

AGENDA

NOTICE OF MEETING

Notice is hereby given that the governing body of the City of Canyon will meet at **1:00** p.m. on the 5th day of December 2016, in the **Adobe Room at the Cole Community Center, 300 16th Street** in the City of Canyon to discuss the following agenda items:

1. Lunch for Commission 1:00 to 2:00 pm.
2. Call Meeting to Order.
3. Invocation.
4. Pledge of Allegiance.
5. Approval of Minutes of the Meeting November 21, 2016.
6. Public Comment – Comments from Interested Citizens.
7. Commission/Staff Training, Conducted by Underwood Law Firm.
8. Presentation from Republic Waste Services on Plans for Future Expansion of Landfill.
9. Consider and Take Appropriate Action on Resolution No. 20-2016, Suspending the Effective Date of A Proposed Rate Increase by West Texas Gas, Inc, Under the GRIP Statute.
10. Executive Session Pursuant to Texas Government Code §551.071, Consultation with Attorney §551.072 Real Property and §551.074 Personnel, Appointments to Boards and Committees (Board of City Development; Canyon Housing Authority; and Parks, Open Space, and Recreation Advisory Committee).
11. Consider and Take Appropriate Action on Items Discussed in Executive Session.
12. Consider and Take Appropriate Action on Meeting Dates for January and February 2017.
13. Adjournment.


Randy Criswell, City Manager

I certify that the above Notice of Meeting was posted on the bulletin board of the Civic Complex of the City of Canyon, Texas on the 2nd day of December 2016.


Gretchen Mercer, City Clerk

The City Commission of the City of Canyon met in regular session at 5:30 p.m. in the City Commission Chambers of the Civic Complex. Mayor Alexander presided over the meeting with the following Commissioners in attendance. Mayor Pro-Tem Gary Hinders, Commissioners David Logan, Justin Richardson and Joseph Shehan.

Also present were the following City Staff: City Manager Randy Criswell, Assistant City Manager Chris Sharp, City Secretary Gretchen Mercer, Assistant City Manager for Special Projects Jon Behrens, Director of Code Enforcement Danny Cornelius, Public Works Director Dan Reese, Director of Parks and Recreation Brian Noel, and City Attorney Chuck Hester.

Item 1. Call to Order.

Mayor Alexander called the meeting to order at 5:32 p.m.

Item 2. Invocation.

Mayor Alexander gave the invocation.

Item 3. Pledge of Allegiance.

The Pledge of Allegiance was led by Riley Snelson, a 5th grader at Canyon Intermediate School, Katelyn Roberts, a 6th grader at Canyon Intermediate School, and Ta'Leeyah Glynn, a 6th grader at Canyon Intermediate School.

Item 4. Approval of Minutes of the Meeting of November 7, 2016.

Commissioner Logan moved, duly seconded by Mayor Pro-Tem Hinders, to approve the minutes of November 7, 2016 as presented. Motion carried unanimously.

Item 5. Public Comment – Comments from In Interested Citizens.

No comments were made.

Item 6. Consider and Take Appropriate Action on Presentation from Mobilitie, Regarding Request to Install Communication Towers Within Public Right-of-Ways.

City Manager Randy Criswell presented a request from Mobilitie to install communication towers within the city's street and alley right-of-ways. Mr. Criswell said the City does have a process for a Specific Use Permit that begins with the Planning and Zoning Commission who makes a recommendation to the City Commission for a final decision, but these are generally for towers placed on private property. Mr. Criswell said Mobilitie wants to use street and alley right-of-ways and not private property. Mr. Criswell said this was a "policy" decision and these are the types of decisions the Commission needs to make. Whatever is done will set the policy going forward. Mr. Criswell stated there will be more tower requests in the future, so this is an important policy decision. Mr. Criswell introduced Mike Arismendez with Mobilitie who made a short presentation for their request.

After discussion, Mayor Alexander directed staff to look for available policies dealing with communication towers knowing there will be more requests to come, and for Mobilitie to research possible alternatives for communication towers to be placed on current structures within the City of Canyon.

Item 7. Consider and Take Appropriate Action on Request from Mark Hughes, Owner of Ranch Hand Apartments, To Provide City Water to an Outside City Limits Customer.

