

# AGENDA

## NOTICE OF MEETING

Notice is hereby given that the governing body of the City of Canyon will meet at 4:30 p.m. on the 2<sup>nd</sup> day of March 2020, in the Commission Chambers of City Hall at 301 16th Street in the City of Canyon to discuss the following agenda items:

1. Call to Order.
2. Invocation.
3. Pledge of Allegiance.
4. Approval of the Minutes of the Meeting of February 3, 2020.
5. Approval of the Minutes of the Worksession of February 18, 2020.
6. Public Comment – Comments from Interested Citizens.
7. Consider and Take Appropriate Action on Second and Final Reading of Resolution No. 01-2020 With Regards to Direct Financial Assistance to Deidre Dixon Marketing dba Walcot Studio. The Assistance is for Business Expansion and Job Creation.
8. Consider and Take Appropriate Action on Second and Final Reading of Resolution No. 02-2020 With Regards to the Creek House Honey Farm Expansion.
9. Consider and Take Appropriate Action of Recommendations from Board of City Development (BCD) for 2020 Budget.
10. Consider and Take Appropriate Action on Bids Received for Sealcoating – 2020 Project.
11. Consider and Take Appropriate Action on Bids Received for Wastewater Treatment Plant Improvements – Aeration Units.
12. Executive Session Pursuant to §551.071 Consultation with Attorney; §551.074 Personnel Matters (Police Chief, Fire Chief) §551.087 Economic Development.
13. Consider and Take Appropriate Action on Items Discussed in Executive Session.
14. Adjourn.

  
\_\_\_\_\_  
Joe Price, 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 28<sup>th</sup> day of February 2020.

  
\_\_\_\_\_  
Gretchen Mercer, City Clerk

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, Roger Remlinger, Paul R. Lyons and Randy Ray. Mayor Pro-Tem Cody Jones was unable to attend.

Also present were the following City Staff: City Manager Joe Price, Assistant City Manager Jon Behrens, City Secretary Gretchen Mercer, Business and Community Development Director Evelyn Ecker, Canyon Economic Development Corporation Board President Don Lee, Library Director Janice Doan, Planning and Development Director Danny Cornelius, Interim Police Chief Ray Resendez, Utility Department Supervisor Eric Whitten, Interim Fire Chief Vince Whitfill, Director of Finance Joel Wright, Police Corporal Ricky Cash, Police Sargent Kris Marvel, Police Sargent Carlos Hernandez, Municipal Court Judge Bob Splawn, Municipal Court Clerk Sheila Roach, Water Department Foreman Jeff Williams , and City Attorney Chuck Hester.

Item 1. Call to Order.

Mayor Hinders called the meeting to order at 4:34 p.m.

Item 2. Invocation.

Commissioner Ray gave the invocation.

Item 3. Pledge of Allegiance.

The Pledge of Allegiance was led by Commissioner Remlinger.

Item 4. Approval of Minutes of the City of Canyon Commission Meeting of January 6, 2020.

Commissioner Remlinger moved, duly seconded by Commissioner Ray to approve the minutes of January 6, 2020 as presented. Motion carried unanimously.

Item 5. Public Comment – Comments From Interested Citizens.

No comments were made.

Item 6. First Reading of Resolution No. 01-2020 to Consider a Funding Agreement Between the Canyon Economic Development Corporation and Deidre Dixon Marketing, LLC.

Business and Community Development Director Evelyn Ecker presented Resolution No. 01-2020 for the first of two required readings. Ms. Ecker stated the funding project would support job creation and expansion of technology infrastructure to accommodate new employees. Ms. Ecker stated the required Public Hearing for the project was held January 9, 2020 during the regular meeting of the Canyon Economic Development Corporation meeting with no opposition.

No action taken, first reading of Resolution No. 01-2020 only.

**RESOLUTION NO. 01-2020**

**A RESOLUTION APPROVING PROJECT FUNDING AGREEMENT BETWEEN THE CANYON ECONOMIC DEVELOPMENT CORPORATION AND DEIDRE DIXON MARKETING, LLC., DBA WALCOT STUDIO FOR DIRECT FINANCIAL ASSISTANCE TO EXPAND THE CURRENT BUSINESS LOCATED AT 1600 4<sup>TH</sup> AVE, CANYON, TEXAS. THE EXPANSION INCLUDES NEW JOBS AND TECHNOLOGY INFRASTRUCTURE.**

- Item 7. First Reading of Resolution No. 02-2020 to Consider a Funding Agreement Between the Canyon Economic Development Corporation and Creek House Honey Farm.

Business and Community Development Director Evelyn Ecker presented Resolution No. 02-2020 for the first of two required readings. Ms. Ecker stated Creekhous Honey Farm has been very successful meeting their 3<sup>rd</sup> year projection within 4 months of business and has become a destination for tourists. Ms. Ecker said the funding agreement would support expansion of the current facility and encourage retail sales, generate more local and state sales tax, and create jobs. Ms. Ecker said the required public hearing was held at the Canyon Economic Development Corporations regular meeting January 9, 2020 with no opposition.

No action taken, first reading of Resolution No. 02-2020 only.

**RESOLUTION NO. 02-2020.**

**A RESOLUTION APPROVING PROJECT FUNDING AGREEMENT BETWEEN THE CANYON ECONOMIC DEVELOPMENT CORPORATION AND CREEK HOUSE HONEY FARM FOR DIRECT FINANCIAL ASSISTANCE TO EXPAND THE CURRENT BUSINESS LOCATED AT 5015 4<sup>TH</sup> AVENUE, CANYON, TEXAS. THE EXPANSION WOULD ENCOURAGE RETAIL SALES, GENERATE STATE AND LOCAL SALES TAX, AND CREATE JOBS.**

- Item 8. Consider and Take Appropriate Action on Ordinance No. 1121 Annexing Property for Hunsley Hills Substation Unit No. 1.

Planning and Development Director Danny Cornelius presented Ordinance No. 1121 for consideration. Mr. Cornelius stated the annexed property was owned by Southwestern Public Service Company and SPS planned to construct a substation on the site. Mr. Cornelius stated all legal requirements had been met for the annexation process. Mayor Hinders asked about landscape concerns since this would border the highway in close proximity to homes. Mr. Cornelius stated SPS would put up a wall with xeriscaping around it.

After discussion, Commissioner Remlinger moved, duly seconded by Commissioner Ray to adopt Ordinance No. 1121 as presented. Motion carried unanimously.

**ORDINANCE NO. 1121  
ANNEXING TERRITORY TO THE CITY OF CANYON  
XCEL Energy, Inc.**

**AN ORDINANCE OF THE CITY OF CANYON, TEXAS, ANNEXING THE TERRITORY HEREIN DESCRIBED TO THE CITY OF CANYON IN RANDALL COUNTY, TEXAS, EXTENDING THE BOUNDARY LIMITS OF THE CITY OF CANYON TO INCLUDE THE PROPERTY HEREIN DESCRIBED WITHIN THE SAID CITY LIMITS, AND GRANTING TO ALL THE INHABITANTS OF SAID PROPERTY ALL THE RIGHTS AND PRIVILEGES OF OTHER CITIZENS AND BINDING SAID INHABITANTS BY ALL OF THE ACTS, ORDINANCES, RESOLUTIONS, AND REGULATIONS OF SAID CITY.**

Item 9. Consider and Take Appropriate Action on Ordinance No. 1122 Annexing Property for Canyon East.

Planning and Development Director Danny Cornelius presented Ordinance No. 1122 for consideration. Mr. Cornelius stated all legal requirements had been met for annexation.

After discussion, Commissioner Ray moved, duly seconded by Commissioner Remlinger to adopt Ordinance No. 1122 as presented. Motion carried unanimously.

