

The City Commission of the City of Canyon ,met at 4:30 p.m. Via Zoom with the meeting also broadcast through YouTube. Mayor Gary Hinders presided over the meeting with the following Commissioners in attendance, Mayor Pro-Tem Cody Jones, Roger Remlinger, Randy Ray, and Paul Lyons.

Also present were the following City Staff: City Manager Joe Price, Assistant City Manager Jon Behrens, City Secretary Gretchen Mercer, IT Manager Shaun Holtman, Business and Community Development Director Evelyn Ecker, Planning and Development Director Danny Cornelius, Chief of Police Steven Brush, Water Foreman Jeff Williams, Interim Fire Chief Vince Whitfill, and City Attorney Chuck Hester.

Item 1. Call to Order.

Mayor Hinders called the meeting to order at 4:31 p.m.

Item 2. Invocation.

Commissioner Randy Ray gave the invocation.

Item 3. Pledge of Allegiance.

The Pledge of Allegiance was led by Commissioner Lyons.

Item 4. Approval of Minutes of the Meeting of April 20, 2020.

Commissioner Remlinger moved, duly seconded by Mayor Pro-Tem Jones to approve the minutes of April 20, 2020 as presented. Motion carried unanimously.

Item 5. Approval of Minutes of the Emergency Meeting of April 29, 2020.

Commissioner Remlinger moved, duly seconded by Commissioner Ray to approve the minutes of April 29, 2020 as presented. Motion carried unanimously.

Item 6. Public Comment – Comments From Interested Citizens.

No Public Comments were made.

Item 7. First of Three Required Readings of Ordinance No. 1125, First Amendment to Atmos Energy Franchise Agreement.

City Manager Joe Price presented Ordinance No. 1125 for the first of three readings as required by the City of Canyon Charter. Mr. Price stated this would amend the Atmos Energy Franchise Agreement adopted January 31, 2011 and increase the franchise fee from 4% to 5% and add five more years to the agreement extending it from 2026 to 2031. Mr. Price stated the City of Canyon currently receives approximately \$110,000 to \$114,000 per year in franchise fees from Atmos. Mr. Price said staff anticipates an increase of approximately \$35,000 per year.

As required by Charter, Ordinance No. 1125 was read in its entirety as recorded by City Secretary, Gretchen Mercer.

No action required for first reading.

ORDINANCE NO. 1125

AN ORDINANCE OF THE CITY OF CANYON, RANDALL COUNTY, TEXAS, AMENDING THE EXISTING GAS FRANCHISE BETWEEN THE CITY AND ATMOS ENERGY CORPORATION, (A TEXAS AND VIRGINIA CORPORATION, WITH ITS PRINCIPAL OFFICE IN THE CITY OF DALLAS, DALLAS COUNTY TEXAS), TO PROVIDE FOR A DIFFERENT CONSIDERATION; PROVIDE FOR A DIFFERENT EXPIRATION DATE; PROVIDING AN EFFECTIVE DATE; PROVIDING FOR ACCEPTANCE BY ATMOS ENERGY CORPORATION; FINDING AND DETERMINING THAT THE MEETING AT WHICH THIS ORDINANCE IS PASSED IS OPEN TO THE PUBLIC AS REQUIRED BY LAW.

Item 8. First of Three Required Readings of Ordinance No. 1126, First Amendment to SPS Franchise Agreement.

City Manager Joe Price presented Ordinance No. 1126 for the first of three readings as required by the City of Canyon Charter. Mr. Price stated this would amend the SPS Franchise Agreement adopted January 31, 2011 and increase the franchise fee from 3% to 4.51%. Mr. Price stated the City of Canyon Franchise Agreement with SPS is unique to other cities and only allows an increase by 1.51% instead of the normal 2%. Mr. Price said the remaining .49% will go on the next rate case in the next year or two. Mr. Price stated the City of Canyon currently receives approximately \$330,000 to \$365,000 per year in franchise fees from Atmos. Mr. Price said staff anticipates an increase of approximately \$174,875 per year.

As required by Charter, Ordinance No. 1126 was read in its entirety as recorded by City Secretary, Gretchen Mercer.

No action required for first reading.

ORDINANCE NO. 1126

FIRST AMENDMENT TO FRANCHISE AGREEMENT

AN ORDINANCE AMENDING ORDINANCE NO. 934, WHICH GRANTED SOUTHWESTERN PUBLIC SERVICE COMPANY (“SPS”) A FRANCHISE WITHIN THE CITY OF CANYON, TEXAS (“CITY”) TO CONDUCT AN ELECTRICAL LIGHTING AND POWER BUSINESS AND TO HAVE USE OF CITY’S PUBLIC STREETS, ALLEYS, HIGHWAYS, BRIDGES, AND OTHER PUBLIC GROUNDS TO PUBLIC RIGHT-OF-WAY AS SPECIFIED IN ORDINANCE NO. 934, TO REVISE THE PERCENTAGE OF GROSS RECEIPTS PAID AS A FRANCHISE FEE FOR USE OF CITY’S STREETS, ALLEYS,

**HIGHWAYS, BRIDGES, AND OTHER PUBLIC GROUNDS;
PROVIDING FOR RATE RECOVERY OF FRANCHISE FEES;
PROVIDING FOR SEVERABILITY; PROVIDING FOR REPEALER;
PROVIDING SAVINGS CLAUSE; AND PROVIDING FOR AN
EFFECTIVE DATE.**

Item 9. Adjourn

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

Gary Hinders, Mayor

ATTEST:

Gretchen Mercer, City Secretary