City Manager Randy Criswell presented a request to purchase water from the City of Canyon for an apartment development outside the city limits from the property owner Mark Hughes. Mr. Criswell said it has always been the policy of the City of Canyon not to provide water to “outside city limit” properties. Mr. Criswell said property owners along the transmission line from the Umbarger Well Field were given a one-time opportunity to connect to city water when the line was constructed. Since then there have been no taps allowed outside the City Limits. Mr. Criswell introduced Mark Hughes and he addressed the Commission. Mr. Hughes stated his Ranch Hand Apartments were located west of Canyon and inside the ETJ. Mr. Hughes said the apartments provide rural living for West Texas A&M University students and supplied water via four (4) private wells. Mr. Hughes said the TCEQ recently informed him that he would have to become a Public Water Supply system. Mr. Hughes said he currently had 46 units with a goal of 100 and it has been a successful venture. He stated that he had selected a location for his apartments outside the City Limits to be less expensive to develop. He also said he has retained consultants from Austin to assist him in this process, and they recommended that he contact the City prior to moving forward with any other option. He stated he would have to spend at least \$400,000 to become a Public Water System, and monthly costs of maintaining that system would be great. He asked if the City would consider selling him water, saying he had already received a price from a local contractor of \$100,000 to connect to the City’s system at Brown Road and bring water to him.

After discussion, Mayor Alexander directed Mr. Hughes to meet with City Manager Randy Criswell and Director of Public Works Dan Reese to discuss possible options.

Item 8. Consider and Take Appropriate Action on Resolution No. 19-2016 in Opposition to Revenue Caps and Legislative Interference with Local Services.

City Manager Randy Criswell presented Resolution No. 19-2016 for consideration.

After discussion, Commissioner Logan moved, duly seconded by Commissioner Richardson to adopt Resolution No. 19-2016 as presented. Motion carried unanimously.

RESOLUTION NO. 19-2016
A LOCAL RESOLUTION IN OPPOSITION TO REVENUE CAPS AND
LEGISLATIVE INTERFERENCE WITH LOCAL SERVICES.

Item 9. Consider and Take Appropriate Action on Recommendation from Parks Committee on Name for new Aquatic Center.

Parks and Recreation Director Brian Noel presented a recommendation from the Parks and Open Space Committee for the name of the new Aquatic Center. Mr. Noel said the Parks and Open Space Committee met November 3, 2016 and considered a number of names received by email generated through the city website and Facebook. Mr. Noel said the Parks and Open Space Committee settled on "Canyon Aqua Park" and that was their recommendation to the City Commission. Commissioners asked if there was an alternate recommendation for consideration. Mr. Noel said no, the Committee was encouraged to present 2-3, but the committee settled on this one. Commissioners expressed a concern that this name was not as appealing as some might have been. However, Mayor Alexander expressed appreciation to the committee and their hard work and commended them on a good job. Mayor Alexander stated he would like to see some graphic representations and logos of what this would look like as soon as possible.

After discussion, Commissioner Shehan moved, duly seconded by Commissioner Logan to accept the recommendation of the Parks and Open Space Committee to name the Aquatic Center "Canyon Aqua Park". Motion carried with Mayor Alexander and Mayor Pro-Tem Hinders voting against.

Item 10. Consider and Take Appropriate Action on Recommendation from Parks Committee, Establishing Usage Fees and Hours of Operation for New Aquatic Center.

Parks and Recreation Director Brian Noel said the Parks and Open Spaces Committee met and voted to present the proposed hourly schedule and fee schedule for the new Aquatic Center. Mayor Pro-Tem Hinders stated he hoped to see a bigger benefit for residents of the city who are paying taxes on the Aquatic Center. Commissioners felt the season passes should reflect a higher price for non-residents of the City of Canyon. Assistant City Manager for Special Projects Jon Behrens said the proposed pricing would cover all operational costs if the attendance was as projected.

After discussion, Commissioner Logan moved, duly seconded by Commissioner Richardson to approve the hours and fees as recommended by the Parks and Open Space Committee.

Mayor Pro-Tem Hinders moved to amend the motion made by Commissioner Logan to include "to increase non-residents pass fees by \$100 and non-resident family pass fees by \$200. Commissioner Logan denied the amendment.

The original motion made by Commissioner Logan and seconded by Commissioner Richardson was again considered, and failed with Mayor Alexander, Mayor Pro-Tem Hinders and Commissioner Shehan voting against.

Mayor Pro-Tem Hinders moved, duly seconded by Commissioner Logan to table the recommendation from the Parks and Open Spaces Committee on the hours and fees for the new Aquatic Center allowing them to revisit the fees. Motion carried unanimously.

