

The City Commission of the City of Canyon at 3:30 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, Randy Ray, and Kelsey Ward.

Also present were the following City Staff: City Manager Joe Price, Assistant City Manager Jon Behrens, City Secretary Gretchen Mercer, Finance Director Joel Wright, IT Director Shaun Holtman, Communications Director Megan Nelson, Director of Human Resources Hector Mendoza, Director of Public Works Dan Reese, Fire Chief Dennis Gwyn, Director of Planning and Development Danny Cornelius, Police Lieutenant Matt Coggins, Utility Superintendent Eric Whitten, Wastewater Superintendent John Poole, City Engineer Adolpho Garcia, and City Attorney Chuck Hester.

Item 1. Call to Order.

Mayor Hinders called the meeting to order at 3:33 p.m.

Item 2. Invocation.

Commissioner Ray gave the invocation.

Item 3. Pledge of Allegiance.

The Pledge of Allegiance was led by Commissioner Lyons.

Item 4. Approval of Minutes of the Meeting of September 7, 2021.

Commissioner Ward moved, duly seconded by Mayor Pro-Tem Jones to approve the minutes of September 7, 2021 as presented. Motion carried unanimously.

Item 5. Public Comment – Comments from Interested Citizens.

No comments were made.

Item 6. Consider and Take Appropriate Action on Presentation for Tax Increment Reinvestment Zones (TIRZ) Presented by Travis James, VP of TXP, Inc.

Assistant City Manager Jon Behrens introduced Travis James, Vice President of TXP, Inc. who presented information related to Tax Increment Reinvestment Zones (TIRZ). Mr. Behrens stated city staff had been working with Mr. James developing a potential downtown TIRZ map for Canyon as previously directed by the City Commission. Mr. James presented information and explained how a TIRZ district would work stating it is used by local governments to finance public improvements and infrastructure within a defined area through additional tax revenue received from the properties increasing values over time called tax increments. Mr. James stated this is not a tax increase, but uses collected taxes based on property values as they increase. Mr. James then went over the timelines and discussed the importance of other taxing entities such as the County and School District to join in on the TIRZ.

After discussion, Commissioner Ray moved, duly seconded by Mayor Pro-Tem Jones to approve the TIRZ map, with the addition of one property to the west and the commercial property's across the Highway 60 overpass on 15th Street and authorized staff to continue moving forward with the project. Motion carried unanimously.

Item 7. Consider and Take Appropriate Action on Resolution No. 35-2021, A Resolution of the City Commission of the City of Canyon, Texas in Order to Make Nominations to the Board of Directors of Randall County Appraisal District.

City Manager Joe Price presented Resolution No. 35-2021 for consideration. Mr. Price said the Randall County Appraisal Board was seeking nominations and the City of Canyon had the opportunity to nominate and vote on 7 members. Mr. Price said after discussions with Canyon Independent School District and are in agreement to nominate Robin Patterson and Diane Thurman to represent Randall County on the PRAD Board of Directors.

After discussion, Mayor Pro-Tem Jones moved, duly seconded by Commissioner Ray to approve Resolution No. 35-2021 nominating Robin Patterson and Diane Thurman to be placed on the ballot for a position on the Board of Directors of the Randall County Appraisal District. Motion carried unanimously.

RESOLUTION NO. 35-2021
A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF
CANYON, TEXAS IN ORDER TO MAKE NOMINATIONS TO THE
BOARD OF DIRECTORS OF RANDALL COUNTY APPRAISAL
DISTRICT.

Item 8. Consider and Take Appropriate Action on Final Purchase Contract for the Purchase of Property Owned by D&I King Properties and Storage, LLC, Located at 200 Highway 60 for the Purpose of Utilization as Office Space, Shop Space and Storage.

