

AGENDA

NOTICE OF MEETING

Notice is hereby given that the governing body of the City of Canyon will meet the 2nd day of August 2021 for a Budget Work Session Beginning at 3:00 pm, followed by a Regular Commission Meeting beginning at 4:30 pm in the Commission Chambers of City Hall at 301 16th Street in the City of Canyon to discuss the following agenda items.

The meeting is broadcast on [YouTube](#). YouTube does provide closed captioning on the recorded video, it is not provided real-time.

3:00 pm Budget Work Session – Presentation of 2021 – 2022 City of Canyon Budget

Break

4:30 pm Regular Commission Meeting

1. Call to Order.
2. Invocation.
3. Pledge of Allegiance.
4. Approval of the Minutes of the Meeting of July 19, 2021.
5. Public Comment – Comments from Interested Citizens.
6. Consider and Take Appropriate Action on Second and Final Reading of Resolution No. 25-2021, A Resolution of the City Commission of the City of Canyon Approving a Project Funding Agreement Between TEXAS Panhandle Heritage Foundation and Canyon Economic Development Corporation Relating to Quality of Life Enhancements for Area Residents.
7. Consider and Take Appropriate Action on Second and Final Reading of Resolution No. 26-2021, A Resolution of the City Commission of the City of Canyon Approving a Project Funding Agreement Between Ruthette’s LLC and Canyon Economic Development Corporation Relating to Business Retention and Expansion.
8. Consider and Take Appropriate Action on Approval of Canyon Economic Development Corporation 2021-2022 Annual Budget.
9. Consider and Take Appropriate Action on Ordinance No. 1138, An Ordinance Amending the City of Canyon, Texas (“City”) Code of Ordinances, Chapter 37, Master Schedule of Charges and Fees; Providing for the Addition of New and Amendment of Certain Other Fees and Charges; Providing a Repealing Clause; Providing a Severability Clause; for Publication and an Effective Date.
10. Consider and Take Appropriate Action on Resolution No. 33-2021, A Resolution of the City Commission of the City of Canyon, Texas, Establishing a Special Revenue Fund Known as Parks Donation Fund and Internal Service Funds Known a Canyon Investment Program Funds (General and Utility/Golf) and other Matters Properly Relating Thereto.
11. Consider and Take Appropriate Action on Resolution No. 32-2021, A Resolution of the City Commission of the City of Canyon, Texas, Approving a Negotiated Settlement Between the Executive Committee of Cities Served by Atmos West Texas (“CITIES”) and Atmos Energy Corp., West Texas Division Regarding the Company’s 2021 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 Settlement Tariffs to be Just and Reasonable and in the Public Interest; Approving an Attached Exhibit Establishing a Benchmark for Pensions and Retiree Medical Benefits; Approving an Attached Exhibit Regarding Amortization of Regulatory Liability; Requiring the Company to Reimburse Cities’ Reasonable Ratemaking Expenses; Determining that this Resolution was Passed in Accordance 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 Cities’ Legal Counsel.
12. Consider and Take Appropriate Action on Meeting Dates for September and October 2021.
13. Executive Session Pursuant to §551.071 Consultation with Attorney, §551.072 Deliberations about Real Property, and §551.074 Personnel Matters (City Attorney Annual Evaluation).
14. Consider and Take Appropriate Action on Items Discussed in Executive Session.
15. Adjourn.

Joe Price
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 30th day of July 2021.

Gretchen Mercer
Gretchen Mercer, City Clerk



FY 2021 – 2022 Budget & Tax Rate Calendar

Goal & Objective Setting Phase

April 19 th – 30 th	Staff Meetings by Departments to discuss Missions, Goals & Objectives, Accomplishments and Performance Measures. Review Progress on FY 2020-2021 Progress of Missions, Goals & Objectives, Accomplishments and Performance Measures
May 7 th	Draft Missions, Goals & Objectives, Accomplishments and Performance Measures due.
May 14 th	Administration feedback on Draft Missions, Goals & Objectives, Accomplishments and Performance Measures provide to departments.
May 28 th	Final Missions, Goals & Objectives, Accomplishments and Performance Measures due

Financial Phase

May 28 th	Staff Budget Meeting
May 28 th – June 11 th	Staff Budget Meetings by Department
May 21 st	Begin Staff Budget for Line Item & Capital Requests
June 21 st	Staff Budget / Budget Requests DUE
July 19 th	Budget Council Work Session (Optional)
July 25 th	Deadline for Certified Tax Rolls (PRAD)
July 30 th	Proposed Budget filed with City Secretary (LGC 102.005) Certification of anticipated collection rate (County) Calculation of effective and rollback tax rates (County)
August 2 nd	Budget Council Work Session (Optional)

Budget Adoption Phase

August 6 th	City must post notice on the city's website, in the form prescribed by the comptroller, the following: (1) the no-new-revenue tax rate and the voter-approval tax rate, along with an explanation of how they were calculated;
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(2) the estimated amount of interest and sinking fund balances and the estimated amount of maintenance and operation or general fund balances remaining at the end of the current fiscal year that are not encumbered with or by corresponding existing debt obligations; and

(3) a schedule of the city's debt obligations.

August 16th

COMMISSION MEETING

Receive Budget and schedule public hearing for Sept. 6th
Discuss tax rate; take record vote to place tax rate on agenda; schedule one public hearing for Sept. 20th (if required)
Budget Work Session - Optional

August 16th

DEADLINE to Call for an Election (November); if Canyon adopts a tax rate that exceeds the greater of the taxing unit's *voter-approval tax rate* or *de minimis rate*

(If Canyon adopts a tax rate that exceeds the *voter approval tax rate* (3.5%) but not the *de minimis rate*, the voters would be required to petition for a tax approval election instead of the city being required to hold an automatic election)

August 20th

Publish notice of public hearing on proposed Budget at least 10 days before P.H. Before August 22nd, publish notice of proposed tax rate if the proposed rate is less than or equal to the effective rate or publish notice of proposed tax rate and dates of public hearings if the proposed rate is more than the effective rate.

August 23rd

DEADLINE to adopt a tax rate that exceeds the *voter approval tax rate* (3.5%) (71st day before the November uniform election date) [Budget Must Be Adopted Prior to the Date, if tax rate exceeds the voter-approval rate but not the *de minimis rate*]

Sept. 7th

COMMISSION MEETING

-Conduct public hearing on Budget
-Ordinance in support of Budget (Record Vote)
30th day before the date the governing body of the municipality makes its tax levy for the fiscal year (must file a month in advance)
-Ratification Vote if a budget will require raising more revenue from property taxes than in the previous year requires a separate vote of the governing body to ratify the property tax increase reflected in the budget (Record Vote) (if required)
-Ordinance adjusting/increasing/ Schedule of Rates & Fees
-Announce date, time, and place of vote on tax rate

Sept. 20th

COMMISSION MEETING

Conduct public hearing on proposed tax rate (if required)
-Ordinance adopting a tax rate (If tax increase) (Record Vote)

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, Mayor Pro-Tem Cody Jones, Paul R. Lyons Kelsey Ward and Randy Ray.

Also present were the following City Staff: City Manager Joe Price, Assistant City Manager Jon Behrens, City Secretary Gretchen Mercer, IT Director Shaun Holtman, Communications Director Megan Nelson, Director of Human Resources Hector Mendoza, City Manager Intern Vaneesha Patel, Police Chief Steve Brush, Director of Public Works Dan Reese, Fire Chief Dennis Gwyn, Director of Planning and Development Danny Cornelius, Canyon Economic Development Board President Don Lee, Utility Supervisor Eric Whitten, City Engineers Adolpho Garcia, Chris Godinez and Oscar Ostos 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 Ray gave the invocation.

Item 3. Pledge of Allegiance.

The Pledge of Allegiance was led by Commissioner Ward.

Item 4. Approval of Minutes of the Meeting of June 21, 2021.

Mayor Pro-Tem Jones moved, duly seconded by Commissioner Ward to approve the minutes of June 21, 2021 as presented. Motion carried unanimously.

Item 5. Public Comment – Comments from Interested Citizens.

No public comment was made.

Item 6. Consider and Take Appropriate Action on Second and Final Reading of Resolution No. 21-2021, A Resolution of the City Commission of the City of Canyon Approving a Project Funding Agreement Between Mass Hotels LLC and Canyon Economic Development Corporation Relating to Funding a Hotel Project and Job Creation Incentives for New Hampton Inn & Suites to be Located at 3101 4th Ave.

Canyon Economic Development Corporation President Don Lee presented Resolution No. 21-2021 for the second and final reading and consideration. Mr. Lee stated the Canyon Economic Development Corporation held a public hearing May 13, 2021 with no opposition to the project. Mr. Lee said the economic impact of more available rooms in Canyon helps the attractions and local businesses. Mr. Lee said the approved project is for \$486,000 paid over a 5-year time frame. Mr. Lee stated the Hampton Inn & Suites is a \$9 million project.

After Discussion Mayor Pro-Tem Jones moved, duly seconded by Commissioner Lyons to adopt Resolution No. 21-2021 as presented. Motion carried unanimously.

