

The City Commission of the City of Canyon at 4:30 pm in the City Commission Chambers of the Civic Complex. Mayor Gary Hinders presided over the meeting with the following Commissioners in attendance, Mayor Pro-Tem Cody Jones, Paul R. Lyons, and Randy Ray. Commissioner Kelsey Ward was unable to attend.

Also present were the following City Staff: City Manager Joe Price, Assistant City Manager Jon Behrens, City Secretary Gretchen Mercer, IT Director Shaun Holtman, Finance Director Joel Wright, Communications Director Megan Nelson, Director of Human Resources Hector Mendoza, Director of Public Works Dan Reese, Assistant Director of Public Works Chris Enriquez, Fire Chief Dennis Gwyn, Director of Planning and Development Danny Cornelius, Assistant Director of Planning and Development Craig Brown, Golf Course Superintendent John Haun, Business and Community Development Director Evelyn Ecker, Economic Development Board President Don Lee, Parks Director Brian Noel, Municipal Court Judge Jennifer Cates, Police Lieutenant Kris Marvel, Fire Captain Vince Whitfill, Utility Supervisor Eric Whitten, Street and Solid Waste Superintendent Brendon Banner, Wastewater Superintendent John Poole, City Engineer Adolpho Garcia, and City Attorney Chuck Hester.

Mayor Gary Hinders called the Budget Work Session to order at 3:10 pm. The proposed budget for 2021-2022 was presented by City Manager Joe Price, Assistant City Manager Jon Behrens and Finance Director Joel Wright.

Commissioners took a 5 minute break at 4:33 pm.

Item 1. Call to Order.

Mayor Hinders called the meeting to order at 4:44 p.m.

Item 2. Invocation.

Mayor Pro-Tem Jones gave the invocation.

Item 3. Pledge of Allegiance.

The Pledge of Allegiance was led by Mayor Hinders.

Item 4. Approval of Minutes of the Meeting of July 19, 2021.

Mayor Pro-Tem Jones moved, duly seconded by Commissioner Ray to approve the minutes of July 19, 2021 as presented. Motion carried unanimously.

Item 5. Public Comment – Comments from Interested Citizens.

City Manager Joe Price stated he had been contacted by a citizen requesting consideration to the continued donation of water for the Kiwanis Community Garden by the City of Canyon.

Item 6. Consider and Take Appropriate Action on Second and Final Reading of Resolution No. 25-2021, A Resolution of the City Commission of the City of Canyon Approving a

Project Funding Agreement Between TEXAS Panhandle Heritage Foundation and Canyon Economic Development Corporation Relating to Quality of Life Enhancements for Area Residents.

Canyon Economic Development Corporation President Don Lee presented Resolution No. 25-2021 for the final of two required readings. Mr. Lee stated the funding request from Texas Panhandle Heritage Foundation is for assistance in audio system upgrades at the amphitheater in Palo Duro Canyon supporting the musical production "TEXAS". Mr. Lee said the overall cost of the project is \$210,000 with the Harrington Foundation and the MS Doss Foundation giving \$75,000 each leaving a balance of \$60,000. Mr. Lee stated a public hearing was held June 10, 2021 during the Canyon Economic Development Corporation board meeting with no opposition.

After discussion, Mayor Pro-Tem Jones moved, duly seconded by Commissioner Ray to adopt Resolution No. 25-2021 as presented. Motion carried unanimously.

RESOLUTION NO. 25-2021

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF CANYON APPROVING PROJECT FUNDING AGREEMENT BETWEEN TEXAS PANHANDLE HERITAGE FOUNDATION AND CANYON ECONOMIC DEVELOPMENT CORPORATION RELATING TO QUALITY OF LIFE ENHANCEMENTS FOR AREA RESIDENTS

- Item 7. Consider and Take Appropriate Action on Second and Final Reading of Resolution No. 26-2021, A Resolution of the City Commission of the City of Canyon Approving a Project Funding Agreement Between Ruthette's LLC and Canyon Economic Development Corporation Relating to Business Retention and Expansion.

