approximately \$35,000 per year.

As required by Charter, Ordinance No. 1125 was read in its entirety as recorded by City Secretary, Gretchen Mercer.

No action required for second reading.

ORDINANCE NO. 1125
AN ORDINANCE OF THE CITY OF CANYON, RANDALL COUNTY, TEXAS, AMENDING THE EXISTING GAS FRANCHISE BETWEEN THE CITY AND ATMOS ENERGY CORPORATION, (A TEXAS AND VIRGINIA CORPORATION, WITH ITS PRINCIPAL OFFICE IN THE CITY OF DALLAS, DALLAS COUNTY TEXAS), TO PROVIDE FOR A DIFFERENT CONSIDERATION; PROVIDE FOR A DIFFERENT EXPIRATION DATE; PROVIDING AN EFFECTIVE DATE; PROVIDING FOR ACCEPTANCE BY ATMOS ENERGY CORPORATION; FINDING AND DETERMINING THAT THE MEETING AT WHICH THIS ORDINANCE IS PASSED IS OPEN TO THE PUBLIC AS REQUIRED BY LAW.

Item 12. Second of Three Required Readings of Ordinance No. 1126, First Amendment to SPS Franchise Agreement.

City Manager Joe Price presented Ordinance No. 1126 for the second of three readings as required by the City of Canyon Charter. Mr. Price stated this would amend the SPS Franchise Agreement adopted January 31, 2011 and increase the franchise fee from 3% to 4.51%. Mr. Price stated the City of Canyon Franchise Agreement with SPS is unique to other cities and only allows an increase by 1.51% instead of the normal 2%. Mr. Price said the remaining .49% will go on the next rate case in the next year or two. Mr. Price stated the City of Canyon currently receives approximately \$330,000 to \$365,000 per year in franchise fees from Atmos. Mr. Price said staff anticipates an increase of approximately \$174,875 per year.

As required by Charter, Ordinance No. 1126 was read in its entirety as recorded by City Secretary, Gretchen Mercer.

No action required for second reading.

ORDINANCE NO. 1126
FIRST AMENDMENT TO FRANCHISE AGREEMENT
AN ORDINANCE AMENDING ORDINANCE NO. 934, WHICH GRANTED SOUTHWESTERN PUBLIC SERVICE COMPANY (“SPS”) A FRANCHISE WITHIN THE CITY OF CANYON, TEXAS (“CITY”) TO CONDUCT AN ELECTRICAL LIGHTING AND POWER BUSINESS AND TO HAVE USE OF CITY’S PUBLIC STREETS, ALLEYS, HIGHWAYS, BRIDGES, AND OTHER PUBLIC GROUNDS TO PUBLIC RIGHT-OF-WAY AS SPECIFIED IN ORDINANCE NO. 934, TO REVISE THE PERCENTAGE OF GROSS RECEIPTS PAID AS A FRANCHISE FEE FOR USE OF CITY’S STREETS, ALLEYS, HIGHWAYS, BRIDGES, AND OTHER PUBLIC GROUNDS; PROVIDING FOR RATE RECOVERY OF FRANCHISE FEES; PROVIDING FOR SEVERABILITY; PROVIDING FOR REPEALER; PROVIDING SAVINGS CLAUSE; AND PROVIDING FOR AN EFFECTIVE DATE.

Item 13. Executive Session Pursuant to §551.071 Consultation with Attorney; and §551.072 Real Property.

Mayor Hinders indicated the Commission would adjourn into Executive Session at 5:26 p.m.

Item 14. Consider and Take Appropriate Action on Items Discussed in Executive Session.

Upon returning from Executive Session at 7:24 p.m., no action was taken.

Item 15. Adjourn

There being no further business, Mayor Pro-Tem Jones moved this meeting be adjourned.

Gary Hinders, Mayor

ATTEST:

Gretchen Mercer, City Secretary