RESOLUTION NO. 21-2021
A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF
CANYON APPROVING PROJECT FUNDING AGREEMENT
BETWEEN MASS HOTELS LLC AND CANYON ECONOMIC
DEVELOPMENT CORPORATION RELATING TO FUNDING A
HOTEL PROJECT AND JOB CREATION INCENTIVES

- Item 7. First Reading of Resolution No. 25-2021, A Resolution of the City Commission of the City of Canyon Approving a Project Funding Agreement Between TEXAS Panhandle Heritage Foundation and Canyon Economic Development Corporation Relating to Quality of Life Enhancements for Area Residents.

Canyon Economic Development Corporation President Don Lee presented Resolution No. 25-2021 for the first of two required readings. Mr. Lee stated the funding request from Texas Panhandle Heritage Foundation is for assistance in audio system upgrades at the amphitheater in Palo Duro Canyon supporting the musical production "TEXAS". Mr. Lee said the overall cost of the project is \$210,000 with the Harrington Foundation and the MS Doss Foundation giving \$75,000 each leaving a balance of \$60,000. Mr. Lee stated a public hearing was held June 10, 2021 during the Canyon Economic Development Corporation board meeting with no opposition.

First reading only, no action required.

RESOLUTION NO. 25-2021
A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF
CANYON APPROVING PROJECT FUNDING AGREEMENT
BETWEEN TEXAS PANHANDLE HERITAGE FOUNDATION AND
CANYON ECONOMIC DEVELOPMENT CORPORATION
RELATING TO QUALITY OF LIFE ENHANCEMENTS FOR AREA
RESIDENTS

- Item 8. First Reading of Resolution No. 26-2021, A Resolution of the City Commission of the City of Canyon Approving a Project Funding Agreement Between Ruthette's LLC and Canyon Economic Development Corporation Relating to Business Retention and Expansion.

Canyon Economic Development Corporation President Don Lee presented Resolution No. 26-2021 for the first of two required readings. Mr. Lee stated a request for the funding from Avery Pinkerton and Colette Lane, owners of Ruthette's, was received to assist in the relocation of their business to a larger property at 416 15th Street. Mr. Lee stated Ruthette's opened in 2017 and proven extremely successful. Mr. Lee said the request for \$30,000 is to help with improvements to the store of the new location with a total project cost of \$84,750. Mr. Lee stated Ruthette's signed a 5-year lease that includes a Right of First Refusal clause as they would like to own the location in the future.

First reading only, no action required.

RESOLUTION NO. 26-2021
A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF
CANYON APPROVING PROJECT FUNDING AGREEMENT
BETWEEN RUTHETTE'S LLC AND CANYON ECONOMIC
DEVELOPMENT CORPORATION RELATING TO BUSINESS
RETENTION AND EXPANSION.

Item 9. Consider and Take Appropriate Action on Canyon Community Investment Plan and Associated CIP Ranking Criteria.

Assistant City Manager Jon Behrens presented a proposed Canyon Community Investment Plan as discussed in the past. Mr. Behrens stated after researching various CCIP plans from the around state city staff was able to create the plan presented. Mr. Behrens commended the summer intern, Vaneesha Patel for her efforts in creating a great plan. Mr. Patel then presented a detailed power point identifying how the CCIP process would work. Ms. Patel said the CCIP would be a multi-year plan allowing both staff and Commissioners to identify and prioritize projects providing the city the ability to strategically analyze the needs of Canyon both short and long term and ways to meet those needs. Mr. Behrens said the cornerstone of the CCIP is the Ranking Criteria that will let staff numerically score each project submitted and compared based on very specific criteria. Commissioners asked if the project choices and rankings would include input from the City Commission. Mr. Behrens said yes, once staff identified project needs and scored them, all projects and scoring would be presented to the City Commission for consideration. Mr. Behrens stated the first plan list should be ready for presentation in a year.

After discussion, Commissioner Ray moved, duly seconded by Mayor Pro-Tem Jones to approve the Canyon Community Investment Plan, a Capital Improvement Plan for the City of Canyon, and the associated Ranking Criteria. Motion carried unanimously.

Item 10. Executive Session Pursuant to §551.074 Personnel Matters (City Engineer – Brandt Engineers).

Mayor Hinders indicated the City Commission would adjourn into Executive Session at 5:20 pm.

The Commission returned to open session at 6:23 pm.

Item 11. Consider and Take Appropriate Action on the Future of City Engineer Services (a) Organizational Structure of City Engineer; (b) Reporting Requirements and Supervisor of City Engineer; (c) City Manager Role with City Engineer.

City Manager Joe Price began discussion of the role of the City Engineer in the City of Canyon stating the City Engineer is referenced throughout the Code of Ordinances with direction. Mr. Price said Brandt Engineers contract would automatically renew in August 2021 unless 30 days' notice was given of the intent to terminate the contract. Mr. Price said Brandt Engineers has served the

City of Canyon for the past 25 year and had a lot of knowledge of past projects, current projects and the development of future projects. Mr. Price stated senior staff directs the City Engineer and that currently Brandt Engineers employs 15 employees and are heavily dedicated to providing engineering services to municipalities and counties. Mr. Price stated owner Dwight Brandt was retiring this month and 3 of his staff purchased Brandt Engineers. New owners Adolpho Garcia, Chris Godinez and Oscar Ostos were all present to answer questions.

Mr. Price presented details and several options for the setup of a City Engineer in order to analyze the current City Engineer Structure,

1. Current setup/Option (Consultant Firm Base Setup)
2. On-Staff City Engineer (Stand-alone department with licensed civil engineer, draftsman and construction inspector minimum).
3. Hybrid of On-Staff Engineer and Consulting Firm.
4. RFQ All City Projects on single Projects to Engineer Firms.

Mr. Price said as the City Manager he currently keeps the City Commission apprised of all items with the City Engineer as appropriate and asked the City Commission if they wanted any changes in the structure of the City Engineer. The Commissioners agreed they want to keep the same contract structure as currently in place and stated they would like improved communication and updates provided on a regular basis. During discussion on the abilities of Brandt Engineers, Mr. Garcia stated they have historically sub contracted out things that were not their specialty and would continue to do so.

After discussion, Mayor Pro-Tem Jones moved, duly seconded by Commissioner Ray to approve a modified contract with Brandt Engineers for one (1) year with the following points:

- Quarterly reports / updates will be provided during a regular Commission Meeting
- Issues of public safety would be reported
- Continued communication through the City Manager
- The Commission would support Brandt Engineers both publicly and privately
- Brandt Engineers would sub contract for policies or processing as needed

Motion carried unanimously.

Item 12. Consider and Take Appropriate Action on Upon Any Required Notice in Accordance with the Agreement for Professional Services Between the City of Canyon and Brandt Engineers.

City Attorney Chuck Hester advised this item did not need to be addressed.

Item 13. Executive Session Pursuant to §551.071 Consultation with Attorney, §551.072 Deliberation about Real Property, §551.074 Board Appointments (Canyon Parks and Recreation Board, Canyon Economic Development Corporation) and §551.074 Personnel Matters (Municipal Court Judge).

Mayor Hinders indicated the City Commission would adjourn into Executive Session at 7:27 pm.

Item 14. Consider and Take Appropriate Action on Items Discussed in Executive Session.

Upon returning from Executive Session at 8:07, No action was taken.

Item 15. Adjourn.

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

Gary Hinders, Mayor

ATTEST:

Gretchen Mercer, City Secretary

To: Joe Price, City Manager

From: Evelyn Ecker, Director of Business & Community Development; Canyon Economic Development

Date: August 2, 2021

Re: Consider and Take Appropriate Action on Second and Final Reading of Resolution No. 25-2021. The City Commission of the City of Canyon approving a Project Funding Agreement Between TEXAS Panhandle Heritage Foundation and Canyon Economic Development Corporation for Direct Financial Assistance for Upgrades at the amphitheater in Palo Duro Canyon to support the musical production “TEXAS”.

During the May 13, 2021 meeting of the Canyon Economic Development Corporation (CEDC) a funding request from Texas Panhandle Heritage Foundation was approved. The request was to assist in audio system upgrades at the amphitheater in Palo Dur Canyon to support the musical production “TEXAS”.

The overall cost for the upgrade to the audio system is \$210,000. The Harrington Foundation and the MS Doss Foundation have each given \$75,000 to this project leaving a balance of \$60,000. The \$150,000 raised so far has covered transmitter, receiver, antenna distribution, The CEDC approved \$60,00 to cover the remaining stage microphones, front of the house as well as outreach programs. The project itself gives TEXAS state of the art audio quality throughout the amphitheater and put it in better positing for larger amphitheater improvements over the course of the next years.

A Public Hearing was held June 10th during the CEDC meeting. There was not any opposition for the project funding.

It is the recommendation of Staff to Approve Resolution No. 25-2021.