Canyon Economic Development Corporation President Don Lee presented Resolution No. 26-2021 for the final of two required readings. Mr. Lee stated a request for the funding from Avery Pinkerton and Colette Lane, owners of Ruthette's, was received to assist in the relocation of their business to a larger property at 416 15th Street. Mr. Lee stated Ruthette's opened in 2017 and proven extremely successful. Mr. Lee said the request for \$30,000 is to help with improvements to the store of the new location with a total project cost of \$84,750. Mr. Lee stated Ruthette's signed a 5-year lease that includes a Right of First Refusal clause as they would like to own the location in the future.

After discussion, Commissioner Ray moved, duly seconded by Mayor Pro-Tem Jones to adopt Resolution No. 26-2021 as presented. Motion carried unanimously.

RESOLUTION NO. 26-2021

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF CANYON APPROVING PROJECT FUNDING AGREEMENT BETWEEN RUTHETTE'S LLC AND CANYON ECONOMIC DEVELOPMENT CORPORATION RELATING TO BUSINESS RETENTION AND EXPANSION.

Item 8. Consider and Take Appropriate Action on Approval of Canyon Economic Development Corporation 2021-2022 Annual Budget.

Business and Community Development Director Evelyn Ecker presented the proposed Canyon Economic Development Corporation budget for 2021-2022 as approved by the CEDC Board. Commissioners inquired about the total increase in personnel. Ms. Ecker stated the budget included the addition of a new employee that was added last year and funded 100% by the CEDC.

After discussion, Mayor Pro-Tem Jones moved to adopt the 2021-2022 budget as presented.

Commissioner Ray pursued the discussion on the increase in personnel. Ms. Ecker stated after looking over the numbers in the provided budget she discovered she included the wrong documents. Ms. Ecker state the actual cost to the City of Canyon for personnel 2021-2022 would be \$216,000, not \$268,000. It was decided Ms. Ecker would bring a corrected budget back to the Commission for clarity.

Motion made by Mayor Pro-Tem Jones died due to lack of a second.

Item 9. Consider and Take Appropriate Action on Ordinance No. 1138, An Ordinance Amending the City of Canyon, Texas ("City") Code of Ordinances, Chapter 37, Master Schedule of Charges and Fees; Providing for the Addition of New and Amendment of Certain Other Fees and Charges; Providing a Repealing Clause; Providing a Severability Clause, for Publication and an Effective Date.

Assistant City Manager Jon Behrens presented Ordinance No. 1138 updating the consolidated fee schedule for all city departments. Mr. Behrens stated water, sewer and trash fees were not increased. Mr. Behrens said Palo Duro Golf Course would bring proposed fees to a future Commission Meeting for discussion.

After discussion, Commissioner Ray moved, duly seconded by Mayor Pro-Tem Jones to adopt Ordinance No. 1138 as presented. Motion carried unanimously.

ORDINANCE NO. 1138
MASTER SCHEDULE OF CHARGES AND FEES
AN ORDINANCE AMENDING THE CITY OF CANYON, TEXAS
("CITY") CODE OF ORDINANCES, CHAPTER 37, MASTER
SCHEDULE OF CHARGES AND FEES; PROVIDING FOR THE
ADDITION OF NEW AND AMENDMENT OF CERTAIN OTHER
FEES AND CHARGES; PROVIDING A REPEALING CLAUSE;
PROVIDING A SEVERABILITY CLAUSE; FOR PUBLICATION
AND AN EFFECTIVE DATE.

Item 10. Consider and Take Appropriate Action on Resolution No. 33-2021, A Resolution of the City Commission of the City of Canyon, Texas, Establishing a Special Revenue Fund Known as Parks Donation Fund and Internal Service Funds Known as Canyon

Investment Program Funds (General and Utility/Golf) and other Matters Properly Relating Thereto.

Director of Finance Joel Wright presented Resolution No. 33-2021 for consideration. Mr. Wright said it is necessary to establish a Parks Donation special revenue funds to properly account for donations made voluntarily by citizens when paying their utility bill. Mr. Wright said each citizen would have the option to donate \$2 or \$4. Mr. Wright said the establishment of two internal service funds is needed to account for the activities of the Canyon Investment Program General and Utility/Golf of the capital improvement program (CIP). Mr. Wright stated bank accounts would be opened specifically for each of the three new funds with adoption of Resolution No. 33-2021.

After discussion, Mayor Pro-Tem Jones moved, duly seconded by Commissioner Ray to adopt Resolution No. 33-2021 as presented. Motion carried unanimously.