Assistant City Manager Jon Behrens presented a contract to purchase the property owned by D&I King Properties and currently leased by the City of Canyon for use by the Water Department for \$750,000. Mr. Behrens said the building is 23,800 sf and the City currently pays \$81,035 annually in rent. Mr. Behrens stated an additional investment of \$175,000 was needed to make some lighting improvements, update office space HVAC system, replace security fencing around the property and repair the roof. Mr. Behrens stated the City Commission had previously authorized City Manager Joe Price to move forward with contract negotiations. Mr. Price and Finance Director Joel Wright had determined the best financial option to purchase the property would be out of the City Reserves stating that the 2020/2022 budget as approved included the transfer of funds for the purchase.

After discussion, Commissioner Ward moved, duly seconded by Mayor Pro-Tem Jones to execute a contract with D&I King Properties and Storage, LLC, for \$725,000 for the purchase of the property at 200 Highway 60 and that we authorize an additional \$175,000 from reserves to be used to make improvements on the property. Motion carried unanimously.

Item 9. Consider and Take Appropriate Action on Proposal to Conduct a Comprehensive Water, Wastewater, and Solid Waste Cost of Service and Rate Design Study.

Assistant City Manager Jon Behrens presented a proposal from NewGen Strategies & Solutions to conduct a comprehensive water, wastewater, and solid waste cost of service and rate design study. Mr. Behrens said NewGen would determine if our rates and deposits are where they should be as with both residential and commercial.

After discussion, Mayor Pro-Tem Jones moved, duly seconded by Commissioner Ray to execute a contract with NewGen Strategies and Solutions for consulting services to perform a comprehensive water, wastewater, and solid waste cost of service and rate design study for a cost of \$75,000. Motion carried unanimously.

Mayor Hinders indicated the Commission would move to Item 11 and come back to Item 10 after Executive Session.

Item 11. Consider and Take Appropriate Action on Resolution No. 37-2021, A Resolution by the City of Canyon, Texas ("City") Denying Southwestern Public Service Company's Proposed Rate Increase Request in Connection with its Statement of Intent Submitted on About February 8, 2021; Requiring Reimbursement of Reasonable Legal and Consultant Expenses; Finding that the Meeting Complies with the Open Meetings Act; Making Other Findings and Provisions Related to the Subject.

After discussion, Commissioner Ray moved, duly seconded by Mayor Pro-Tem Jones to adopt Resolution No. 37-2021 as presented. Motion carried unanimously.

RESOLUTION NO. 37-2021

A RESOLUTION BY THE CITY OF CANYON, TEXAS ("CITY") DENYING SOUTHWESTERN PUBLIC SERVICE COMPANY'S PROPOSED RATE INCREASE REQUEST IN CONNECTION WITH ITS STATEMENT OF INTENT SUBMITTED ON ABOUT FEBRUARY 8, 2021; REQUIRING REIMBURSEMENT OF REASONABLE LEGAL AND CONSULTANT EXPENSES; FINDING THAT THE MEETING COMPLIES WITH THE OPEN MEETINGS ACT; MAKING OTHER FINDINGS AND PROVISIONS RELATED TO THE SUBJECT.

Mayor Hinder indicated the Commission would take a break at 4:14. The Commission reconvened at 4:32.

Item 12. Conduct a Public Hearing and Consider and Take Appropriate Action on Ordinance No. 1143 Rezoning 2520 5th Avenue, An Ordinance of the City Commission of the City of Canyon, Texas, Rezoning 2520 5th Avenue, A Property Within the City of Canyon, Randall County, Texas, Providing that the Zoning Classification be Posted Upon the Zoning District Maps of the City of Canyon, Providing That All Ordinances or Parts of

Ordinance in Conflict Herewith are Expressly Repealed, and Providing for an Effective Date.