RECOMMENDED MOTION

*I move to **adopt/deny** Resolution No. 25-2021 as presented.*

CANYON ECONOMIC DEVELOPMENT CORPORATION
PROJECT FUNDING AGREEMENT

TEXAS PANHANDLE HERITAGE FOUNDATION

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 TEXAS PANHANDLE HERITAGE FOUNDATION, a Texas non-profit foundation (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 subtitle C1 of Title 12 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 will produce the musical drama “Texas” at the Palo Duro Canyon amphitheater during the summer of 2021.
 - b. The equipment to be purchased by second party shall be installed at the amphitheater in Palo Duro Canyon as a permanent addition to the facility.
 - c. All improvements contemplated by this agreement shall be constructed in accordance with written plans and specifications and approved by CEDC.
3. CEDC will provide the following cash incentives if Second Party is not in default hereunder as follows:
 - a. \$60,000 for audio equipment upgrades to be distributed as agreed upon between CEDC and second party.
 - 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;
 - iii. compliance with the requirements of the TEXAS DEVELOPMENT CORPORATION ACT; and,
 - iv. provided that all obligations of CEDC hereunder shall terminate if Second Party fails to qualify for funding of financial incentives within 12 months from the date this agreement is signed by Second Party (the effective date).
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.
 - b. Permit an audit by the CEDC of the books and financial records of Second Party, to determine whether Second Party is in compliance with this agreement.
 - c. Permit periodic inspection of improvements to the property described in Paragraph 2 if any part of the funding or financial incentives is used to improve real property.
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 its 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 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 direction 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. 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 Second Party pertaining to the transaction contemplated by this agreement shall survive the closing and shall constitute continuing obligations.

Effective Date: _____

CANYON ECONOMIC DEVELOPMENT
CORPORATION

Second Party:
TEXAS PANHANDLE HERITAGE
FOUNDATION

By: _____
Don Lee
President/Chairman
1605 4th Ave
Canyon, TX 79015

By: _____
Name _____
Title _____

RESOLUTION NO. 25-2021

RESOLUTION OF THE CITY COMMISSION OF THE CITY OF CANYON APPROVING PROJECT FUNDING AGREEMENT BETWEEN TEXAS PANHANDLE HERITAGE FOUNDATION AND CANYON ECONOMIC DEVELOPMENT CORPORATION RELATING TO QUALITY OF LIFE ENHANCEMENTS FOR AREA RESIDENTS.

WHEREAS, on June 10, 2021 the Canyon Economic Development Corporation (“CEDC”) conducted a public hearing regarding the use of sales and use tax revenues collected pursuant to the Development Corporation Act of 1979, TEX. LOC. GOV'T CODE CHAPTERS 501-505, (“the Act”) to consider a funding agreement the primary purpose of which is quality of life enhancements for area residents; and,

WHEREAS, the City Commission of the City of Canyon, Texas (the “City”), finds it to be in the public interest for CEDC to execute a Project Funding Agreement between the Canyon Economic Development Corporation and Texas Panhandle Heritage Foundation, on the terms and conditions set forth in the Project Funding Agreement approved by the CEDC board and presented to the City Commission for consideration and approval following a first and second reading;

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

SECTION 1:

That the Project Funding Agreement by and between CEDC and Texas Panhandle Heritage Foundation be, and it is hereby approved, and the sales tax revenue collected pursuant to the Act by CEDC subject to the limitations of the Act may be used for a part of the cost to be incurred in audio system upgrades at the amphitheater in Palo Duro Canyon to support the musical production “Texas”. The sales tax revenue referred to in this Resolution shall be the revenue on deposit in Sales Tax Improvement Fund (Fund 40) for direct costs related to the project.

SECTION 2:

The maximum funding to be provided by CEDC is \$60,000 to be held in an encumbered account under the control of CEDC to be disbursed at the end of the project.

READ in accordance with TEXAS LOCAL GOVERNMENT CODE §505.158 with a quorum of the City Commission duly and lawfully assembled and at a public meeting properly called and noticed in accordance with the Texas Open Meetings Act, on the first (1st) reading, on the 19th of July, 2021.

CITY OF CANYON, TEXAS

GARY HINDERS, Mayor

ATTEST:

Gretchen Mercer, City Secretary

RESOLUTION PASSED AND ADOPTED by the City Commission of the City of Canyon, Texas, with a quorum of the City Commission duly and lawfully assembled and voting and at a public meeting properly called and noticed in accordance with the Texas Open Meetings Act, on the second (2nd) and final reading, on the 2nd of August, 2021.

CITY OF CANYON, TEXAS

GARY HINDERS, Mayor

ATTEST:

Gretchen Mercer, City Secretary

To: Joe Price, City Manager

From: Evelyn Ecker, Director of Business & Community Development; Canyon Economic Development

Date: August 2, 2021

Re: Consider and Take Appropriate Action on Second and Final Reading of Resolution No. 26-2021. The City Commission of the City of Canyon approving a Project Funding Agreement Between Ruthette's LLC and Canyon Economic Development Corporation for the Primary Purpose of Business Retention and Expansion.

During the May 13, 2021 meeting of the Canyon Economic Development Corporation (CEDC) a funding request from Avery Pinkerton and Colette Lane, owners of Ruthette's was approved. The request was to assist in the relocation of their business to a larger property, 416 15th Street.

Ruthette's opened in 2017. The owners have found a niche business that has proven to be extremely successful and they are needing more room. The overall project cost is approximately \$84,750. The property owner demolished the interior of the building and is installing a new HVAC, bringing the electrical up to code, building a restroom, making improvements to the storefront entrance, and adding interior walls. The CEDC has committed \$30,000 to the project.

Ruthette's has signed a 5-year lease for the new location. The lease also includes a *Right of First Refusal* clause. The intent of Ruthette's is to own the location.

A Public Hearing was held June 10th during the CEDC meeting. There was not any opposition for the project funding.

It is the recommendation of Staff to Approve Resolution No. 26-2021.

RECOMMENDED MOTION

*I move to **adopt/deny** Resolution No. 26-2021 as presented.*

CANYON ECONOMIC DEVELOPMENT CORPORATION
PROJECT FUNDING AGREEMENT

RUTHETTE'S LLC

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 RUTHETTE'S LLC, a Texas Limited Liability Company (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 subtitle C1 of Title 12 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 will relocate to another location on the square in Canyon to increase its retail space and upgrade leasehold improvements in the new location.
 - b. 416 15th Street, Canyon, Texas- new location for Ruthette's, following the move from the Shops on 5th Avenue.
 - c. All improvements contemplated by this agreement shall be constructed in accordance with written plans and specifications and approved by CEDC.
 - d. Second Party will remain in business in Canyon for a period of five (5) years from the date of initial funding by CEDC engaged in a retail business which collects and remits sales tax on retail sales to the public. ***Retail business means a business that collects sales tax and remits sales tax as defined in the North American Industry Classification System (NAICS) which is incorporated by reference.***
 - e. **Should any part of the financial incentives provided by CEDC be used by Second Party to purchase furniture, fixtures or equipment, CEDC shall have a lien pursuant to Chapter 9 of the TEXAS BUSINESS AND COMMERCE CODE on all such property which shall attach at the moment of purchase and shall extend to proceeds and after acquired property. CEDC as secured party may at any time file a financing statement to perfect its security interest in the collateral to secure the obligations of Second Party hereunder.**

3. CEDC will provide the following cash incentives if Second Party is not in default hereunder as follows:
 - a. A \$30,000 one-time reimbursement to be disbursed upon completion of the project.
 - 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;
 - iii. compliance with the requirements of the TEXAS DEVELOPMENT CORPORATION ACT; and,
 - iv. provided that all obligations of CEDC hereunder shall terminate if Second Party fails to qualify for funding of financial incentives within 12 months from the date this agreement is signed by Second Party (the effective date).
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.
 - b. Permit an audit by the CEDC of the books and financial records of Second Party, to determine whether Second Party is in compliance with this agreement.
 - c. Permit periodic inspection of improvements to the property described in Paragraph 2 if any part of the funding or financial incentives is used to improve real property.
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 its 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 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 direction 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. 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 Second Party pertaining to the transaction contemplated by this agreement shall survive the closing and shall constitute continuing obligations.

Effective Date: _____

CANYON ECONOMIC DEVELOPMENT CORPORATION

Second Party:
RUTHETTE'S LLC

By: _____
Don Lee
President/Chairman
1605 4th Ave
Canyon, TX 79015

By: _____
Name _____
Managing Member
416 15TH St.
Canyon, TX 79015

By: _____
Name _____
Managing Member
416 15TH St.
Canyon, TX 79015

PERSONAL GUARANTY

The undersigned shall be personally liable for faithful performance of the contract obligations to Canyon Economic Development Corporation under the foregoing agreement and shall, in the event of default by the company, repay, upon demand, all or any part of the financial incentives set forth in Paragraph 3 with interest and attorney fees.

Dated: _____

SIGNATURE

PRINTED NAME

SIGNATURE

PRINTED NAME

RESOLUTION NO. 26-2021

RESOLUTION OF THE CITY COMMISSION OF THE CITY OF CANYON APPROVING PROJECT FUNDING AGREEMENT BETWEEN RUTHETTE'S LLC AND CANYON ECONOMIC DEVELOPMENT CORPORATION RELATING TO BUSINESS RETENTION AND EXPANSION.