**ORDINANCE NO. 1122  
ANNEXING TERRITORY TO THE CITY OF CANYON  
KUHLMAN AND SONS, LP.**

**AN ORDINANCE OF THE CITY OF CANYON, TEXAS, ANNEXING THE TERRITORY HEREIN DESCRIBED TO THE CITY OF CANYON IN RANDALL COUNTY, TEXAS, EXTENDING THE BOUNDARY LIMITS OF THE CITY OF CANYON TO INCLUDE THE PROPERTY HEREIN DESCRIBED WITHIN THE SAID CITY LIMITS, AND GRANTING TO ALL THE INHABITANTS OF SAID PROPERTY ALL THE RIGHTS AND PRIVILEGES OF OTHER CITIZENS AND BINDING SAID INHABITANTS BY ALL OF THE ACTS, ORDINANCES, RESOLUTIONS, AND REGULATIONS OF SAID CITY.**

Item 10. Planning and Development 2019 Annual Report.

Planning and Development Director Danny Cornelius gave a summary of activity in the Planning and Development Department for 2019.

Commissioners commended the Planning and Development Department on turning the department around and successfully dealing with the growth of the city efficiently and professionally.

Item 11. Parks and Recreation Update.

Assistant City Manager Jon Behrens presented information to the Commission on great things happening in Canyon Parks.

Mr. Behrens stated the Parks Department received another Chapman Forestry Foundation Grant for the purchase of trees. Mr. Behrens said the grant would allow for an additional 29 trees to be planted

along the east side of the Brown Road Soccer Complex. Mr. Behrens said the grant is a matching fund grant for up to \$2,500.

Mr. Behrens said the Parks and Recreation staff had submitted the Brown Road Soccer Complex for the annual Soccer Fields of the Year award through the Texas Turfgrass Association. Mr. Behrens stated the application included a description of the complex with photos, information related to the field's maintenance program, operating budget, irrigation system, and the number of games played in the complex. Mr. Behrens stated the Brown Road Soccer Complex was awarded the Soccer Field of the Year award at the TTA Conference in Corpus Christi, Texas, in December 2020.

Mayor Hinders commended the Parks Department for the great job over the last year.

Item 12. Consider and Take Appropriate Action on Omni Agreement With Texas Department of Public Safety.

City Attorney Chuck Hester presented to the Commission. Mr. Hester stated the Canyon Municipal Court participates in the DPS Failure to Appear program and has contracted with a third-party vendor to enter violator data in the database to identify offenders who fail to appear or pay fines. Mr. Hester stated this database is used by courts and DPS in license renewal decisions that help in securing compliance.

After discussion, Commissioner Remlinger moved, duly seconded by Commissioner Ray to approve the Interlocal Cooperation Contract received from DPS and to authorize the City Manager or the Mayor as the signatory on behalf of the City. Motion carried unanimously.

Item 13. Canyon Police Department 2019 Racial Profiling Report and Annual Report.

Interim Police Chief Ray Resendez presented the 2019 Racial Profiling Report and Annual Police Report.

After discussion, Commission Remlinger moved, duly seconded by Commissioner Ray to recommend the acceptance of the Canyon Police Department 2019 Racial Profiling Report and Annual Report as presented. Motion carried unanimously.

Item 14. Consider and Take Appropriate Action on Resolution No. 04-2020 for SPS Rate Case Denial.

City Manager Joe Price presented Resolution No. 04-2020 for consideration.

After discussion, Commissioner Remlinger moved, duly seconded by Commissioner Lyons to approve Resolution No. 04-2020 as presented. Motion carried unanimously.

Item 15. Executive Session Pursuant to §551.074 Personnel Matters (Main Street Board); §551.071 Consultation with Attorney, §551.087 Economic Development, and §551.075 Contract Being Negotiated.

Mayor Hinders indicated the Commission would adjourn into Executive Session at 5:46 pm.

Item 16. Consider and Take Appropriate Action Contract With Lone Star Dairy Products, LLC.

Upon returning from Executive Session at 7:32 pm, the following action was taken.

Commissioner Remlinger moved, duly seconded by Commissioner Ray to allow City Manager Joe Price to sign a contract for Wastewater Treatment Improvements with the ok of legal counsel. Motion carried unanimously.

Item 17. Consider and Take Appropriate Action on Items Discussed in Executive Session.

Commissioner Remlinger moved, duly seconded by Commissioner Lyons to appoint Margie Cobb to the vacated term of Christi Mahan on the Main Street Advisory Board. Motion carried unanimously.

Item 18. Adjourn

There being no further business, Commissioner Remlinger moved this meeting be adjourned.

---

Gary Hinders, Mayor

ATTEST:

---

Gretchen Mercer, City Secretary

The City Commission of the City of Canyon met in a special work session at 11:00 am 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, Roger Remlinger and Paul R. Lyons and Randy Ray.

Also present were the following City Staff: City Manager Joe Price, Assistant City Manager Jon Behrens, Planning and Development Director Danny Cornelius, Director of Public Works Dan Reese, City Engineer Dwight Brandt, CISD Superintendent Darryl Flusche, CISD Assistant Superintendent of Business and Operations Heather Wilson, City Attorney Chuck Hester.

Item 1. Call to Order.

Mayor Gary Hinders called the Work Session to order at 11:06 am.

Item 2. Discussion with CISD on Sewer Improvement Project.

City Manager Joe Price introduced representatives from CISD, Superintendent Darryl Flusche and Assistant Superintendent of Business and Operations, Heather Wilson. Mr. Price stated CISD is building Spring Canyon Elementary in the new Spring Canyon subdivision. Ms. Wilson said the sewer line needed for the elementary school had a price tag of \$623,000 with additional engineering fees of \$69,000. Ms. Wilson said CISD was pursuing the idea of seeking reimbursement from other entities tying into the sewer line in the future. Mr. Price explained this could be accomplished by implementing a "frontage fee", which is what the City of Amarillo uses. City Engineer Dwight Brandt explained the fee structure for Amarillo is determined by the size of the lot's front footage multiplied by a set fee as established by the city. The cost goes to the City and they then remit the funds to the entity that paid for the installation of the line. The city would not keep any of the funds from the transaction. Discussion on "Pro Rata" system was discussed with Mr. Price stating it was a fairer system and accommodates the water, waste water, road and storm sewer runoff. The City Commission agreed both systems should be researched.

Item 3. Discussion of Future and Current Developments Within the City of Canyon.

- Spring Canyon
- Canyon East
- Crestview Estates
- Rocky Ridge
- East Quail Creek

City Manager Joe Price began discussion of current and future developments within the City of Canyon. Mr. Price stated staff was currently updating the Subdivision Regulations and Development Standards manual. Mr. Price said the team working on the manual was himself, Public Works Director Dan Reese, Planning and Development Director Danny Cornelius, Assistant City Manager Jon Behrens and City Engineer Dwight Brandt. Several issues were discussed such as the enforcement of requiring developers to get a bond or Letter of Credit from a lending institution to cover incomplete developments; developers not providing enough information or design specs to allow the city to make an informed decision on approval so the developer can move forward on a project.

Item 4. Discussion on Proposed Subdivision Ordinance and ROI Projects.

City Manager Joe Price continued the discussion on the update of Subdivision Regulations and Development Standards manual, Ordinances and ROI Projects.

Item 5. Adjournment.

There being no further discussion, Mayor Pro-Tem Richardson moved this meeting be adjourned.

---

Gary Hinders, Mayor

ATTEST:

---

Gretchen Mercer, City Secretary



To: Joe Price, City Manager  
From: Evelyn Ecker, Executive Director, CEDC  
Date: March 2, 2020  
Re: Consider and Take Appropriate Action on the Second and Final Reading of Resolution No. 01-2020 With Regards to Direct Financial Assistance to Deidre Dixon Marketing dba Walcot Studio. The Assistance is for Business Expansion and Job Creation.

---

Walcot Studio, a marketing agency, was founded in 2014. Their office is located at 1600 4<sup>th</sup> Avenue and they recently signed a 5-year lease.

The business has experienced a tremendous amount of growth in the last 14 months. In order to support the demand and continue operating toward their goals for the future, a request was made for the following:

- Financial assistance to support the local team members who will be hired as employees. Those positions include a Designer/ Marketing Professional; Developer (replacing three 1099 contract workers); and Client and Executive Administration Support. The first position would be the Designer, who will be hired the first quarter of 2020. An amount of \$30,000 has been allocated for new hires.
- With new employees, comes the need for additional technology and infrastructure upgrades. This would include computers, commercial printer, supplies, camera/tech equipment, software and licensing fees. The approved funding for this section of the expansion is \$25,000.
- Total funding approved by the CEDC is \$55,000.
- Funding will be disbursed after each new employee is hired and technology/infrastructure is purchased for the new employees.