Item 11. Executive Session Pursuant to Texas Government Code §551.071 Consultation with Attorney, §551.072 Deliberation Regarding Real Property and §551.074 Personnel, Appointments to Boards and Committees (Board of City Development; Canyon Area Library Board; Canyon Housing Authority; Construction Advisory and Appeals Board; Main Street Advisory Board; Parks, Open Space, and Recreation Advisory Committee; Planning and Zoning Commission; and Zoning Board of Adjustment).

Mayor Alexander indicated the Commission would adjourn into executive session at 7:50 pm.

Item 12. Consider and Take Appropriate Action on Items Discussed in Executive Session.

Upon returning from executive session at 8:24 pm, the following action was taken.

Commissioner Shehan moved, duly seconded by Mayor Pro-Tem Hinders to appoint Bonnie Pendleton to replace outgoing member Anita Adair on the Canyon Area Library Board, and to re-appoint Nola Hopkins and Melissa Wright for another term. Motion carried unanimously.

Commissioner Logan moved, duly seconded by Mayor Alexander to re-appoint Nolan Brown and Lyndon Johnson to the Construction Advisory and Appeals Board. Motion carried unanimously.

Commissioner Richardson moved, duly seconded by Mayor Pro-Tem Hinders to appoint Kevin Friemel, Kelsey Ward, and Janna Wartes to fill the expired terms of Joe Rodriguez, John Crozier, and Buster Ratliff on the Canyon Main Street Advisory Board. Motion carried unanimously.

Mayor Pro-Tem Hinders moved, duly seconded by Commissioner Richardson to re-appoint Stuart Sutton, Mary Clare Munger and Howard Morris to the Parks, Open Space, and Recreation Advisory Committee. Motion carried unanimously.

Commissioner Shehan moved, duly seconded by Mayor Alexander to re-appoint John Pletcher, Bobbie Jo Krutsch and Laurie Sharp to the Planning and Zoning Commission. Motion carried unanimously.

Commissioner Logan moved, duly seconded by Commissioner Richardson to re-appoint Charles Robinson, Joan Van Doren, and Pat Williams to the Zoning Board of Adjustment. Motion carried unanimously.

Item 13. Adjournment

There being no further business, Mayor Pro-Tem Hinders moved this meeting be adjourned at 8:27 pm.

Quinn Alexander, Mayor

ATTEST:

Gretchen Mercer, City Secretary

To: Mayor and City Commission
From: Randy Criswell, City Manager
Date: December 5, 2016
Re: Presentation from Republic Waste Services on Plans for Future Expansion of Landfill.

Staff recently had a meeting with representatives from Republic Services, owners of the Southwest Landfill. The company has plans for expansion of the landfill, and I felt it would be appropriate for you to see what they propose, and to be able to have a dialogue with them about it, so you'll know what's down the road.

I invited representatives of Republic to make a brief presentation to you tonight.

No action will be required; this is for informational purposes only.

To: Mayor and City Commission
From: Randy Criswell, City Manager
Date: December 5, 2016
Re: Consider and Take Appropriate Action on Resolution 20-2016, Suspending the Effective Date of A Proposed Rate Increase by West Texas Gas, Inc, Under The GRIP Statute.

On or about November 1, 2016, West Texas Gas, Inc., filed for an increase in rates under GRIP (Gas Reliability Infrastructure Program). GRIP is a statute that allows utilities the opportunity to recover return on capital expenditures made during the interim period between rate cases by applying for interim rate adjustments. Generally, GRIP has been considered by ratemaking authorities (such as cities) to be poor ratemaking, and doesn't take into account all facts and details that should determine rates. If you recall, the cities have created a Rate Review Mechanism (RRM) with Atmos Energy that does not use GRIP. However, that hasn't been done with West Texas Gas.

A recent Texas Supreme Court case has removed some of our authority to intervene and object to a GRIP filing. However, we believe a review of the filing is absolutely warranted, and we have that authority.

To exercise our due diligence, we need to suspend the effective date of the increase for the allowed 45 days to give our consultants time to review the filing and determine if the data and calculations in the filing are accurate and correct. Future action will be required once that review is completed.

The impact of this increase will be an additional meter charge of \$0.59/month on a Residential meter, and \$1.57/month on a Small Commercial meter.

As a side note, until recently we haven't had any West Texas Gas customers in Canyon (but we do have a Franchise Agreement). Lone Star Dairy Products will be WTG's first Canyon customer.

Resolution No. 20-2016 has been prepared to suspend the effective date for 45 days, and it is staff's recommendation that the Resolution be adopted.