WHEREAS, on June 10, 2021 the Canyon Economic Development Corporation (“CEDC”) conducted a public hearing regarding the use of sales and use tax revenues collected pursuant to the Development Corporation Act of 1979, TEX. LOC. GOV'T CODE CHAPTERS 501-505, (“the Act”) to consider a funding agreement the primary purpose of which is business retention and expansion; and,

WHEREAS, the City Commission of the City of Canyon, Texas (the “City”), finds it to be in the public interest for CEDC to execute a Project Funding Agreement between the Canyon Economic Development Corporation and Ruthette’s LLC, on the terms and conditions set forth in the Project Funding Agreement approved by the CEDC board and presented to the City Commission for consideration and approval following a first and second reading;

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

SECTION 1:

That the Project Funding Agreement by and between CEDC and Ruthette’s LLC be, and it is hereby approved, and the sales tax revenue collected pursuant to the Act by CEDC subject to the limitations of the Act may be used for a part of the cost to be incurred in relocation of the retail business to 416 15th Street, Canyon, Texas. The sales tax revenue referred to in this Resolution shall be the revenue on deposit in Sales Tax Improvement Fund (Fund 40) for direct costs related to the project.

SECTION 2:

The maximum funding to be provided by CEDC is \$30,000 to be held in an encumbered account under the control of CEDC to be disbursed at the end of the project.

READ in accordance with TEXAS LOCAL GOVERNMENT CODE §505.158 with a quorum of the City Commission duly and lawfully assembled and at a public meeting properly called and noticed in accordance with the Texas Open Meetings Act, on the first (1st) reading, on the 19th of July, 2021.

CITY OF CANYON, TEXAS

GARY HINDERS, Mayor

ATTEST:

Gretchen Mercer, City Secretary

RESOLUTION PASSED AND ADOPTED by the City Commission of the City of Canyon, Texas, with a quorum of the City Commission duly and lawfully assembled and voting and at a public meeting properly called and noticed in accordance with the Texas Open Meetings Act, on the second (2nd) and final reading, on the 2nd of August, 2021.

CITY OF CANYON, TEXAS

GARY HINDERS, Mayor

ATTEST:

Gretchen Mercer, City Secretary

To: Joe Price, City Manager
From: Evelyn Ecker, Director of Business & Community Development; Canyon Economic Development
Date: August 2, 2021
Re: Consider and Take Appropriate Action on the Proposed Canyon Economic Development Budget for Year 2021-2022.

I have attached the proposed budget for year 2021-2022.

During the June meeting, the proposed budget was reviewed and changes were recommended by the board members. The proposed budget was posted to consider and take appropriate action on the July 15, 2021 CEDC meeting agenda. The proposed budget was approved by unanimous vote.

There is a noted increase from the previous year budget to the proposed budget of approximately \$94,000. Increases can be attributed to the new full-time position staffed January 1st of this year. The cost of the new employee is funded 100% by the CEDC. The *Other Insurance* cost encompasses the properties currently owned by the CEDC. There are seven (7) properties that are included in the policy as well as our coverage for the CEDC office.

Increases in *Legal Services* and *Other Contractual* were justified by the increase in projects and fees for different services i.e. ZacTax, Impact Data Studies, Retail Gap reports, and website updates/changes.

It is the recommendation of Staff to Approve the proposed CEDC budget for 2021-2022.

RECOMMENDED MOTION

I move to **adopt/deny the proposed CEDC budget as presented.**

CANYON ECONOMIC DEVELOPMENT

	Approved Budget 2018-2019	Approved Budget 2019-2020	Approved Budget 2020-2021	2021-2022 Proposed Budget
REGULAR SALARIES	\$157,498	\$161,529	\$152,472	\$268,817
TEMP SALARIES	\$0	\$0	\$0	
SOCIAL SECURITY	\$0	\$0	\$0	
RETIREMENT	\$0	\$0	\$0	
HOSPITALIZATION	\$0	\$0	\$0	
WORKERS COMPENSATION	\$0	\$0	\$0	
LONGEVITY	\$0	\$0	\$0	
SUBTOTAL	\$157,498	\$161,529	\$208,346	\$268,817
OFFICE SUPPLIES	\$2,400	\$2,600	\$2,600	\$3,000
MAPS & SUBSCRIPTIONS	\$250	\$250	\$250	\$250
FOOD	\$1,000	\$500	\$500	\$500
OTHER OPERATING SUPPLIES	\$1,250	\$1,250	\$1,250	\$1,250
SUBTOTAL	\$4,900	\$4,600	\$4,600	\$5,000
LEASE OR RENT	\$14,000	\$14,000	\$0	\$0
UTILITIES	\$3,200	\$3,200	\$2,400	\$3,200
TELEPHONE		0		
POSTAGE & FREIGHT	\$250	\$250	\$250	\$250
TRAVEL EXPENSE	\$5,000	\$5,000	\$2,500	\$2,500
PRINTING AND BINDING	\$1,500	\$1,500	\$1,500	\$1,500
OTHER INSURANCE	\$3,000	\$5,200	\$8,222	\$16,000
DUES, MEMBERSHIP, TUITION	\$2,200	\$2,200	\$2,200	\$3,200
OTHER CONTRACTUAL	\$6,000	\$6,000	\$6,000	\$8,500
LEGAL SERVICES	\$5,000	\$5,000	\$5,000	\$7,500
ACCOUNTING SERVICE, AUDIT	\$3,500	\$3,600	\$3,700	\$4,000
MONTHLY ACCT. SERVICE	\$4,000	\$3,500	\$3,500	\$3,000
SUBTOTAL	\$47,650	\$49,450	\$35,272	\$49,650
FURNITURE & FIXTURES	\$0	\$0	\$0	\$0
OFFICE EQUIPMENT	\$0	\$0	\$0	\$0
SUBTOTAL	\$0	\$0	\$0	\$0
SMALL BUSINESS ASST.PRO.	\$47,286	\$43,461	\$24,293	\$43,786
SUBTOTAL	\$47,286	\$43,461	\$24,293	\$43,786
Total Budget	\$257,334	\$259,040	\$272,511	\$367,253

To: Joe Price, City Manager
From: Jon Behrens, Assistant City Manager
Date: August 2, 2021
Re: Consider and Take Appropriate Action on Ordinance No. 1138, An Ordinance Amending the City of Canyon, Texas (“City”) Code of Ordinances, Chapter 37, Master Fee Schedule of Charges and Fees; Providing for the Addition of New and Amendment of Certain Other Fees and Charges; Providing a Repealing Clause, Providing a Severability Clause; for publication and an Effective Date.

The Master Schedule of Charges and Fees combines all of the fees and charges that various City departments charge. This document was created last year in an effort to consolidate the fees in one location, which makes them easier for users to find. All departments have had the opportunity to review their fees and submit request to increase them if they felt an increase was necessary. All requested changes are highlighted in yellow and identified in red with the previous charges are black.

Staff from Palo Duro Creek Golf Course will discuss their rates with the Commission at a later date.

Staff supports all of the proposed changes identified in the updated Master Schedule of Charges and Fees. Staff will be available to answer any questions that may be associated with proposed changes.

RECOMMENDED MOTION

*“I move to **adopt/deny** Ordinance No. 1138 amending the 2021-2022 Master Schedule of Charges and Fees.*

ORDINANCE NO. 1138

MASTER SCHEDULE OF CHARGES AND FEES

AN ORDINANCE AMENDING THE CITY OF CANYON, TEXAS (“CITY”) CODE OF ORDINANCES, CHAPTER 37, MASTER SCHEDULE OF CHARGES AND FEES; PROVIDING FOR THE ADDITION OF NEW AND AMENDMENT OF CERTAIN OTHER FEES AND CHARGES; PROVIDING A REPEALING CLAUSE; PROVIDING A SEVERABILITY CLAUSE; FOR PUBLICATION AND AN EFFECTIVE DATE

WHEREAS, the City of Canyon, Texas, is a home rule city acting under its Charter adopted by the electorate pursuant to Article 11, Sect. 5 of the Texas Constitution and Tex. Rev. Civ. Stats. Art.1165-1170a now codified as Chapter 9 of the Tex. Loc. Gov’t. Code; and,

WHEREAS, the City Commission of the City of Canyon has heretofore passed Ordinance No. 1127 establishing a Master Schedule of Charges and Fees; and,

WHEREAS, the City Commission approved on August 17, 2020 a separate fees and charges schedule for the fiscal year beginning October 1, 2020; and,

WHEREAS, the City Commission has determined that the Master Schedule of Charges and Fees will need to be amended under Article III, Chapter 37, Fee Schedule for the fiscal year beginning October 1, 2021; and,

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

SECTION 1.

Facts: The facts and matters set forth in the preamble of this Ordinance are hereby found to be true and correct.

SECTION 2.

That, Chapter 37, Master Schedule of Charges and Fees, of the Code of Ordinances is hereby amended as highlighted and stated in red in Exhibit A attached:

SECTION 3.

That it is hereby officially found and determined that the meeting at which this Ordinance is passed was properly noticed and open to the public as required by law.