**Staff Recommends the adoption of Resolution No. 01-2020.**

**RECOMMENDED MOTION**

*“I move to adopt Resolution No. 01-2020 for the approval of funding with regards to the Walcot Studio business expansion.*

**CANYON ECONOMIC DEVELOPMENT CORPORATION**  
**PROJECT FUNDING AGREEMENT**

**Deidre Dixon Marketing, LLC.**  
**dba Walcot Studio**

This agreement is made by and between the Canyon Economic Development Corporation (CEDC), a Texas non-profit corporation duly organized and existing pursuant to the TEXAS DEVELOPMENT CORPORATION ACT and Deidre Dixon Marketing LLC., a Texas Limited Liability Corporation (hereinafter referred to as “Second Party.”)

1. The purpose of this agreement is to facilitate the proper use of funds held and administered by the CEDC, a tax supported non-profit corporation whose primary income is from sales tax collected within the City of Canyon and dedicated exclusively to economic development. The sales tax supporting CEDC is authorized as a local option under Chapter 505 TEX. LOC. GOV'T CODE, formerly TEX. REV. CIV. STAT. ART. 5190.6 §4B, the primary purpose of which is the developing, stabilizing, diversifying, and expanding the economy through the retention, recruitment, expansion, and employment opportunities of the citizens of Canyon and the surrounding area and to enhance the quality of life of the citizens of Canyon and the surrounding area.
2. The project and performance requirements to be implemented by means of this agreement are described as follows:
  - a. Second Party shall maintain the business, Walcot Studio, located at 1600 4<sup>th</sup> Avenue, Canyon, Texas.
  - b. Second Party shall maintain ownership of Walcot Studio for five (5) years.
  - c. Provide CEDC with Financials (semi-annually). Financials should include P&L, Balance Sheet, and General Ledger. Also include copies of quarterly report (Texas Employment Report) submitted to the Texas Workforce Commission.
3. The CEDC will provide the following funding and financial incentive for the project:
  - a. An amount, not to exceed \$55,000.00 payable as follows: reimbursement will occur when technology infrastructure is purchased. The allocated amount for this expansion is \$25,000.

An amount not to exceed \$30,000 for job incentives. The incentive is to replace contract workers with 3-4 permanent fulltime employees. This will be paid at a rate of \$3,600 monthly for six (6) months as new employees are hired, with a balance of \$8,400 when all positions are filled.

- b. All other terms and provisions of this agreement notwithstanding, the obligations of the parties hereto are expressly made contingent upon the following:
  - i. approval of the financial incentive by the CEDC Board;
  - ii. approval of the financial incentive by the Canyon City Commission; and,
  - iii. Compliance with the requirements of the Texas Development Corporation Act.
4. The failure of Second Party to fully and timely comply with any performance requirement shall be an act of default by Second Party which shall entitle the CEDC to suspend further funding and, at its option, to terminate this agreement by written notice delivered pursuant to paragraph 9. In such event, all financial incentives provided by CEDC to Second Party shall be repaid to CEDC upon demand.
5. Second Party agrees to undertake the following actions in order to accomplish the project:
  - a. Comply at all times with the requirements of paragraph 2 of this agreement during the term of this agreement.
6. Second Party makes the following covenants and warranties to the CEDC and agrees to timely and fully perform the following obligations and duties:
  - a. Any false or substantially misleading statement contained herein or the failure of Second Party to comply and fully perform as required in this agreement shall be an act of default by Second Party. Failure to comply with any covenant or warranties shall constitute an act of default and entitle the CEDC to suspend further funding and at its option to terminate this agreement by written notice in accordance with paragraph 9 below.
  - b. Second Party is authorized to do business in Texas, is in good standing in the State of Texas and shall remain in good standing in the State of Texas during the term of this agreement.
  - c. The execution of this agreement has been duly authorized by the governing body of Second Party and all necessary corporate approvals have been obtained. Second Party's designated agent or officer executing this agreement is duly authorized and empowered to execute this agreement and bind Second Party to the covenants, warranties and other terms of this agreement. Second Party's execution of this agreement and the performance thereof is not contrary to any law, rule, regulation, or provisions of Second Party's organizational documents or any contract, instrument, or agreement to which Second Party is a party or by which it may be bound at the time this agreement is executed. The necessary authority for the agent whose signature that appears below is evidenced by a resolution or certificate furnished to CEDC or attached to this agreement.

- d. No litigation or governmental proceeding is pending or to the knowledge of Second Party is contemplated or threatened against Second Party or affecting it's operations or business that may result in any material or adverse change in Second Party's business, properties, or operations. To Second Party's knowledge, no additional consent, approval, or authorization of a governmental entity or other authority is required in connection with the execution and performance of this agreement or the transactions contemplated hereby.
- e. To Second Party's knowledge no certificate or statement delivered by Second Party to CEDC in connection with this agreement or any transaction contemplated by this agreement contains any untrue statement or fails to state the facts necessary to keep the statements contained therein from being misleading or false.
- f. There are no bankruptcy proceedings or other legal proceedings currently pending or contemplated affecting the Second Party. The Second Party has not been informed of any intent to initiate involuntary bankruptcy proceedings against Second Party.
- g. To its knowledge Second Party has acquired and maintained all necessary rights, licenses, permits, and authority to carry on its business in Texas and to perform the terms of this agreement and will continue to use its best efforts to maintain all necessary rights, licenses, and permits in current status and good standing.
- h. The funds provided by CEDC shall be utilized solely for the purpose of the project as stated in this agreement and within the scope of the project as stated in this agreement and for no other purpose.
- i. Second Party shall pay all taxes and assessments due and owing to all taxing authorities having jurisdiction over Second Party's property and business operations. In addition, Second Party shall timely pay all employment, income, franchise, and other taxes due and owing by Second Party to all local, state, and federal entities.
- j. Second Party shall complete the project required by this agreement and shall provide the necessary staff and employees for the completion and performance of this agreement.
- k. Second Party shall timely and fully perform and comply with all terms and conditions of this agreement.
- l. Upon written request of CEDC Second Party shall notify CEDC in writing of substantial changes in the management of Second Party within seven (7) days. Substantial changes shall mean changes in executive officers, board members, or managers.
- m. The Second Party agrees that with regard to all programs and activities arising out of this agreement, the Second Party shall fully comply with all civil rights acts and specifically will not discriminate against any person upon the basis of race, color, national origin, gender, or by reason of being disabled.

7. The CEDC under the following circumstances and at the sole discretion of its board of directors may suspend the obligations under this agreement or may terminate this agreement without liability to the CEDC upon:
  - a. The filing of bankruptcy proceedings or the appointment of a receiver of Second Party or any part of its assets or property and failure of such bankruptcy or receivership to be discharged within sixty (60) days of filing.
  - b. The adjudication of Second Party as a bankrupt.
  - c. A change in ownership of Second Party which constitutes a material change in the nature of Second Party's business and operations.
8. Second Party agrees to the following reports and monetary requirements in connection with the project:
  - a. Second Party shall provide periodic reports as requested by the CEDC.
  - b. During normal business hours, Second Party shall allow a representative of the CEDC reasonable access to its books and records to verify compliance with this agreement. CEDC agrees to maintain the confidentiality of such records. Information shall be used only for the purpose of administering the funding provided by CEDC pursuant to this agreement and for no other purpose; provided however, CEDC may, if required by legal process or at the discretion of the office of the Attorney General provide such documentation to a third party as is required by the Attorney General or pursuant to such legal process.
9. Should Second Party fail to timely, fully, and completely comply with any one or more of the requirements, obligations, duties, terms, and conditions or warranties of this agreement such failure shall constitute an act of default by Second Party and, if not fully and completely cured within 60 days after written notice by CEDC to Second Party, the CEDC may terminate this agreement and pursue any legal remedies existing under the law; provided however, that Second Party's liability under this agreement shall be limited to the immediate return by Second Party of all funds or other economic incentives provided by the CEDC and any consideration previously paid to Second Party by the CEDC. The rate of interest on all funds paid by the CEDC to Second Party subject to refund shall be 6% per annum from the date of default. In the event CEDC should prevail in any litigation to recover funds pursuant to this paragraph, the CEDC shall, in addition to all other damages provided by this paragraph, be entitled to recover reasonable attorney's fees and expenses of litigation.
10. In the event of unforeseeable delays, in the performance of this agreement by Second Party, or force majeure, and upon a reasonable showing by Second Party that it has immediately and in good faith commenced and is diligently and continuously pursuing the correction, removal, or abatement of such delays by using its best efforts, CEDC may consent and excuse any such delay, which consent shall not be unreasonably conditioned or withheld. The failure by Second Party to continuously and diligently pursue compliance shall constitute an act of default.

