

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, Justin Richardson and David Logan. Commissioner Joe Shehan was unable to attend.

Also present were the following City Staff: City Manager Randy Criswell, Assistant City Manager Chris Sharp, City Secretary Gretchen Mercer, Business and Community Development Director Evelyn Ecker, Fire Chief Mike Webb, Director of Public Works Dan Reese, Parks and Recreation Director Brian Noel, Police Chief Dale Davis and City Attorney Chuck Hester.

Item 1. Call to Order.

Mayor Alexander called the meeting to order at 5:35 p.m.

Item 2. Invocation.

Mayor Pro-Tem Hinders gave the invocation.

Item 3. Pledge of Allegiance.

Lathan Lewter and Calvin Meador, third grade students from Crestview Elementary and members of Randall County 4H, led the Pledge of Allegiance.

Item 4. Approval of Minutes of the Meeting of February 15, 2016.

Commissioner Logan moved, duly seconded by Commissioner Richardson, to approve the minutes of February 15, 2016 as presented. Motion carried unanimously.

Item 5. Approval of Minutes of the Special Meeting of February 22, 2016.

Commissioner Logan moved, duly seconded by Commissioner Richardson, to approve the minutes of February 22, 2016 as presented. Motion carried unanimously.

Item 6. Public Forum – Comments from Interested Citizens.

Mayor Alexander commended City Manager Randy Criswell for an outstanding job serving as the United Way Amarillo-Canyon 2015-2016 Co-Chair. Mr. Criswell, along with United Way Staff Karen Logan, Katie Noffske and Jeff Whitsell, then honored Municipal Court Clerk Sheila Seymore with the award of the 2015-2016 United Way Assistant Team Leader of the Year. Mr. Criswell commended Ms. Seymore, Public Works Administrative Assistant Kim Taylor-Payne, and Honnah Taylor for the great job they did as Loaned Executives for the United Way campaign.

Mr. Dan Norman, 316 Country Club Drive, Canyon, Texas addressed the Commission. Mr. Norman said he lived in Canyon North and he, along with many home owners in Canyon North had concerns about the new development "Madison Park". Mr. Norman respectfully requested that there be some informative public meetings scheduled with Canyon North residents and the Madison Park developers. Mr. Norman said no one knew anything about the development and

felt it would ease a lot of tension if this could be done. Mr. Norman expressed a desire by all Canyon North residents that the deed restrictions in place for Canyon North property owners be respected since part of the Madison Park property was within the Canyon North boundaries.

Item 7. Special Announcement by Chief Mike Webb on City of Canyon's New ISO Rating.

Fire Chief Mike Webb announced to the City Commission that after lots of hard work and change over the past few years, the City of Canyon had been awarded an ISO rating of 2, an increase from the previous rating of 3. Chief Webb said this rating is used as a protection class when calculating insurance premiums. Chief Webb stated the ratings range 1-10, 1 being highest. Chief Webb stated very few Fire Departments achieve this high of a ranking, and even fewer Volunteer Fire Departments. Chief Webb commended all involved on a great job of working together and achieving such a high ranking.

Item 8. First Reading of Resolution No. 03-2016 With Regards to the Conveyance of Property Located at 1512 5th Avenue to Blue Bison Investments, LLC. The Property is to be Used for New Construction.

Business and Community Development Director Evelyn Ecker presented Resolution No. 03-2016 for consideration. Ms. Ecker stated the property located at 1512 5th Avenue would be conveyed to Blue Bison Investments, LLC, who would construct approximately 10,600 square feet of buildings to be used as restaurant and retail space. Ms. Ecker said the spaces would line the east and west sides of the property leaving the center as a walkway from the new south parking lot to the square. Ms. Ecker said the developer, Stan Ware, has committed \$1.5 million to the project. Ms. Ecker said communication with the surrounding businesses has taken place and will continue through the process to provide a positive experience. Construction is planned to begin in mid-April.

Ms. Ecker said the Canyon Economic Development Corporation held a public hearing on Thursday, February 18, 2016 with no opposition.

No action is required for the first reading of Resolution No. 03-2016.

RESOLUTION NO. 03-2016

RESOLUTION OF THE CITY COMMISSION OF THE CITY OF CANYON APPROVING A PROJECT FUNDING AGREEMENT BETWEEN BLUE BISON INVESTMENTS, LLC. AND CANYON ECONOMIC DEVELOPMENT CORPORATION REGARDING A LAND GRANT FOR THE NEW CONSTRUCTION OF A MIXED USE DEVELOPMENT LOCATED AT 1512 5TH AVENUE. THE GRANT IS BASED ON THE DEVELOPMENT OF NEW BUSINESS OR EXPANDED BUSINESS ENTERPRISES.

Item 9. Consider and Take Appropriate Action on Resolution No. 04-2016, A Resolution Suspending the Effective Date of SPS's Rate Case Filed on February 16, 2016.