SECTION 4.

Severability. If any provision, section, subsection, clause, or the application of same to any person or set of circumstances for any reason is held to be unconstitutional, void or invalid or for any

reason unenforceable, the validity of the remaining portions of this ordinance or the application thereby shall remain in effect, it being the intent of the City Commission of the City of Canyon, Texas in adopting this ordinance, that no portion thereof or provision continued herein shall become inoperative or fail by any reasons of the unconstitutionality of any other portion or provision.

SECTION 5.

Repealer. All ordinances, parts of ordinances, resolutions, and parts of resolutions in conflict with this ordinance are hereby repealed to the extent of conflict with this ordinance.

SECTION 6.

This ordinance shall become effective October 1, 2021.

DULY PASSED BY THE CITY COMMISSION OF THE CITY OF CANYON, TEXAS, on the 2nd day of August, 2021.

APPROVED:

GARY HINDERS, MAYOR

ATTESTED TO:

GRETCHEN MERCER, CITY SECRETARY

Master Schedule of Charges and Fees 2021 – 2022

Animal Control		
Pick-up Deceased Animal	NC	
Failure to Confine	\$1-\$500 \$116	Per Animal City Ordinance Violation
Failure to Vaccinate	\$1-\$500 \$116	Per Animal City Ordinance Violation
Canyon Area Library		
Room Rental		
Hull, Tocker, Kitchen	\$0	Rental for Non-Profit or Community Use
Room Deposit		
Hull	\$100	Refundable deposit
Tocker	\$50	Refundable deposit
Kitchen	\$30	Refundable deposit
Library Card	\$15	Nonresident user – outside Randall County
Replacement Library Card	\$2	
Ear Buds	\$1	
3D Printer		.03 x meters + .04 x minutes & round to nearest \$.25
Fax		\$2 for the first page, \$1 for each additional page
Copies – Black and White	.15	Per 8.5 x 11 page
	.30	Front and back
	.60	Front and back
Canyon Aqua Park		
Admission		
Three (3) and Under	NC	
Senior Admission (65 & older)	\$4	
General Admission	\$6 / \$8	\$6 rate Monday – Thursday \$8 rate Friday – Sunday
10 Visit Pass	\$72	
Lap Swimming	\$2	
Seasonal Passes		
Resident Individual Pass	\$135	
Non-Resident Individual Pass	\$216	
Resident Family Season Pass	\$380	
Non-Resident Family Season Pass	\$490	
Birthday Parties	\$105	
Round Pavilion Upgrade	\$10	
Pavilion Rentals		
Round Pavilion	\$40	
Square Pavilion	\$30	
Facility Rental		
Entire Facility	\$825	Rental for two (2) hours
Slide Pool and Slides	\$575	Rental for two (2) hours
Lap Pool	\$275	Rental for two (2) hours
Grill Rental	\$50	
Swim Lesson		
First Group Lesson	\$40	In one season
Second Group Lesson	\$35	In one season
Third Group Lesson	\$30	In one season
Private Lessons	\$70	
Over 50,000 sq. feet	\$160	First 50,000 sq. ft. plus \$40 for each additional 25,000 sq. ft. or fraction thereof
Cole Community Center		

Palo Duro Room	\$120 \$115 /4 hrs.	\$20 \$45 /hour for each additional hr. with a maximum rental of \$175
Adobe Room	\$90 \$85 /4 hrs.	\$20 \$85 /hour for each additional hr. with a maximum rental of \$145
Texas Room	\$60/4 hrs.	\$10/hour for each additional hr. with a maximum rental of \$100
Kitchen	\$65	
Refundable Room Security Deposits		\$150/Palo Duro \$150 \$100/Adobe \$50/Texas & Kitchen \$500/AV Equip.
Fire Department		
Fire Suppression		
Apparatus	\$180 \$300 /unit/hr.	Required stand-by. 2 hours minimum, then \$180/unit/hr. or fraction thereof
PPE Replacement		
Bunker Coat	\$1,279	
Bunker Pant	\$886	
Structure Boots	\$359	
Structure Gloves	\$65	
Structure Helmet	\$346	
Particulate Hood	\$100	
Firefighting Equipment		
Self-Contained Breathing Apparatus (SCBA)	\$7,200	
SCBA Mask	\$274	
Firefighting Agents		
AFFF Foam	\$23.95/gal.	
Class A Foam	\$4.50/gal.	
HazCleanER	\$18.57/gal.	
Micro-Blaze	\$42.00/gal.	
<i>This list is not all-inclusive of equipment that may be damaged or contaminated during the course of a response effort. Additional equipment that is not herein listed may be charged at actual replacement costs.</i>		
Municipal Court		
Local Court Costs		
Municipal Court Building Security Fund	\$4.90	Code of Criminal Procedure Art. 102.017 may only be used for security personnel, services and items related to operation of Municipal Court
Municipal Court Technology Fund	\$4	Code of Criminal Procedure Art. 102.0172 may only be used to finance purchase/maintain technological enhancements for Municipal Court
Municipal Jury Fund	\$0.10	Government Code Sect. 134.154 may only be used to fund juror reimbursement and otherwise finance jury services
Truancy Prevention and Diversion Fund	\$5	Government Code Sect. 134.156 may only be used to finance salary, benefits, training, travel expenses, and other necessary expenses relating to position of juvenile case manager
Arrest Fee	\$5	Code of Criminal Procedure Art. 102.011 arrest reimbursement fee for issuing a written notice to appear in court
State Court Costs		
Consolidate Fee	\$62	Government Code Sect. 133.102 90% to State and %10 to City if filed timely
State Traffic Fee	\$50	Transportation Code Sect. 542.4031 96% to State and 4% to City if filed timely

Local Traffic Fee	\$3	Transportation Code Sect. 542.403 100% to City
Additional Fees		
Omni Driver's License Hold	\$10	%100 City Contract with the Department of Public Safety
Time Payment Fee	\$15	Code of Criminal Procedure Art. 102.030 100% City to be deposited into a separate account in City's General Revenue fund to be used for improving collection of outstanding court costs, fines and improving efficiency of administration of justice
Accident Fee	\$25	100% City Funds
Child Safety Fee	\$25	100% City Funds
Serving a Subpoena	\$5	Serving a subpoena
Warrant Reimbursement Fee for Executing	\$50	Reimbursement fee for executing or processing an issued arrest warrant, capias pro fine. When service is performed by a peace officer by the State, 20% is sent to the State on Quarterly report. Service by another agency fee can be requested.
Expunction Fee	\$100	100% City Expunge requests on court dockets
Jury Panel Fee	\$5	100% City A party that does not waive jury trial and fails to appear for the trial
Dismissal Fee Drivers License	\$10	Transportation Code Sect. 521.026(a)
Dismissal Fee	\$20	Transportation Code Sect. 502.407(b)
Defensive Driving Fee	\$10	Code of Criminal Procedure At. 45.0511(f)(1) Administrative fee
Abstract Filing Fee	\$52	Fees assessed on Final Judgement filing at County Court
Summons Fee	\$35	Serving any other writ includes summons for defendant and child's parent
Failure to Appear/Violate Promise to Appear Fine	\$25	Code of Criminal Procedure Art.45.203© 100% City
Third Party Collections	30%	By contract
Parks and Recreation		
Field Rental		
Paul Lindsey Game Field	\$20/game	
Paul Lindsey Practice Field	\$15/1.5 hr.	
Paul Lindsey Practice with lights	\$25/1.5 hr.	Available March – October Lights enabled 15 minutes prior to sunset
Paul Lindsey Batting Cage	\$15/1.5 hr.	
Brown Road BB Practice Field	\$10/1.5 hr.	
Brown Road Soccer Game Field	\$10/game	Game fields not available for practice
Pavilion Rental		
Conner Park, Paul Lindsey Park and Hunsley Park	\$30/less than 4 hrs. \$50/more than 4 hrs.	
Lois Rice Pavilion at Conner Park, Brown Road, Neblett Park	\$40/less than 4 hrs. \$70/more than 4 hrs.	
<i>Water use is an additional \$10 and is only available at Paul Lindsey, Hunsley and Lois Rice pavilions. A \$25 refundable key deposit is required at key pick up for water use at Lois Rice.</i>		
Palo Duro Creek Golf Course		
Green Fees		
Weekday	\$20	Monday – Thursday
Weekend	\$25	Friday – Sunday & Holidays
Senior Weekday (60+)	\$16	Monday - Thursday
Senior Weekend (60+)	\$20	Friday – Sunday & Holidays