11. Any delay by the CEDC in providing notice of default to Second Party, shall in no event be deemed or constitute a waiver of such default by CEDC or waiver of any of its rights and remedies available under this agreement or at law or in equity.
12. Any waiver provided by CEDC to Second Party of an act of default shall not be deemed to constitute a continuing waiver or a waiver of any other existing or future act of default by Second Party even if the act or default is of the same or a similar nature.
13. Second Party specifically agrees that CEDC shall only be liable to Second Party for the amount of money actually budgeted and committed to the project described in this agreement. CEDC shall not be liable or held responsible for any other direct or indirect costs, attorney's fees, court costs, actual or consequential damages, direct or indirect, for any act of default by CEDC under the terms of this agreement. It is further stipulated and agreed that CEDC shall only be required to pay the amount of the project cost out of its sales tax revenues held and administered pursuant to the Development Corporation Act for the fiscal year in which the funding under this agreement is due together with unencumbered funds then on hand and from no other source. It is specifically agreed however, that in the event actual total sales tax revenues collected by CEDC for any year during which this agreement is to be performed should be less than the total amount of all grants to all contracting parties for that year, then in that event, CEDC shall fund projects in the order the grants were awarded after payment of CEDC's usual administrative cost and expenses. All contracting parties shall receive only their share of the available sales tax revenue for that year, less CEDC's customary and usual administrative costs and expenses and CEDC shall not be liable to any contracting party for any deficiency for that time or in the future. In the event of such revenue shortfall, CEDC will provide written notice to all contracting parties affected by the revenue shortfall along with such documentation as will allow the contracting party to ascertain their share of the funding to be provided.
14. This agreement incorporates the entire agreement of the parties hereto and supersedes any oral or written previous and contemporaneous agreements between the parties relating to the matters covered by this agreement. Except as otherwise provided herein, this agreement cannot be modified or amended without a written agreement of the parties.
15. No term or provision of this agreement or an act of the CEDC in the performance of this agreement shall be construed as making or constituting Second Party or its employees, or agents, partners of the CEDC or employees of the CEDC. This contract shall not benefit any third party not a direct party to this agreement.
16. The termination of this agreement as provided herein may be upon mutual agreement of the parties or pursuant to the provisions hereof relating to default. The termination of this agreement either by mutual agreement or by notice served by the CEDC shall extinguish all rights, duties, and obligations of the CEDC and Second Party except as provided herein.
17. This agreement may be executed in a number of identical counterparts each of which shall be deemed an original upon execution and shall constitute the same instrument.

18. This agreement is made pursuant to the laws of the State of Texas and shall be governed and interpreted under the laws of the State of Texas without regard to any conflict of laws provision. Venue in any litigation arising out of the execution or performance of this agreement shall be in the court of appropriate jurisdiction in Randall County, Texas and in no other Venue. Second Party, by signing this agreement, consents to and waives any objections to *in personam jurisdiction* in Randall County, Texas.
19. In the event one or more of the provisions contained in this agreement should, for any reason, be held invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provisions of this agreement. This agreement shall be construed as if such invalid, illegal, or unenforceable provision had not been contained herein.
20. This agreement is subject to all legal requirements contained in the Municipal Charter of the City of Canyon and Code and Ordinances of the City of Canyon and all other applicable state and federal laws and regulations. Second Party agrees that, in compliance with this agreement, it will promptly comply with all applicable laws, regulations, orders, and rules of the state, city, and other governmental entities.
21. This agreement shall be binding upon the parties hereto, their successors, and (where permitted) assigns. This agreement may not be assigned by either party without the specific prior written consent of the other, which consent shall not be unreasonably withheld or conditioned. Provided however, that in the event Second Party transfers all or substantially all its assets to another entity or merges with another entity to the extent that the underlying purpose of this agreement cannot, in the sole discretion of the CEDC's board of directors, be accomplished, the CEDC shall have the option to suspend its performance under this agreement or terminate this agreement.
22. Second Party represents that no member of the board of directors of the CEDC or member of the governing body of the City of Canyon or any officer or employee of the City of Canyon or CEDC will be compensated in any manner with respect to directly or indirectly bringing the parties together for the purpose of this agreement or participation in the negotiation or formation of this agreement. No finder's fee or other origination fee of any type will be paid or will become payable to any officer or employee of the City of Canyon, member of the governing body of the City of Canyon, or the governing body of the CEDC with regard to the formation or performance of this agreement.
23. All notices from one party to the other party required or permitted by this agreement shall be delivered personally or sent by certified mail postage prepaid addressed to the party at the address shown on the signature page. All notices shall be deemed given on the date so delivered or deposited in the mail unless otherwise provided. Either party may change its address by sending written notice of such change to the other party in the manner provided by this agreement.
24. All representations, warranties, covenants, and agreements of the parties as well as all rights and benefits of the parties pertaining to the transaction contemplated by this agreement shall survive the original execution date of this agreement and shall constitute continuing obligations.

Effective Date: \_\_\_\_\_

Second Party

CANYON ECONOMIC DEVELOPMENT

DEIDRE DIXON MARKETING, LLC.

By: \_\_\_\_\_

Don Lee, President/Chairman  
Address: 1604 4<sup>th</sup> Avenue, Suite 21  
Canyon, Texas 79015

By: \_\_\_\_\_

Deidre Dixon, Managing Member  
1600 4<sup>th</sup> Avenue  
Canyon, Texas 79015



**RESOLUTION NO. 01-2020**

**APPROVING PROJECT FUNDING AGREEMENT  
BETWEEN THE CANYON ECONOMIC  
DEVELOPMENT CORPORATION AND DEIDRE  
DIXON MARKETING, LLC., DBA WALCOT STUDIO  
FOR DIRECT FINANCIAL ASSISTANCE TO EXPAND  
THE CURRENT BUSINESS LOCATED AT 1600 4<sup>TH</sup>  
AVENUE, CANYON TEXAS. THE EXPANSION  
INCLUDES NEW JOBS AND TECHNOLOGY  
INFRASTRUCTURE**

WHEREAS, on January 9, 2020, the Canyon Economic Development Corporation (“CEDC”) held a public hearing regarding the use of sales and tax revenue collected pursuant to the Development Corporation Act of 1979 (Tex.Rev.Civ.State.Art. 5190.6§4B, “the Act”) and to consider a funding agreement for direct financial assistance to expand the current business located at 1600 4<sup>th</sup> Avenue, Canyon Texas. The project includes new jobs and technology infrastructure.

WHEREAS, the City Commission of the City of Canyon, Texas finds it to be in the public interest to execute a Project Funding Agreement between the Canyon Economic Development Corporation and Deidre Dixon Marketing, LLC.

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

That the Mayor and the City Clerk are hereby authorized to execute and attest, respectively, on behalf of the City of Canyon Texas, a Project Funding Agreement between the Canyon Economic Development Corporation and Deidra Dixon Marketing, LLC; regarding the use of funds from the Sales Tax Improvement Fund (Fund40) for costs related to the project.

INTRODUCED at the First Reading on the 3<sup>rd</sup> day of February, 2020, and tentatively Adopted on the Second and Final Reading on the 2<sup>nd</sup> day of March, 2020.