Director of Planning and Development Danny Cornelius presented Ordinance No. 1143 for consideration. Mr. Cornelius said Scott Allison of Champion 1 Builders, LLC Submitted a change of zoning application for the property located at 2520 5th Ave. Mr. Cornelius said the request was to change the zoning to MF (Multi-Family Attached Residential District) from SF-S (Single-Family Suburban Residential District). Mr. Cornelius stated letters were sent to 18 property owners within 200; with 7 responses received, 2 in support and 5 opposed. Mr. Cornelius said more than 20% of the property owners within 200' are opposed to the request, Chapter 156, Zoning Code of the Code of Ordinances, approval required a three-fourths majority vote of all commission members. Mr. Cornelius said the Planning and Zoning Commission voted unanimously to recommend approval of the zoning request.

Mayor Hinders opened the Public Hearing.

Scott Allison, Champion 1 Builders - 8405 Patriot, Amarillo, Texas. Mr. Allison is the builder and gave an overview of his plans for the property at 2520 5th Ave. Mr. Allison said he planned to construct single door entry on the front side of the building with off street parking. In response to concerns of Mayor Hinders, Mr. Allison the build dynamics really would not change other than improving the curb appeal. Commissioner Lyons expressed that Mr. Allison is an excellent builder and built nice properties.

There being no other comment. Mayor Hinders closed the Public Hearing.

After discussion Mayor Pro-Tem Jones moved, duly seconded by Commissioner LYons to adopt Ordinance No. 1143, rezoning 2520 5th Avenue to MF (Multi-Family Attached Residential District). Motion carried unanimously.

ORDINANCE NO. 1143

Rezoning 2520 5th Ave

AN ORDINANCE OF THE CITY COMMISSION OF THE CITY OF CANYON, TEXAS, REZONING 2520 5TH AVENUE, A PROPERTY WITHIN THE CITY OF CANYON, RANDALL COUNTY, TEXAS, PROVIDING THAT THE ZONING CLASSIFICATION BE POSTED UPON THE ZONING DISTRICT MAPS OF THE CITY OF CANYON, PROVIDING THAT ALL ORDINANCES OR PARTS OF ORDINANCES IN CONFLICT HEREWITH ARE EXPRESSLY REPEALED, AND PROVIDING FOR AN EFFECTIVE DATE.

- Item 13. Conduct a Public Hearing and Consider and Take Appropriate Action on Ordinance No. 1144, An Ordinance of the City Commission of the City of Canyon, Texas, Fixing the Ad Valorem Tax Rate and Providing for the Levying of Ad Valorem Taxes for the Use and Support of the Municipal Government of the City of Canyon, Texas for the

Fiscal Year Beginning October 1, 2021 and Ending September 30, 2022 at the Rate of \$0.426180 Per One Hundred Dollars (\$100.00), and For Directing the Assessment Thereof; Providing For a Date on Which Such Taxes Become Due and Delinquent Together with Penalties and Interest Thereon; Providing for Repealing, Savings and Severability Clauses; Providing For an Effective Date of This Ordinance; and Providing For the Publication of the Caption Hereof.

City Manager Joe Price presented Ordinance No. 1144 for consideration. Mr. Price gave a brief overview of the tax rates and effects of the tax rate to citizens of Canyon. Mayor Hinders gave kudos to Mr. Price, Finance Director Joel Wright and staff for a great job balancing the budget for the City of Canyon.

Mayor Hinders opened the public hearing. There being no comment, Mayor Hinders closed the public hearing.

After discussion Commissioner Ward moved, duly seconded by Commissioner Ray that the property tax rate be increased by the adoption of a tax rate of \$0.384590 as the maximum M&O tax rate and \$0.041590 as the maximum I&S proposed tax rate for a combined tax rate of \$0.426180/\$100 valuation, which is effectively a 0.71 percent increase in the tax rate revenue, and that Ordinance No. 1144 setting the City of Canyon's combined ad valorem tax rate be adopted. Motion carried as follows.