Junior (High School age & Under)	\$10	
College Weekday	\$16	Full time college student under 24 and proof of full time status required
College Weekend	\$20	Full time college student under 24 and proof of full time status required
Midday Weekday	\$13	Monday – Thursday between 2 – 4 PM
Midday Weekend	\$15	Friday – Sunday between 2 – 4 PM
Twilight Weekday	\$10	Monday – Thursday after 4 PM
Twilight Weekend	\$12	Friday – Sunday after 4 PM
Cart Fees		
18 Holes	\$30	\$15 per player when splitting a cart
9 Holes	\$16	\$8 per player when splitting a cart
Annual Permits Valid January 1 – December 31		
Sr. Single Weekday (60+)	\$575	Monday – Friday only
Single	\$900	Any day
Additional Person	\$300	Any dependent or co-dependent living in the same household
Junior Permit (High School age or younger)	\$180	Monday – Thursday June, July August
Permit Fees		
Operational Permits	\$40	
Renewal	\$40	
Stand-By Required	\$300	
Construction Permits	\$80	
Re-Inspection	\$40	
<i>All permits are issued through the Planning & Development Office.</i>		
Planning and Development ¹		
Fee Refunds		
Fee Collected in Error	Full Refund	
Plan Review Fee	80%	Cancelled before review
Building Permit Fee	80%	Cancelled before work has begun
Working Without a Permit – 1 st Offense		2 times the calculated permit fee - \$250 Minimum
Working Without a Permit – Subsequent Offense		3 times the calculated permit fee - \$500 minimum
Expired Permit Fees		
Not More than 60 Days After Exp. Date	\$50	
61 to 180 Days After Exp. Date	50% Original Fee	\$50 minimum
More than 180 Days After Exp. Date	Full Original Fee	
Residential Building Permits		
New Construction	Sq. Ft. x \$0.30 \$0.26	\$120 minimum/plus \$60 \$50 x other permits required for electrical, plumbing & HVAC
Remodels, Additions, and Accessory Buildings	Sq. Ft. x \$0.30 \$0.26	\$60 minimum/plus \$60 \$50 x other permits required for electrical, plumbing & HVAC
Technology Fee	\$15 \$10 Per Permit	
Commercial Building Permits		
New Construction	\$ Value x \$0.004 \$0.003	\$120 minimum/plus \$60 \$50 x other permits required for electrical, plumbing & HVAC
Remodels, Additions, and Accessory Buildings	\$ Value x \$0.004 \$0.003	\$60 minimum/plus \$50 x other permits required for electrical, plumbing & HVAC
Plan Review Fee	\$ Value x 0.001	Applied to building fee upon issuance
Technology Fee	\$15 \$10 Per Permit	
Other Permits and Inspection Fees		
Certificate of Occupancy Review/Inspection	\$120	When not associated with a building permit

Duplication or Recreation of Existing CO	\$50	
Demolition and Moving Permits	\$90	
Flammable Liquid Tanks and Pump Installation or Removal Permit	\$150	Includes electrical and plumbing permits
Residential Roof	\$60 \$50	
Commercial Roof	\$70 \$60	
Manufactured Home Installation	\$180	Includes fees for electrical and plumbing
Insulation and Energy Conservation Permit	\$60 \$50	
Technology Fee	\$15 \$10 Per Permit	
Electrical Permit Fees – Existing Buildings		New construction or additions shall be applied to the building permit – see above
Minimum Permit Fee	\$60 \$50	
All 120 V – 480 V Services per Ampere	\$0.003/Amp	\$60 \$50 minimum
Alteration of Service Entrance	\$60 \$50	
Gas Pumps and Dispensers, Generators, Transformers, Signs, Electrical Device Not Listed – Each	\$10	\$60 \$50 minimum
Passenger or Freight Elevator, Dumbwaiter – Each	\$60 \$50	
Construction Tap	\$20	
Technology Fee	\$15 \$10 Per Permit	
HVAC Permit Fees – Existing Buildings		New construction or additions shall be applied to the building permit – see above
Minimum Permit Fee	\$60 \$50	
Commercial Hoods: First Unit	\$60 \$50	\$10 for each additional unit
Commercial Refrigeration: First Unit	\$60 \$50	\$10 for each additional unit
Commercial Cold Storage Box: First Unit	\$60 \$50	\$10 for each additional unit
Boilers – First 100,000 BTU/Hour Input	\$60 \$50	\$10 for each additional 100,000 BTU or portion thereof
Floor Heaters: First Unit	\$60 \$50	\$10 for each additional unit
Equipment Change Out: Per Unit, First 5 Tons	\$60 \$50	\$10 for each additional 5 tons or portion thereof
Relocation, Replacement or Installation of New Duct, Chilled Water or Steam Pipes	\$0.02 per Sq. Ft. of Floor Area	\$50 minimum
Technology Fee	\$15 \$10 Per Permit	
Plumbing Permits – Existing Building		New construction or additions shall be applied to the building permit – see above
Minimum Permit Fee	\$60 \$50	
Per Fixture	\$6	\$50 minimum
Water, Gas, or Sewer Service Line	\$60 \$50	
Water, Gas, or Sewer Re-pipe Within a Structure	\$60 \$50	Plus \$2 for each plumbing fixture and gas outlet
Water Heater	\$60 \$50	
Med Gas Installation	\$60 \$50	
Lawn Sprinkler Installation	\$60 \$50	
Reinspection Fee (all permit types)	\$60 \$50	
Technology Fee	\$15 \$10 Per Permit	
Inspections not otherwise described herein and those requested after hours (all permit types)	\$100	Plus \$10 technology fee
Zoning Fees		
Zoning Request	\$150	
Specific Use Permit	\$150	
Adult-Oriented Business Annual License	\$200	

Board of Adjustment – Appeal or Variance Request	\$150	
Alcohol Sales Location Variance Request	\$150	
Technology Fee for Each Zoning Fee	\$15 \$10	
Mailed Public Hearing Notices		\$1 per mailed notice
Notices in Newspaper	\$75	
Subdivision Development Fees		
Final Plat	\$200	
Replat	\$200	
Minor Plat	\$100	
Technology Fee for Each Plat	\$15 \$10	
Wireless Communication Facilities in the PROW		
Application Fees (Certificate of Insurance Required)		
Application (5 Nodes)	\$500	
Additional Nodes in Application	\$250	Per Node
Node Support Pole	\$1000	Per Support Pole
Annual and Monthly Rates		
Node (Annual)	\$250	Per Node
Node Pole Collocation (Annual)	\$20	Per Pole
Service Pole Attachment (Annual)	\$20	Per Pole
Transport Facility	\$28	Per Node
Miscellaneous Permits and Fees		
Abandonment of Public ROW Application	\$500	
Alcohol Permit	.50% of State Fee	
Community Event and Parade Permits	\$25	No charge for block party events
Credit Access Business Application and Renewal Fees	\$100	
Driveway/ROW Permit (No charge if associated with residential or commercial permit)	\$40	
Fence Installation (over 8' in height)	\$40	Plus \$10 technology fee
Construction Advisor and Appeals Board Application	\$150	Plus \$10 technology fee
Contractor Registration Fee	\$40	Unless prohibited by State Statue
Commercial Pool Permit	\$350	
Residential Pool Permit	\$250	
Sign Permit	\$50	Plus \$10 technology fee
Sidewalk Café and Display Permit	\$40	Annually
Water Well Permit	\$25	
Flood Plain Development Permit	\$200	Plus \$10 technology fee
Mobile Home or Travel Trailer Parks		
Permit Fee	\$50	Plus \$1 per space
License Fee	\$50	Plus \$0.50 per space
Peddlers, Solicitors, and Itinerant Merchants		
Itinerant Merchant Master Permit		
7 Day Permit	\$50	
14 Day Permit	\$75	
30 Day Permit	\$100	
90 Day Permit	\$150	
Itinerant Merchant Individual Permit		
7 Day Permit	\$25	
14 Day Permit	\$25	
30 Day Permit	\$25	
90 Day Permit	\$25	

Transient Retail Business		
7 Day Permit	\$50	
14 Day Permit	\$75	
30 Day Permit	\$100	
90 Day Permit	\$150	
Police Department		
Accident Report	\$6	Per report
Applicant Finger Printing	\$10	Per set
Police Report less than 20 pages	*	*Refer to Attorney General Fee Schedule
Police Report 20 pages or more	*	*Refer to Attorney General Fee Schedule
Marked Police Unit	\$25	\$25 hourly rate
Off-Duty Police Officer	\$40 \$35	\$40 \$35 hourly rate
Utilities		
Water Deposits		
Residential	\$50	
Commercial	\$60	Refer to ordinance for more than one unit
Water Tap Fees		
¾" Meter	\$125	Upgrades only – does not include new tap
1" Meter	\$750	Upgrade from 5/8" or ¾"
1" Meter	\$300	Meter only (new subdivisions)
1" Meter	\$750	Meter and tap
2" Meter	\$1,650	Tap not included (compound meter)
2" Meter	\$4,400/\$5,300	Meter and tap
4" Domestic Tap	\$7,600	
6" Tap	\$12,300	
Fire Taps		
2" Tap	\$1,300	
4" Tap	\$2,400	
6" Tap	\$2,900	
FEMA Disaster Equipment Rates		
Backhoe	\$39/hr.	
Pickup	\$19/hr.	
Utility Worker I	\$13.50/hr.	
Foreman	\$19/hr.	
Residential/Commercial Water Service Rates		
Minimal Water Charge	\$30.35	Includes 0 – 2000 gallons of water
Tier 1 Rate per thousand gallons	\$4.80	Includes 2001 – 8000 gallons of water
Tier 2 Rate per thousand gallons	\$6.27	Includes 8001 – 20000 gallons of water
Tier 3 Rate per thousand gallons	\$6.44	Includes 20001 – 35000 gallons of water
Tier 4 Rate per thousand gallons	\$6.60	Includes 35001 – 50000 gallons of water
Tier 5 Rate per thousand gallons	\$7.03	Includes 50001 + gallons of water
Residential Solid Waste Fee	\$22.68	Monthly fee
Residential Sewer Fee	\$28.35	Monthly fee
Educational Rate (WTAMU & CISD)		
Minimal Water Rate Charge	\$30.35	Includes 0 – 2000 gallons of water
Tier 1 Rate per thousand gallons	\$5.20	Includes 3000 + gallons of water
Commercial Sewer Rates		Commercial sewer rates based on prior year average water usage
Tier 1 Rate per thousand gallons	\$113.28	Includes 25000 – 50000 gallons of water
Tier 2 Rate per thousand gallons	\$265.64	Includes 50001 – 100000 gallons of water
Tier 3 Rate per thousand gallons	\$460.40	Includes 100001 – 150000 gallons of water
Tier 4 Rate per thousand gallons	\$648.31	Includes 150001 – 200000 gallons of water
Tier 5 Rate per thousand gallons		2000001+ gallons Billed at monthly water consumption x 58% at \$6.06 per 1000 gallons
Commercial Solid Waste	\$20.74/min.	\$3.17 per cubic yard per weekly pickup with a \$20.74 minimum charge. Shared container charges will be shared.