---

Gary Hinders, Mayor

ATTEST:

---

Gretchen Mercer, City Clerk

To: Joe Price, City Manager  
From: Evelyn Ecker, Executive Director, CEDC  
Date: March 2, 2020  
Re: Consider and Take Appropriate Action on Second and Final Reading of Resolution No. 02-2020 With Regards to the Creek House Honey Farm Expansion.

---

Creek House Honey Farm is expanding their business. In 2019, which was their first full year of operation, they had approximately 2,000 people through their doors for field trips, beekeeping classes and bee tours. Special events were hosted throughout the 12 months which brought over 3,000 people to the farm. A summary of the project and funding follows:

- An additional space of 2,400 sf will be built on the east side of the existing facility. The goal is to increase their education space to accommodate more school field trips and to allow an increase in class size for the Beginning Beekeeping classes, which currently has a waiting list due to the limited space. The expansion will also offer more space for the tour buses and events.
- The cost of expanding the facility is approximate \$250,000. The CEDC has committed \$100,000 to the project that will be disbursed with consideration to the construction timeline as stated in the Funding Agreement.

**Staff recommends the adoption of Resolution No. 02-2020.**

**RECOMMENDED MOTION**

*“I move to adopt Resolution No. 02-2020 for the approval of funding with regards to the Creek House Honey Farm expansion project”.*

**CANYON ECONOMIC DEVELOPMENT CORPORATION**  
**PROJECT FUNDING AGREEMENT**  
**Creek House Honey Farm**

This agreement is made by and between the Canyon Economic Development Corporation (CEDC), a Texas non-profit corporation duly organized and existing pursuant to the TEXAS DEVELOPMENT CORPORATION ACT and Creek House Honey Farm., a Texas business duly organized under the laws of the State of Texas (hereinafter referred to an “Second Party.”)

1. The purpose of this agreement is to facilitate the proper use of funds held and administered by the CEDC, a tax supported non-profit corporation whose primary income is from sales tax collected within the City of Canyon and dedicated exclusively to economic development. The sales tax supporting CEDC is authorized as a local option under TEX. REV. CIV. STAT. ART. 5190.6 §4B, the primary purpose of which is the developing, stabilizing, diversifying, and expanding the economy through the retention, recruitment, expansion, and employment opportunities of the citizens of Canyon and the surrounding area and to enhance the quality of life of the citizens of Canyon and the surrounding area.

2. The project and performance requirements to be implemented by means of this agreement are described as follows:

- a. Second Party will expand the business to include the offering of more retail and tourism components with regards to the business located at 5015 4<sup>th</sup> Avenue.
- b. Second Party will maintain retail and educational areas of the business for a minimum of 5 years.

3. The CEDC will provide the following funding and financial incentives for the project:

- a. An amount, not to exceed \$100,000 will be disbursed as follows:

(1.)The first payment of \$50,000 will be made when the construction permit is issued by the City of Canyon.

(2.)The second and final payment of \$50,000 will be issued when the expansion of facilities is complete and a Certificate of Occupancy has been issued by the City of Canyon.

(3.)Sales tax collected, number of classes held, attendees and whether they visited on site or enrolled in an online class.

(4.)The skincare line products report will include number of units produced and sold. List of vendors who buy skincare products for resale in stores, sales at site and sales online.

- (5.) The number of visitors (education, events, tourist) will be reported each calendar year after the expansion project is complete.
  - (6.) Sales Tax paid to the State of Texas will be provided annually, a Profit and Loss annually, and quarterly verification of Wages paid and number of employees.
- b. All other terms and provisions of this agreement notwithstanding, the obligations of the parties hereto are expressly made contingent upon the following:
  - i approval of the financial incentives by the CEDC Board;
  - ii approval of the financial incentives by the Canyon City Commission; and,
  - iii compliance with the requirements of the Texas Development Corporation Act of 1979, ART 5190.6 §4B (4B, a-1) TEX. REV. CIV. STAT.
4. The failure of Second Party to fully and timely comply with any performance requirement shall be an act of default by Second Party which shall entitle the CEDC to suspend further funding and, at its option, to terminate this agreement by written notice delivered pursuant to paragraph 9.
5. Second Party agrees to undertake the following actions in order to accomplish the project:
  - a. Comply at all times with the requirements of paragraph 2 of this agreement during the term of this agreement.
6. Second Party makes the following covenants and warranties to the CEDC and agrees to timely and fully perform the following obligations and duties:
  - a. Any false or substantially misleading statement contained herein or the failure of Second Party to comply and fully perform as required in this agreement shall be an act of default by Second Party. Failure to comply with any covenant or warranties shall constitute an act of default and entitle the CEDC to suspend further funding and at it's option to terminate this agreement by written notice in accordance with paragraph 9 below.
  - b. Second Party is authorized to do business in Texas, is in good standing in the State of Texas and shall remain in good standing in the State of Texas during the term of this agreement.
  - c. No litigation or governmental proceeding is pending or to the knowledge of Second Party is contemplated or threatened against Second Party or affecting it's operations or business that may result in any material or adverse change in Second Party's business, properties, or operations. To Second Party's knowledge, no additional consent, approval, or authorization of a governmental entity or other authority is required in connection with the execution and performance of this agreement or the transactions contemplated hereby.
  - d. To Second Party's knowledge no certificate or statement delivered by Second Party to CEDC in connection with this agreement or any transaction contemplated by this agreement contains any untrue statement or fails to state the facts necessary to keep the statements contained therein from being misleading or false.

- e. There are no bankruptcy proceedings or other legal proceedings currently pending or contemplated affecting the Second Party. The Second Party has not been informed of any intent to initiate involuntary bankruptcy proceedings against Second Party.
- f. To it's knowledge Second Party has acquired and maintained all necessary rights, licenses, permits, and authority to carry on it's business in Texas and to perform the terms of this agreement and will continue to use it's best efforts to maintain all necessary rights, licenses, and permits in current status and good standing.
- g. The funds provided by CEDC shall be utilized solely for the purpose of the project as stated in this agreement and within the scope of the project as stated in this agreement and for no other purpose.
- h. Second Party shall pay all taxes and assessments due and owing to all taxing authorities having jurisdiction over Second Party's property and business operations. In addition, Second Party shall timely pay all employment, income, franchise, and other taxes due and owing by Second Party to all local, state, and federal entities.
- i. Second Party shall complete the project required by this agreement and shall provide the necessary staff and employees for the completion and performance of this agreement.
- j. Second Party shall timely and fully perform and comply with all terms and conditions of this agreement.
- k. Upon written request of CEDC Second Party shall notify CEDC in writing of substantial changes in the management of Second Party within seven (7) days. Substantial changes shall mean changes in executive officers, board members, or managers.
- l. The Second Party agrees that with regard to all programs and activities arising out of this agreement, the Second Party shall fully comply with all civil rights acts and specifically will not discriminate against any person upon the basis of race, color, national origin, gender, or by reason of being disabled.

7. The CEDC under the following circumstances and at the sole discretion of its board of directors may suspend the obligations under this agreement or may terminate this agreement without liability to the CEDC upon:

- a. The filing of bankruptcy proceedings or the appointment of a receiver of Second Party or any part of it's assets or property and failure of such bankruptcy or receivership to be discharged within sixty (60) days of filing.
- b. The adjudication of Second Party as a bankrupt.
- c. A change in ownership of Second Party which constitutes a material change in the nature of Second Party's business and operations, unless Second Party has complied with paragraph 2 and 3(d) above.

8. Should Second Party fail to timely, fully, and completely comply with any one or more of the requirements, obligations, duties, terms, and conditions or warranties of this agreement such failure shall constitute an act of default by Second Party and, if not fully and completely cured within 60 days after written notice by CEDC to Second Party, the CEDC may terminate this agreement and pursue any legal remedies existing under the law; provided however, that Second Party's liability under this agreement shall be limited to the immediate return by Second Party of all funds or other economic incentives provided by the CEDC and any consideration previously paid to Second Party by the CEDC. The rate of interest on all funds paid by the CEDC to Second Party subject to refund shall be 6% per annum. In the event CEDC should prevail in any litigation to recover funds pursuant to this paragraph, the CEDC shall, in addition to all other damages provided by this paragraph, be entitled to recover reasonable attorney's fees and expenses of litigation. Provided, however, that if the default relates only to the number of employees to be maintained under Paragraph 2.c., the sole remedy of the First Party shall be to reduce the amount paid as set forth in Paragraph 3.d. of this agreement.