RESOLUTION NO. 20-2016

A RESOLUTION BY THE CITY OF CANYON, TEXAS, ("CITY") RESPONDING TO THE APPLICATION OF WEST TEXAS GAS, INC., TO INCREASE RATES UNDER THE GAS RELIABILITY INFRASTRUCTURE PROGRAM; SUSPENDING THE EFFECTIVE DATE OF THIS RATE APPLICATION FOR FORTY-FIVE DAYS; AUTHORIZING THE CITY'S PARTICIPATION IN A COALITION OF CITIES KNOWN AS THE "ALLIANCE OF WEST TEXAS GAS COMPANY MUNICIPALITIES;" REQUIRING THE REIMBURSEMENT OF COSTS; DETERMINING THAT THE MEETING AT WHICH THE RESOLUTION WAS ADOPTED COMPLIED WITH THE TEXAS OPEN MEETINGS ACT; MAKING SUCH OTHER FINDINGS AND PROVISIONS RELATED TO THE SUBJECT; AND DECLARING AN EFFECTIVE DATE.

WHEREAS: on or about November 1, 2016 West Texas Gas, Inc. ("WTG") filed for an increase in gas utility rates under the Gas Reliability Infrastructure Program ("GRIP"), resulting in a requested increase in the monthly customer charge from \$12.64 to \$13.23 for residential customers ("Domestic") and from \$20.72 to \$22.29 for non-residential customers ("Non-Domestic"); and

WHEREAS: the City has a special responsibility to exercise due diligence with regard to rate increases of monopoly utilities who operate within its boundaries; and

WHEREAS: the application to increase rates by WTG is complex; and

WHEREAS: it is necessary to suspend the effective date for the increase in rates for forty-five days, so that the City can assure itself that the data and calculations in WTG's rate application are correctly done; and

WHEREAS: the effective date proposed by WTG is December 31, 2016 but a suspension by the City will mean that the rate increase cannot go into effect prior to February 14, 2017.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF CANYON, TEXAS THAT:

Section 1. That the statements and findings set out in the preamble to this resolution are hereby in all things approved and adopted.

Section 2. The City suspends the requested effective date by WTG for forty-five days pursuant to the authority granted the City under Section 104.301 of the Texas Utilities Code. The City finds that additional time is needed in order to review the data and calculations that provide the basis for the rate increase application.

Section 3. The City shall continue to act jointly with other cities that are part of a coalition of cities known as the Alliance of WTG Municipalities (“AWM”).

Section 4. The City authorizes the law firm of Herrera & Boyle, PLLC, to act on its behalf in connection with WTG’s application to increase rates.

Section 5. WTG is ordered to pay the City's reasonable rate case expenses incurred in response to WTG’s rate increase application within 30 days of receipt of invoices for such expenses to the extent allowed by law.

Section 6. The meeting at which this resolution was approved was in all things conducted in compliance with the Texas Open Meetings Act, Texas Government Code, Chapter 551.

Section 7. This resolution shall be effective immediately upon passage.

PASSED AND APPROVED this 5th day of December 2016.

QUINN ALEXANDER, MAYOR

ATTEST:

Gretchen Mercer, City Secretary

To: Mayor and City Commission
From: Randy Criswell, City Manager
Date: December 5, 2016
Re: Consider and Take Appropriate Action on Meeting Dates for January and February 2017.

We sometimes have to make schedule adjustments in January and February, due to conflicting holidays. January 2017 has a couple of dates we need to discuss. The first Monday is January 2, which will be a city holiday. So obviously, staff would prefer not to meet then. Also, January 16 is Martin Luther King Day, which is a bank holiday affecting two of you

February 2017 has Presidents Day on February 20, which would be the typical second meeting date.

We've enclosed copies of calendars for January and February for your use. It would be staff's recommendation that we meet on January 9 and 23, and February 6. There would be no meeting on February 20.

January 2017

Sun	Mon	Tue	Wed	Thu	Fri	Sat
1  Happy New Year	2 City Hall closed for New Years	3	4	5	6	7
8	9	10	11	12	13	14
15	16 Martin Luther King Day  City Hall is OPEN	17	18	19	20	21
22	23	24 He Ha  National Belly Laughter Day City Hall Is OPEN	25	26	27	28
29	30	31				

FERUARY 2017

Sun	Mon	Tue	Wed	Thu	Fri	Sat
			1	2 Happy Groundhog Day 	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20 Presidents Day 	21	22	23	24	25
26	27 City Hall is OPEN	28				