Damaged Water Meter	\$1200	Maximum charge \$1200
Fire Hydrant Meter	\$50/month	
Fire Hydrant Meter Deposit	\$1200	
Meter Lockout Fee	\$50	
Disconnect Fee	\$25	
Return Check and NSF Electronic Draft Fee	\$25	
Transfer Fee	\$10	
Turn On Fee	\$10	
Development Design/ Drainage Review Inspection Fee		
Initial Review	5%	5% of total construction cost of public facilities, includes two submittals
Re-review Fee	\$250	Charge for review of all submittals after the initial two submittals

¹County, State and Federal Governments, and subdivisions thereof, and all other local taxing entities such as school districts and hospital districts shall pay only plan review fees and no building permit fees on their projects. However, such entities shall be subject to penalties for beginning work on such projects without approved plans the same manner as the violation described in this chapter for work performed without a building permit. If desired, such entities may obtain expedited plan review or after hour inspections by paying the fee required for such services as provided elsewhere in this chapter.

Contractor Registration Requirements

Contractor Type	License Required	City Registration	Fee	Bond	Liability Insurance
Building:					
General ¹	No	Yes	\$90	None	None
New Residential Contractor ²	No	Yes	\$90	None	None
Residential Addition and Remodeling Contractor ³	No	Yes	\$90	\$20,000	None
Additional Requirements for Building Demolition	No	Any of the above	Any of the above	Lot clearance bond ⁴	Yes ⁵
Electrical Contractor/Master Electrician ⁶	State License	Yes	\$90 or as allowed by state statute	None	State required minimum
Glass and Glazing	No	Yes	\$90	None	\$500,000 ¹²
HVAC Contractor A & B ⁷	State License ⁷	Yes	\$90	None	State required minimum
Insulation Contractor	No	Yes	\$90	\$20,000	\$300,000 ¹¹
Landscape Irrigator	State License	Yes	\$90	\$10,000	None
House Moving Contractor	No	Yes	\$90	\$10,000	None
Plumbing Contractor/Master Plumber ⁷	State License ⁷	Yes	\$90 or as allowed by state statute	None	State required minimum
With Medical Gas Endorsement ⁸	MGE	Yes	None	None	State required minimum
Commercial Roofing Contractor	No	Yes	\$90	\$20,000	\$1,000,000 ¹³
Residential Roofing Contractor	No	Yes	\$90	\$20,000	\$300,000 ¹¹
Sign Contractors:					
Electrical Sign Contractor ⁹	State License ⁹	Yes	\$90	None	State required minimum
Non-Electrical Sign Contractor ¹⁰	No ¹⁰	Yes	\$90	\$10,000	None
Swimming Pool and Spa Contractor	No	Yes	\$90	\$10,000	None
Water Treatment Equipment Installation Contractor	State License	Yes	\$90	\$10,000	None
Technology Fee			\$10 for each		

Footnotes:

1. A General contractor who is not registered as a residential contractor and does not post a license and permit surety bond, may only work on commercial projects, including the installation of commercial kitchen exhaust hoods, and boilers used only for providing process heat. Makeup air and environmental air systems associated with a commercial kitchen hood must be installed by a State Licensed Air Conditioning contractor. Boilers installed for environmental heating must be included on a heating and air conditioning permit issued to a State Licensed Air Conditioning contractor. Boilers used for domestic and service water heating must be included on a plumbing permit issued to a State licensed Master Plumber.

2. A contractor registered as a residential contractor but who does not post a license and permit surety bond may work on new residential construction, and any commercial project, but may not work on residential remodels and additions.
3. A building contractor who is registered as a residential contractor, and who posts a license and permit surety bond as required for a Residential Additions and Remodeling Contractor may work in any of the three (3) building contractor categories.
4. See demolition permit requirements for the amount of lot clearance deposit. A twenty thousand dollar (\$20,000.00) license and permit surety bond may serve in lieu of a cash lot clearance deposit.
5. Reference the demolition permit requirements for a building not set back from the street or alley property line a distance equal to its height.
6. State laws require an Electrical Contractor to be either licensed as a Master Electrician, or employ a Master Electrician. Both are required to register their licenses with the City although the registration fee only applies to the contractor.
7. A licensed master plumber may also install non-ducted, unit heaters and wall heaters without having a separate HVAC license.
8. Installation of medical gas systems may only be done by a licensed master plumber who also has a medical gas endorsement.
9. Signs having any electrical components must be constructed, installed, and maintained by a State Licensed Electrical Sign Contractor. The contractor must either himself be, or he must employ a licensed Master Sign Electrician. Both must register their licenses with the City although the registration fee only applies to the contractor.
10. A Sign Contractor who constructs, installs, and maintains only signs that have no electrical components is not required to be licensed as an electrical Sign Contractor with the State, but is required to comply with City requirements for contracting.
11. General liability insurance requirements for contractors. Prior to being registered, and prior to each registration renewal period, each contractor must provide a standard insurance certificate to the Code Enforcement Department that demonstrates liability insurance coverage in the following amounts, and that otherwise complies with the following:
 - a. Minimum of three hundred thousand dollar (\$300,000.00) per occurrence (combined for property damage and bodily injury);
 - b. Minimum of six hundred thousand dollar (\$600,000.00) aggregate (total amount the policy will pay for property damage and bodily injury coverage); and
 - c. Minimum of three hundred thousand dollar (\$300,000.00) aggregate for products and completed operations.
 - d. The certificate of insurance must contain a clause requiring the company to give the City of Canyon thirty (30) day cancellation notice of the policy.
 - e. Insurance must be provided by an admitted company, surplus lines carrier or other insurer authorized by law to issue liability insurance in Texas, with minimum financial reserves of not less than one hundred million dollars (\$100,000,000.00) in reported capital, surplus, and conditional reserve funds. Any insurer or re-insurer which is rated shall have an A.M. Best Company rating of B+ or higher or an equivalent rating by another insurance rating company.

A registered contractor shall furnish to any customer who requests it: the name of the insurance carrier, policy number, and the name, address, and telephone number of the insurance agent with whom the contracting company is insured.
12. General liability insurance requirements for glass and glazing contractors. Prior to being registered, and prior to each registration renewal period, each glass and glazing contractor must provide a standard insurance certificate to the Code Enforcement Department that demonstrates liability insurance coverage in the following amounts, and that otherwise complies with the following:

- a. Minimum of five hundred thousand dollars (\$500,000.00) per occurrence (combined for property damage and bodily injury coverage); and
- b. Minimum of one million dollars (\$1,000,000.00) aggregate (total amount the policy will pay for property damage and bodily injury coverage); and
- c. Minimum of five hundred thousand dollars (\$500,000.00) aggregate for products and completed operations.
- d. The certificate of insurance must contain a clause requiring the company to give the City of Canyon thirty-day cancellation notice of the policy.
- e. Insurance must be provided by an admitted company, surplus lines carrier or other insurer authorized by law to issue liability insurance in Texas, with minimum financial reserves of not less than one hundred million dollars (\$100,000,000.00) in reported capital, surplus, and conditional reserve funds. Any insurer or re-insurer which is rated shall have an A.M. Best Company rating of B+ or higher or an equivalent rating by another insurance rating company. A registered contractor shall furnish to any customer who requests it: the name of the insurance carrier, policy number, and the name, address, and telephone number of the insurance agent with whom the contracting company is insured.