9. In the event of unforeseeable third party delays, in the performance of this agreement by Second Party, or force majeure, and upon a reasonable showing by Second Party that it has immediately and in good faith commenced and is diligently and continuously pursuing the correction, removal, or abatement of such delays by using its best efforts, CEDC may consent and excuse any such delay, which consent shall not be unreasonably conditioned or withheld. The failure by Second Party to continuously and diligently pursue compliance shall constitute an act of default.

10. Any delay by the CEDC in providing notice of default to Second Party, shall in no event be deemed or constitute a waiver of such default by CEDC or waiver of any of its rights and remedies available under this agreement or at law or in equity.

11. Any waiver provided by CEDC to Second Party of an act of default shall not be deemed to constitute a continuing waiver or a waiver of any other existing or future act of default by Second Party even if the act or default is of the same or a similar nature.

12. Second Party specifically agrees that CEDC shall only be liable to Second Party for the amount of money actually budgeted and committed to the project described in this agreement. CEDC shall not be liable or held responsible for any other direct or indirect costs, attorneys fees, court costs, actual or consequential damages, direct or indirect, for any act of default by CEDC under the terms of this agreement. It is further stipulated and agreed that CEDC shall only be required to pay the amount of the project cost out of its sales tax revenues held and administered pursuant to §4B of the Development Corporation Act for the fiscal year in which the funding under this agreement is due together with unencumbered funds then on hand and from no other source. It is specifically agreed however, that in the event actual total sales tax revenues collected by CEDC for any year during which this agreement is to be performed should be less than the total amount of all grants to all contracting parties for that year, then in that event, CEDC shall fund projects in the order the grants were awarded after payment of CEDC's usual administrative cost and expenses. All contracting parties shall receive only their share of the available sales tax revenue for that year, less CEDC's customary and usual administrative costs and expenses and CEDC shall not be liable to any contracting party for any deficiency for that time or in the future.

In the event of such revenue shortfall, CEDC will provide written notice to all contracting parties affected by the revenue shortfall along with such documentation as will allow the contracting party to ascertain their share of the funding to be provided.

13. This agreement incorporates the entire agreement of the parties hereto and supersedes any oral or written previous and contemporaneous agreements between the parties relating to the Matters covered by this agreement. Except as otherwise provided herein, this agreement cannot be modified or amended without a written agreement of the parties.

14. No term or provision of this agreement or an act of the CEDC in the performance of this agreement shall be construed as making or constituting Second Party or its employees, or agents, partners of the CEDC or employees of the CEDC. This contract shall not benefit any third party not a direct party to this agreement.

15. The termination of this agreement as provided herein may be upon mutual agreement of the parties or pursuant to the provisions hereof relating to default. The termination of this agreement either by mutual agreement or by notice served by the CEDC shall extinguish all rights, duties, and obligations of the CEDC and Second Party except as provided herein.

16. This agreement may be executed in a number of identical counterparts each of which shall be deemed an original upon execution and shall constitute the same instrument.

17. This agreement is made pursuant to the laws of the State of Texas and shall be governed and interpreted under the laws of the State of Texas without regard to any conflict of laws provision. Venue in any litigation arising out of the execution or performance of this agreement shall be in the court of appropriate jurisdiction in Randall County, Texas and in no other Venue. Second Party, by signing this agreement, consents to and waives any objections to in personam jurisdiction in Randall County, Texas.

18. In the event one or more of the provisions contained in this agreement should, for any reason, be held invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provisions of this agreement. This agreement shall be construed as if such invalid, illegal, or unenforceable provision had not been contained herein.

19. This agreement is subject to all legal requirements contained in the Municipal Charter of the City of Canyon and Code and Ordinances of the City of Canyon and all other applicable state and federal laws and regulations. Second Party agrees that, in compliance with this agreement, it will promptly comply with all applicable laws, regulations, orders, and rules of the state, city, and other governmental entities.

20. This agreement shall be binding upon the parties hereto, their successors, and (where permitted) assigns. This agreement may not be assigned by either party without the specific prior written consent of the other, which consent shall not be unreasonably withheld or conditioned. Provided however, that in the event Second Party transfers all or substantially all its assets to another entity or merges with another entity to the extent that the underlying purpose of this agreement cannot, in the sole discretion of the CEDC's board of directors, be accomplished, the

CEDC shall have the option to suspend it's performance under this agreement or terminate this agreement.

21. Second Party represents that no member of the board of directors of the CEDC or member of the governing body of the City of Canyon or any officer or employee of the City of Canyon or CEDC will be compensated in any manner with respect to directly or indirectly bringing the parties together for the purpose of this agreement or participation in the negotiation or formation of this agreement. No finder's fee or other origination fee of any type will be paid or will become payable to any officer or employee of the City of Canyon, member of the governing body of the City of Canyon, or the governing body of the CEDC with regard to the formation or performance of this agreement.

22. All notices from one party to the other party required or permitted by this agreement shall be delivered personally or sent by certified mail postage prepaid addressed to the party at the address shown on the signature page. All notices shall be deemed given on the date so delivered or deposited in the mail unless otherwise provided. Either party may change its address by sending written notice of such change to the other party in the manner provided by this agreement.

23. All representations, warranties, covenants, and agreements of the parties as well as all rights and benefits of the parties pertaining to the transaction contemplated by this agreement shall survive the original execution date of this agreement and shall constitute continuing obligations.

Effective Date: \_\_\_\_\_

CANYON ECONOMIC DEVELOPMENT  
CORPORATION

By: \_\_\_\_\_  
Don Lee, President  
1604 4<sup>th</sup> Avenue, Ste., 21, Canyon, Texas 79015

Second Party  
Creek House Honey Farm.

By: \_\_\_\_\_  
George Nester, Owner

By: \_\_\_\_\_  
Paige Nester, Owner



**RESOLUTION NO. 02-2020**

**APPROVING PROJECT FUNDING AGREEMENT  
BETWEEN THE CANYON ECONOMIC  
DEVELOPMENT CORPORATION AND CREEK  
HOUSE HONEY FARM FOR DIRECT FINANCIAL  
ASSISTANCE TO EXPAND THE CURRENT  
BUSINESS LOCATED AT 5015 4<sup>TH</sup> AVENUE,  
CANYON TEXAS. THE EXPANSION WOULD  
ENCOURAGE RETAIL SALES, GENERATE STATE  
AND LOCAL SALES TAX, AND CREATE JOBS**

WHEREAS, on January 9, 2020, the Canyon Economic Development Corporation (“CEDC”) held a public hearing regarding the use of sales and tax revenue collected pursuant to the Development Corporation Act of 1979 (Tex.Rev.Civ.State.Art. 5190.6§4B, “the Act”) and to consider a funding agreement for the expansion of Creek House Honey Farm. The project would encourage retail sales, generate state and local sales tax, and create jobs.

WHEREAS, the City Commission of the City of Canyon, Texas finds it to be in the public interest to execute a Project Funding Agreement between the Canyon Economic Development Corporation and Creek House Honey Farm;

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

That the Mayor and the City Clerk are hereby authorized to execute and attest, respectively, on behalf of the City of Canyon, Texas a Project Funding Agreement between the Canyon Economic Development corporation and Creek House Honey Farm; regarding the use of funds from the Sales Tax Improvement Fund (Fund40) for costs related to the project.

INTRODUCED at the First Reading on the 3<sup>rd</sup> day of February, 2020, and tentatively Adopted on the Second and Final Reading on the 2<sup>nd</sup> day of March, 2020.

---

**Gary Hinders, Mayor**

**ATTEST:**

---

**Gretchen Mercer, City Clerk**

To: Joe Price, City Manager  
From: Jon Behrens, Assistant City Manager  
Date: March 2, 2020  
Re: Consider and Take Appropriate Action of Recommendations from Board of City Development (BCD) for 2020 Budget.