Item 11. Consider and Take Appropriate Action on Resolution No. 32-2021, A Resolution of the City Commission of the City of Canyon, Texas, Approving a Negotiated Settlement Between the Executive Committee of Cities Served by Atmos West Texas ("CITIES") and Atmos Energy Corp., West Texas Division Regarding the Company's 2021 Rate Review Mechanism Filing; Declaring Existing Rates to be Unreasonable; Adopting Tariffs That Reflect Rate Adjustments Consistent with the Negotiated Settlement; Finding the Rates to be Set by the Attached Settlement Tariffs to be Just and Reasonable and in the Public Interest; Approving an Attached Exhibit Establishing a Benchmark for Pensions and Retiree Medical Benefits; Approving an Attached Exhibit Regarding Amortization of Regulatory Liability; Requiring the Company to Reimburse Cities' Reasonable Ratemaking Expenses; Determining that this Resolution was Passed in Accordance with the Requirements of the Texas Open Meetings Act; Adopting a Savings Clause; Declaring an Effective Date; and Requiring Delivery of this Resolution to the Company and the Cities' Legal Counsel.

City Manager Joe Price presented Resolution No. 32-2021 for consideration.

After discussion, Mayor Pro-Tem Jones moved, duly seconded by Commissioner Ray to adopt Resolution No. 32-2021 as presented. Motion carried unanimously.

RESOLUTION NO. 32-2021

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF CANYON, TEXAS, APPROVING A NEGOTIATED SETTLEMENT BETWEEN THE EXECUTIVE COMMITTEE OF CITIES SERVED BY ATMOS WEST TEXAS ("CITIES") AND ATMOS ENERGY CORP., WEST TEXAS DIVISION REGARDING THE COMPANY'S 2021 RATE REVIEW MECHANISM FILING; DECLARING EXISTING RATES TO BE UNREASONABLE; ADOPTING TARIFFS THAT REFLECT RATE ADJUSTMENTS CONSISTENT WITH THE NEGOTIATED SETTLEMENT; FINDING THE RATES TO BE SET BY THE ATTACHED SETTLEMENT TARIFFS TO BE JUST AND REASONABLE AND

IN THE PUBLIC INTEREST; APPROVING AN ATTACHED EXHIBIT ESTABLISHING A BENCHMARK FOR PENSIONS AND RETIREE MEDICAL BENEFITS; APPROVING AN ATTACHED EXHIBIT REGARDING AMORTIZATION OF REGULATORY LIABILITY; REQUIRING THE COMPANY TO REIMBURSE CITIES' REASONABLE RATEMAKING EXPENSES; DETERMINING THAT THIS RESOLUTION WAS PASSED IN ACCORDANCE WITH THE REQUIREMENTS OF THE TEXAS OPEN MEETINGS ACT; ADOPTING A SAVINGS CLAUSE; DECLARING AN EFFECTIVE DATE; AND REQUIRING DELIVERY OF THIS RESOLUTION TO THE COMPANY AND THE CITIES' LEGAL COUNSEL.

Item 12. Consider and Take Appropriate Action on Meeting Dates for September and October, 2021.

City Secretary / Director of Administrative Services presented meeting dates for September and October 2021. Ms. Mercer stated the City Commission would need to meet on Tuesday, September 7, 2021 instead of Monday September 6, 2021 due to the Labor Day holiday and to fit with the Budget Calendar. Ms. Mercer then stated to give the Commission a break after all the long meetings for budget and due to a few Commissioners and staff attending the 2021 TML Annual Conference, the Monday, October 4, 2021 meeting be canceled.

Commissioners agreed to meet as recommended and add a budget meeting for August 12, 2021 beginning at 8 am. City Manager Joe Price stated the meeting for August would need to begin at 3 pm with another budget work session.

Item 13. Executive Session Pursuant to §551.071 Consultation with Attorney, §551.072 Deliberations about Real Property, and §551.074 Personnel Matters (City Attorney Annual Evaluation).

Mayor Hinders indicated the City Commission would adjourn into Executive Session at 5:19 pm.

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

Upon returning from Executive Session at 6:00 pm, No action was taken.

Item 15. Adjourn.

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

Gary Hinders, Mayor

ATTEST:

City Commission Meeting

August 2, 2021

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Gretchen Mercer, City Secretary