Mayor Hinders	aye
Mayor Pro Tem Jones	aye
Commissioner Lyons	aye
Commissioner Ward	aye
Commissioner Ray	aye

ORDINANCE NO. 1144

AN ORDINANCE OF THE CITY COMMISSION OF THE CITY OF CANYON, TEXAS, FIXING THE AD VALOREM TAX RATE AND PROVIDING FOR THE LEVYING OF AD VALOREM TAXES FOR THE USE AND SUPPORT OF THE MUNICIPAL GOVERNMENT OF THE CITY OF CANYON, TEXAS FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2021 AND ENDING SEPTEMBER 30, 2022 AT THE RATE OF \$0.426180 PER ONE HUNDRED DOLLARS (\$100.00), AND FOR DIRECTING THE ASSESSMENT THEREOF; PROVIDING FOR A DATE ON WHICH SUCH TAXES BECOME DUE AND DELINQUENT TOGETHER WITH PENALTIES AND INTEREST THEREON; PROVIDING FOR REPEALING, SAVINGS AND SEVERABILITY CLAUSES; PROVIDING FOR AN EFFECTIVE DATE OF THIS ORDINANCE; AND PROVIDING FOR THE PUBLICATION OF THE CAPTION HEREOF.

Item 14. Executive Session Pursuant to §551.071 Consultation with Attorney, §551.087 Economic Development Negotiations, §551.072 Deliberations about Real Property and §551.074, Board Appointments (Board of City Development, Canyon Parks and Recreation Board, Planning and Zoning Commission, and Canyon Economic Development Corporation).

Mayor Hinders indicated the City Commission would adjourn into Executive Session at 5:04 pm.

Item 15. Consider and Take Appropriate Action on Items Discussed in Executive Session.

Upon returning from Executive Session at 5:56 pm, the following action was taken:

Mayor Pro-Tem Jones moved, duly seconded by Commissioner Lyons to appoint Matt Stockstill to the Planning and Zoning Commission Replacing Mandy Williams. Motion carried unanimously.

Mayor Pro-Tem Jones moved, duly seconded by Commissioner Ward to appoint Jed Welch for a 2 year term for the expired seat of Roger Remlinger and appoint Gary Hinders to the expired seat of Don Lee for a one year term on the Canyon Economic Development Corporation Board. Motion carried unanimously.

Commissioner Ray moved, duly seconded by Mayor Pro-Tem Jones to appoint Annie Miller to the expired seat of Tim Bryson and Allyson Hundley to the expired seat of Jimmy Lackey on the Parks and Recreation Board. Motion carried unanimously.

Mayor Hinders indicated the Commission would move to Item 10 and come back to Item 10 after Executive Session.

Item 10. Consider and Take Appropriate Action on Resolution No. 36-2021, A Resolution of the City of Canyon, City Commission Considering All Matters Incident and Related to Approving and Authorizing Publication and Posting of Notice of Intention to Issue Certificates of Obligation.

Director of Finance Joel Wright presented Resolution No. 36-2021 for consideration. Mr. Wright stated to provide the means to purchase the approximate 64 acres in Section 4, Block 1, TTRR Ry. Co. Survey, Randall County for \$6600.00 per acre, the City would need to issue certificates of obligation in a principal amount of not more than \$4,150,000.00. Mr. Wright said the City may determine to fund some portion of the purchase price using cash reserves and fund the remaining portion of the purchase using certificates of obligation.

After discussion, Mayor Pro-Tem Jones moved, duly seconded by Commissioner Ward to adopt Resolution No. 36-2021 as presented. Motion carried unanimously.

RESOLUTION NO. 36-2021
A RESOLUTION CONSIDERING ALL MATTERS INCIDENT AND
RELATED TO APPROVING AND AUTHORIZING PUBLICATION

AND POSTING OF NOTICE OF INTENTION TO ISSUE
CERTIFICATES OF OBLIGATION

Item 16. Adjourn.

There being no further business, Mayor Pro-Tem Jones moved this meeting be adjourned at 6:01 pm.

Gary Hinders, Mayor

ATTEST:

Gretchen Mercer, City Secretary