---

The Board of City Development met on Wednesday, February 12, 2020 to review and consider the proposed budget for the 2020 fiscal year. Requests were received for BCD funding from WTAMU, Texas, PPHM, Main Street and the Canyon Chamber of Commerce. All of the funds associated with this budget come from the Hotel Occupancy Tax which is collected from local hotels and other guest establishments.

Collections for 2019 were \$243,602. As of January 21, 2020, there was a fund balance of \$33,180.90 in the Hotel Occupancy account. The Board has chosen to take a conservative estimate of 2020 collections and has built a budget based on \$241,300.

The Board unanimously voted to allocate BCD funding as follows:

- |                                       |          |
|---------------------------------------|----------|
| • Billboard Lease                     | \$6,000  |
| • Xcel Energy                         | \$500    |
| • Texas Panhandle Heritage Foundation | \$45,000 |
| • WTAMU                               | \$50,000 |
| • Panhandle Plains Historical Museum  | \$45,000 |
| • Chamber of Commerce                 | \$77,500 |
| • Canyon Main Street                  | \$17,300 |

The Board expressed concerns that they were not receiving requests from other organizations that may be holding events in Canyon that might qualify for funding. BCD would be available to support advertising, solicitations, and promotions that attract tourists and convention delegates to the city or its vicinity.

The Board would also like to encourage all recipients to develop methods that would allow them to gain a clearer picture of the number of visitors that attend their events or productions that are actually staying in Canyon hotels. One method to monitor these numbers would be the creation of a simple survey, such as one question with four or five answers to choose from, which hotel customers could be encouraged to complete. The Board felt like this could be a joint effort from the local groups that traditionally receive funding.

## AGENDA

The Board of City Development voted unanimously to recommend approval of this proposed budget. Staff concurs with the Board of City Development and recommends approval of the BCD 2020 budget.

### RECOMMENDED MOTION

*“I move to approve/not approve the 2020 Board of City Development budget as presented.”*

To: Joe Price, City Manager  
From: Dan Reese, Public Works Director  
Date: March 2, 2020  
Re: Consider and Take Appropriate Action on Bids Received for Sealcoating – 2020 Project.

---

On January 30, we opened bids on the annual sealcoating project. This year, two bids were received.

The target area this year will be all streets between 5<sup>th</sup> Street and 13<sup>th</sup> Street. A sketch of the project is attached. The total bid quantity was approximately 134,000 square yards.

The low bid was submitted by Freeman Paving of Vernon, TX, in the amount of \$ 317,948.40, or a unit price of \$2.33 per square yard. This is exactly the same unit price that we received last year. Freeman has done several projects for us over the years and is one of our normal bidders. A contract completion time of 30 days was also bid.

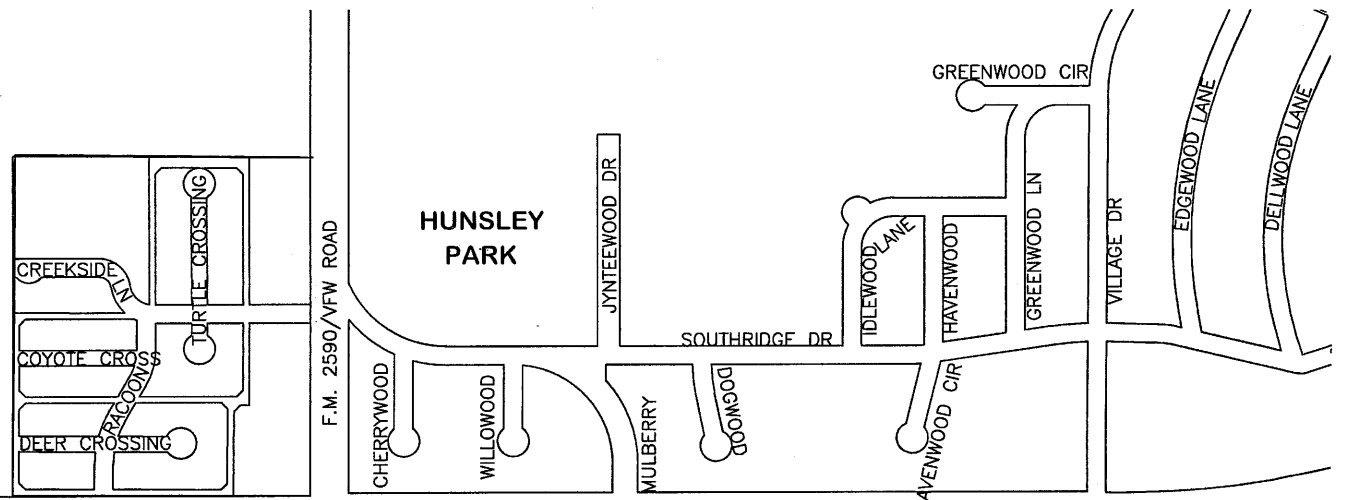
The construction budget for this year was set at \$ 375,000, in anticipation of a price increase. With the bid coming in well under the estimate, we can do some catching up on our overall schedule. We will change order more streets into the project to take advantage of the lower price. We can add about 12 blocks of streets to the project. In the recent past, we had fallen a little behind from having to pay a higher price than budgeted, due to fluctuations in the market. In a bustling construction environment like we're in now, sometimes pricing can be somewhat volatile. Pricing is very dependent on material supplies. We've also adjusted the entire city coverage plan to an 8 year rotation, to keep the budgeted costs more consistent and keep up with the growth we've experienced.

A bid tabulation sheet and award recommendation from the Engineer is also attached.

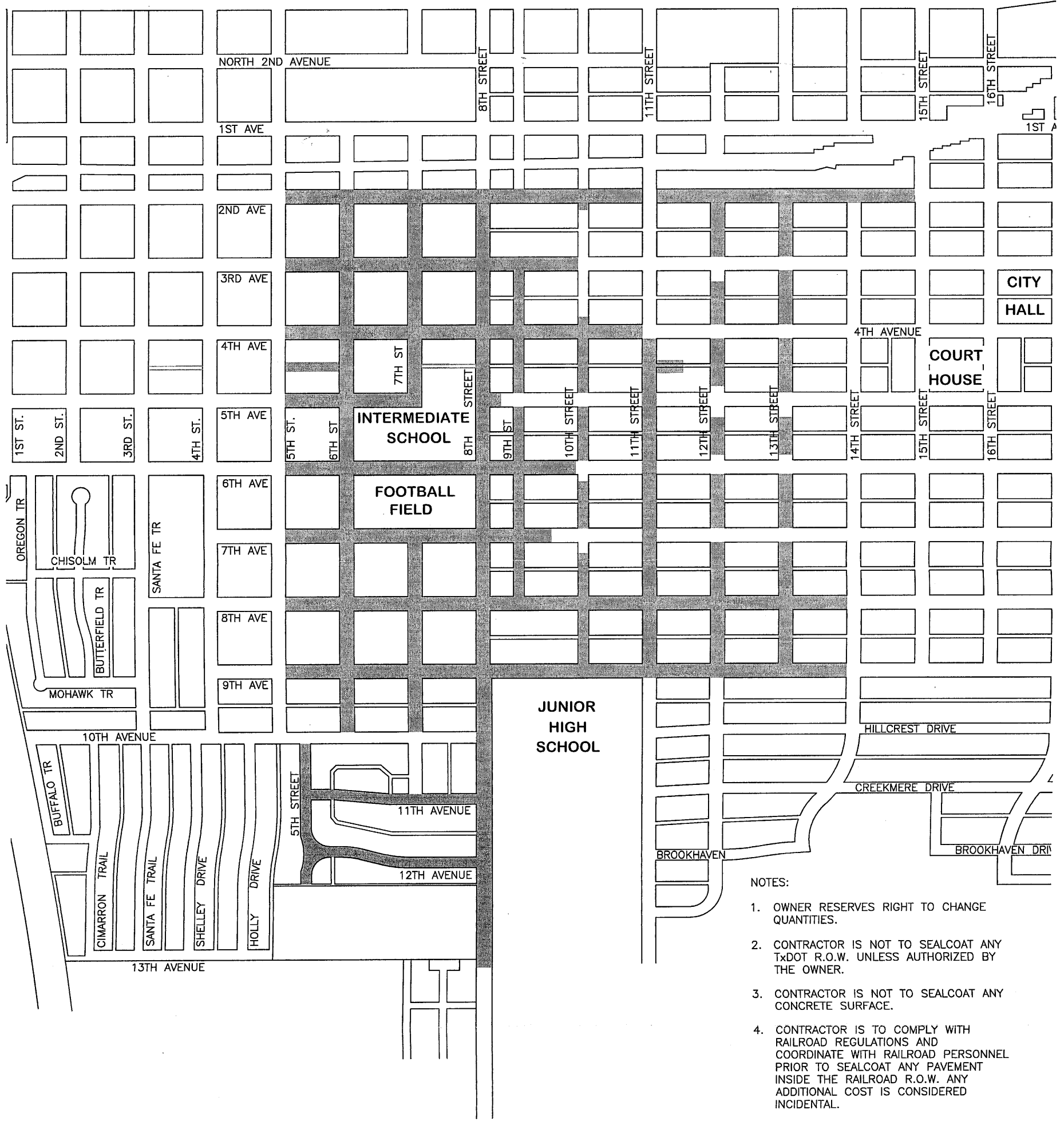
**The public works department concurs with the Engineer and recommends awarding the 2020 sealcoating bid to Freeman Paving in the amount of \$312,453.00.**