City Manager Randy Criswell presented Resolution No. 04-2016 for consideration. Mr. Criswell stated SPS had filed an application to increase its base rates by approximately \$72 million in

annual revenue, equating to an increase of 14.4%, with industrial rates changing from (-)21.72% to +23.78%, and 11.23% for residential. Mr. Criswell said the City of Canyon participates in the Alliance of Xcel Municipalities and would continue to work the AXM in the negotiation of the rates.

After discussion, Commissioner Logan moved, duly seconded by Mayor Pro-Tem Hinders to adopt Resolution No. 04-2016 as presented. Motion carried unanimously.

RESOLUTION NO. 04-2016

A RESOLUTION BY THE CITY OF CANYON, TEXAS ("CITY") SUSPENDING SOUTHWESTERN PUBLIC SERVICE COMPANY'S PROPOSED EFFECTIVE DATE IN CONNECTION WITH ITS STATEMENT OF INTENT SUBMITTED ON ABOUT FEBRUARY 16, 2016; AUTHORIZING THE CITY TO JOIN WITH OTHER CITIES IN THE ALLIANCE OF XCEL MUNICIPALITIES ("AXM") TO DIRECT THE ACTIVITIES OF LAWYERS AND CONSULTANTS; REQUIRING REIMBURSEMENT OF REASONABLE LEGAL AND CONSULTANT EXPENSES; REQUIRING PROOF OF NOTICE; FINDING THAT THE MEETING COMPLIES WITH THE OPEN MEETINGS ACT; MAKING OTHER FINDINGS AND PROVISIONS RELATED TO THE SUBJECT; AND DECLARING AN EFFECTIVE DATE.

Item 10. Consider and Take Appropriate Action on Resolution No. 05-2016, A Resolution Approving a Negotiated Resolution between the Atmos West Texas Cities Steering Committee and Atmos Energy Regarding the Company's 2015 Rate Review.

Assistant City Manager Chris Sharp presented Resolution No. 05-2016 for consideration. Mr. Sharp stated the original rate increase sought by Atmos West Texas was \$4.2 million in increased revenues. Mr. Sharp said the Steering Committee negotiated the revenue increase to \$3.2 million that would impact the average residential customer by \$0.50 in base charges and \$.02188 in consumption charges.

After discussion, Mayor Pro-Tem Hinders moved, duly seconded by Commissioner Logan to adopt Resolution No. 05-2016 as presented. Motion carried unanimously.

RESOLUTION NO. 05-2016

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF CANYON, TEXAS, APPROVING A NEGOTIATED RESOLUTION BETWEEN THE ATMOS WEST TEXAS CITIES STEERING COMMITTEE ("WTX CITIES") AND ATMOS ENERGY CORP., WEST TEXAS DIVISION REGARDING THE COMPANY'S 2015 RATE REVIEW MECHANISM FILING; DECLARING EXISTING RATES TO BE UNREASONABLE; ADOPTING TARIFFS THAT REFLECT RATE ADJUSTMENTS CONSISTENT WITH THE NEGOTIATED SETTLEMENT; FINDING THE RATES TO BE SET BY THE ATTACHED TARIFFS TO BE JUST AND REASONABLE AND IN THE PUBLIC INTEREST; REQUIRING THE COMPANY TO REIMBURSE CITIES' REASONABLE RATEMAKING EXPENSES; DETERMINING THAT THIS RESOLUTION WAS PASSED IN ACCORANCE WITH THE REQUIREMENTS OF THE TEXAS OPEN MEETINGS ACT; ADOPTING A SAVINGS CLAUSE;

DECLARING AN EFFECTIVE DATE; AND REQUIRING DELIVERY OF THIS
RESOLUTION TO THE COMPANY AND THE WTX CITIES' LEGAL COUNSEL.

Item 11. Executive Session Pursuant to Texas Government Code, §551.072 Regarding Real Property; and §551.071 Consultation with Attorney.

Mayor Alexander indicated the Commission would adjourn into executive session at 6:12 pm.

Commissioner Richardson took leave of the meeting at 6:30 pm.

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

Upon returning from executive session at 7:27 pm, the following action was taken.

Mayor Pro-Tem Hinders moved, duly seconded by Commissioner Logan to appoint Commissioner Richardson to serve as the Government Representative on the Fireman Pension Board, and if he declined, Mayor Alexander would be appointed. Motion carried unanimously.

Commissioner Logan moved, duly Seconded by Mayor Pro-Tem Hinders to authorize City Manager Randy Criswell to execute any closing documents for the property purchased by the City of Canyon and located at 22850 Brown Road, Canyon, Texas. Motion carried unanimously.

Commissioner Logan moved, duly seconded by Mayor Pro-Tem Hinders to authorize City Manager Randy Criswell to take appropriate action to sell surface rights of city owned property located at 22850 Brown Road, Canyon, Texas, subsequent to the City closing on the property. Motion carried unanimously.

Item 13. Adjournment

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

Quinn Alexander, Mayor

ATTEST:

Gretchen Mercer, City Secretary