**RECOMMENDED MOTION**

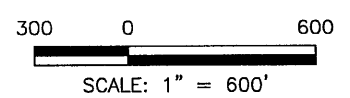
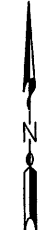
*“I move to award the 2020 sealcoating bid to Freeman Paving in the amount of \$312,453.00”.*



U.S. HIGHWAY 60



- NOTES:
1. OWNER RESERVES RIGHT TO CHANGE QUANTITIES.
  2. CONTRACTOR IS NOT TO SEALCOAT ANY TxDOT R.O.W. UNLESS AUTHORIZED BY THE OWNER.
  3. CONTRACTOR IS NOT TO SEALCOAT ANY CONCRETE SURFACE.
  4. CONTRACTOR IS TO COMPLY WITH RAILROAD REGULATIONS AND COORDINATE WITH RAILROAD PERSONNEL PRIOR TO SEALCOAT ANY PAVEMENT INSIDE THE RAILROAD R.O.W. ANY ADDITIONAL COST IS CONSIDERED INCIDENTAL.



**BRANDT ENGINEERS**  
 TEXAS REGISTERED ENGINEERING FIRM F-4174

 SINGLE COURSE

**SEALCOAT 2020  
 CITY OF CANYON**



January 30, 2020

The Honorable Gary Hinders, Mayor and City Commission  
City of Canyon  
301 16th Street  
Canyon, Texas 79015

Re: Bid Award Recommendation  
Sealcoat- 2020

Mayor and Commission:

Bids were opened on January 30, 2020, for the above referenced project. The bid tabulation sheet is attached.

The lowest bid for the project was submitted by Freeman Paving of Vernon, Texas. The amount of the Base Bid is \$312,453.00 for single course penetration treatment using Type PB Grade 4 Aggregate and AC-10 Asphalt and 30 calendar days to complete the construction.

It is recommended that the Base Bid submitted by Freeman Paving in the amount of \$312,453.00 be accepted. If you have any questions, please do not hesitate to call.

Sincerely,

BRANDT ENGINEERS

Oscar Ostos

OO:cb

enclosure

**BID TABULATION SHEET SEALCOAT 2020**

CANYON, TEXAS  
 January 30, 2020  
 2:00 P.M.

<u>Item No.</u>	<u>BASE BID</u> <u>Description</u>	<u>Estimated</u> <u>Quantity</u>	<u>Unit</u>	<u>FREEMAN PAVING</u>		<u>G &amp; G OPERATORS</u>	
				<u>Unit</u> <u>Price</u>	<u>Ext.</u> <u>Amount</u>	<u>Unit</u> <u>Price</u>	<u>Ext.</u> <u>Amount</u>
	Application of single course penetration treatment using Type PB Grade 4 Aggregate and AC-10 Asphalt	134,100	SY	\$ 2.330	\$ 312,453.00	\$ 2.700	\$ 362,070.00
<b>BASE BID</b>			<b>TOTAL</b>	\$	312,453.00	\$	362,070.00
	Number of calendar days to complete project				30		90

To: Joe Price, City Manager  
From: Dan Reese, Public Works Director  
Date: March 2, 2020  
Re: Consider and Take Appropriate Action on Bids Received for Wastewater Treatment Plant Improvements – Aeration Units.

---

Last Friday, we opened bids on the above referenced. Two were received.

As you're aware of, this project is to install 34 Blue Frog aeration units at the two facultative lagoons at the Wastewater Treatment and Irrigation Facility (WWTIF), or as we call it, "the farm". Since the addition of the Lone Star Dairy Products (LSDP) plant, we have determined that some enhancement to the treatment process is needed to help us maintain a quality wastewater effluent. This project will give us the added aeration needed to accomplish this.

The low bid was submitted by Amarillo Utility Contractors, in the amount of \$ 2,053,000.00. The contract time proposed was 200 calendar days. We were hoping that the time frame for the construction would be of a shorter duration, but the equipment has to be manufactured. Also, the low bid is well below the Engineer's estimate of \$ 2,400,000±.

Funding for this project will come from a public / private partnership established between LSDP and the City of Canyon.

Brandt Engineers will be at the meeting on Monday, to help answer any technical questions. An award recommendation from them, and a bid tabulation sheet is also attached.

**The public works department concurs with the Engineer and recommends awarding the Wastewater Treatment Lagoon Aeration Project to Amarillo Utility Contractors, in the amount of \$ 2,053,000.00.**

**RECOMMENDED MOTION**

***"I move to award the Wastewater Treatment Lagoon Aeration Project to Amarillo Utility Contractors, in the Amount of \$2,053,000.00.***





February 25, 2020

The Honorable Gary Hinders, Mayor and City Commission  
City of Canyon  
301 16th Street  
Canyon, Texas 79015

Re: Bid Award Recommendation  
Wastewater Treatment Plant Improvements  
Aeration Units  
Canyon, Texas

Mayor and Commission:

Bids were opened on February 21, 2020, for the above referenced project. The bid tabulation sheet is attached.

The lowest bid for the project was submitted by Amarillo Utility Contractors, Inc., of Amarillo, Texas. The amount of the Base Bid is \$2,053,000.00 and 200 calendar days to complete the construction.

It is recommended that the Base Bid submitted by Amarillo Utility Contractors, Inc., in the amount of \$2,053,000.00 be accepted. If you have any questions, please do not hesitate to call.

Sincerely,

BRANDT ENGINEERS

Dwight L. Brandt, P.E.

DLB:mp

enclosure

**BID TABULATION SHEET**

**Wastewater Treatment Plant Improvements**

**Aeration Units**

**Canyon, Texas**

**February 21, 2020**

Item No.	BASE BID Items Description	Est. Quantity	Unit	Amarillo Utility Contractors		MH Civil	
				Unit Price	Ext. Amount	Unit Price	Ext. Amount
1	Mobilization/Demobilization	1	LS	\$ 102,000.00	\$ 102,000.00	\$ 200,500.00	\$ 200,500.00
2	Aerators & Electrical Equipment	1	LS	\$ 1,950,000.00	\$ 1,950,000.00	\$ 2,190,000.00	\$ 2,190,000.00
3	Trench Safety	5,000	LF	\$ 0.10	\$ 500.00	\$ 1.00	\$ 5,000.00
4	Soil Erosion and Sediment Control	1	LS	\$ 500.00	\$ 500.00	\$ 2,500.00	\$ 2,500.00
<b>BASE BID</b>				<b>TOTAL</b>	<b>\$ 2,053,000.00</b>	<b>TOTAL</b>	<b>\$ 2,398,000.00</b>
Number of calendar days to complete the project					200		90