13. General liability insurance requirements for commercial roofing contractors. Prior to being registered, and prior to each registration renewal period, each commercial roofing contractor must provide a standard insurance certificate to the Code Enforcement Department that demonstrates liability insurance coverage in the following amounts, and that otherwise complies with the following:

- a. Minimum of one million dollars (\$1,000,000.00) per occurrence (combined for property damage and bodily injury coverage); and
- b. Minimum of two million dollars (\$2,000,000.00) aggregate (total amount the policy will pay for property damage and bodily injury coverage); and
- c. Minimum of one million dollars (\$1,000,000.00) aggregate for products and completed operations.
- d. The certificate of insurance must contain a clause requiring the company to give the City of Canyon thirty-day cancellation notice of the policy.
- e. Insurance must be provided by an admitted company, surplus lines carrier or other insurer authorized by law to issue liability insurance in Texas, with minimum financial reserves of not less than one hundred million dollars (\$100,000,000.00) in reported capital, surplus, and conditional reserve funds. Any insurer or re-insurer which is rated shall have an A.M. Best Company rating of B+ or higher or an equivalent rating by another insurance rating company. A registered contractor shall furnish to any customer who requests it: the name of the insurance carrier, policy number, and the name, address, and telephone number of the insurance agent with whom the contracting company is insured.

Fees in this schedule adopted through Ordinance 1127 on 8/17/20.

To: Joe Price, City Manager
From: Joel Wright, Director of Finance
Date: August 2, 2021
Re: Consider and Take Appropriate Action on Resolution No. 33-2021, A Resolution of the City Commission of the City of Canyon, Texas, Establishing a Special Revenue Fund Known as Parks Donation Fund and Internal Service Funds Known as Canyon Investment Program Funds (General and Utility/Golf) and Other Matters Properly Relating Thereto.

Resolution No. 33 -2021

The establishment of a special revenue fund is necessary in order to account for utility customers voluntary donations to be used for parks improvement projects.

The establishment of two internal service funds is necessary in order to properly account for the activities of the Canyon Investment Program General and Utility/Golf of the capital improvement program (CIP).

This resolution also provides for the opening of banks accounts specific to each of the three new funds.

RECOMMENDED MOTION

*“I move to approve/**not approve** Resolution No. 33-2021”.*

RESOLUTION NO. 33-2021

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF CANYON, TEXAS, ESTABLISHING A SPECIAL REVENUE FUND KNOWN AS PARKS DONATION FUND AND INTERNAL SERVICE FUNDS KNOWN AS CANYON INVESTMENT PROGRAM FUNDS (GENERAL AND UTILITY/GOLF) AND OTHER MATTERS PROPERLY RELATING THERETO

WHEREAS, local government entities approve the establishment of various funds of local government and set forth the purpose and plan for administration of the funds as determined necessary and advisable for the promotion of the general welfare of the community to carry out governmental powers delegated to and possessed by the City of Canyon;

WHEREAS, the establishment of a Parks Donation Fund and Canyon Investment Program (“CIP”) Funds, for General CIP and Utility/Golf CIP, with authorization for the City of Canyon to collect funds is necessary to set forth the purpose of the funds and plan for administration of the funds;

WHEREAS, it is in the best financial interest to establish specific funds to account for the activities of the Parks Donation Fund and CIP Funds;

WHEREAS, a bank account associated with each of the funds will be utilized to maintain the cash deposits of each fund separately;

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

SECTION 1.

That the Parks Donation Fund Account and Canyon Investment Program (“CIP”) Funds be established effective the date of adoption of Resolution No. 33-2021.

SECTION 2.

That the Parks Donation Fund be established and funded through the optional choice of utility customers of the City of Canyon to pay as desired.

SECTION 3.

That the Canyon Investment Program Funds be established and funded through the annual budgeting process for the General CIP program and Utility/Golf CIP program.

SECTION 4.

That the Finance Director be authorized to open bank accounts for each of the three funds.

PASSED AND APPROVED this 2nd day of August 2021,

GARY HINDERS, MAYOR

ATTEST:

Gretchen Mercer, City Clerk

To: Mayor and City Commissioners
From: Joe Price, City Manager
Date: August 2, 2021
Re: Consider and Take Appropriate Action on Resolution No. 32-2021, A Resolution of the City Commission of the City of Canyon, Texas Approving a Negotiated Settlement Between the Executive Committee of Cities Served by Atmos West Texas (“Cities”) and Atmos Energy Corp., West Texas Division Regarding the Company’s 2021 Rate Review Mechanism Filing.

BACKGROUND AND SUMMARY

The City, along with 66 other West Texas cities served by Atmos Energy Corporation, West Texas Division (“Atmos West Texas” or “Company”), is a member of Cities Served by Atmos West Texas (“Cities”). In 2007, the Cities and Atmos West Texas settled a rate application filed by the Company pursuant to Section 104.301 of the Texas Utilities Code for an interim rate adjustment commonly referred to as a GRIP filing (arising out of the Gas Reliability Infrastructure Program legislation). That settlement created a substitute rate review process, referred to as Rate Review Mechanism (“RRM”), as a substitute for future filings under the GRIP statute.

Since 2007, there have been several modifications to the original RRM Tariff. The most recent iteration of an RRM Tariff was reflected in an ordinance adopted by Cities in 2018. On or about April 1, 2021, the Company filed a rate request pursuant to the RRM Tariff adopted by Cities. The Company claimed that its cost of service in a test year ending December 31, 2020, entitled it to additional revenues system-wide of \$1.8 million.

Application of the standards set forth in the Cities’ RRM Tariff reduces the Company’s request for additional revenues from Cities to \$1.2 million. After a review of Cities’ consultants’ report and negotiations with Cities’ Executive Committee, Atmos agreed to a rate increase of \$152,000 plus revenue related taxes within the Cities, with an Effective Date of December 1, 2021. That Effective Date reflects two months’ delay beyond the October 1 date specified in your RRM Ordinance, which saves approximately \$25,000 off the rates designed to yield \$152,000 annually.

PROOF OF REVENUES

Atmos generated proof of revenues associated with the Resolution and attached rate tariffs. That proof is attached as Attachment 1 to this Staff Report. Cities consultants have confirmed the accuracy of the proof.

AGENDA

BILL IMPACT

The impact of this increase in revenues to an average residential customer's bill is an increase of approximately \$0.07 per month. A bill impact estimate for each customer class is attached as Attachment 2. Comparison of the new rates to rates in effect for areas not under the RRM process reveals that settling Cities will maintain an economic monthly advantage over rates in effect in Amarillo, Lubbock, and Environs. See Attachment 3.

CITIES' OBJECTION TO THE SECTION 104.301 GRIP PROCESS

Cities strongly opposed the GRIP process because it constitutes piecemeal ratemaking by ignoring declining expenses and increasing revenues and rewarding the Company for increasing capital investment. The GRIP process does not allow any review of the reasonableness of capital investment and does not allow cities to participate in the Railroad Commission's review of annual GRIP filings or allow Cities to recover their rate case expenses. The Railroad Commission undertakes a mere administrative review of GRIP filings (instead of a full hearing), and rate increases go into effect without any material adjustments. In the Executive Committee's view, the GRIP process unfairly raises customers' rates without any regulatory oversight. In contrast, the RRM process has allowed for a more comprehensive rate review and annual evaluation of expenses and revenues, as well as capital investment.

EXPLANATION OF "BE IT RESOLVED" PARAGRAPHS

1. This section approves all findings in the Resolution.
2. This section adopts the attached RRM rate tariffs and finds the adoption of the new rates to be just, reasonable, and in the public interest.
3. This section finds that existing rates are unreasonable. Such finding is a necessary predicate to establishment of new rates. The new tariffs will permit Atmos West Texas to recover an additional \$152,000 over a 12-month period, but the new rates should only be effective for 10 months.
4. This section approves an exhibit that establishes a benchmark for pensions and retiree medical benefits to be used in future rate settings.
5. This section approves an exhibit to be used in future rate cases regarding recovery of regulatory liabilities, such as excess deferred income taxes.
6. This section requires the Company to reimburse the City for expenses associated with adoption of the Resolution.
7. This section repeals any resolution or ordinance that is inconsistent with this Resolution.
8. This section finds that the meeting was conducted in compliance with the Texas Open Meetings Act, Texas Government Code, Chapter 551.
9. This section is a savings clause, which provides that if any section is later found to be unconstitutional or invalid, that finding shall not affect, impair, or invalidate the remaining provisions of this Resolution. This section further directs that the remaining provisions of the Resolution are to be interpreted as if the offending section or clause never existed.
10. This section provides for an effective date upon passage.

AGENDA

11. This section directs that a copy of the signed Resolution be sent to a representative of the Company and legal counsel for the Executive Committee.

RECOMMENDED MOTION

*“I move to **adopt/deny** Resolution No. 32-2021 as presented.*

RESOLUTION NO. 32-2021

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF CANYON, TEXAS, APPROVING A NEGOTIATED SETTLEMENT BETWEEN THE EXECUTIVE COMMITTEE OF CITIES SERVED BY ATMOS WEST TEXAS (“CITIES”) AND ATMOS ENERGY CORP., WEST TEXAS DIVISION REGARDING THE COMPANY’S 2021 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 SETTLEMENT TARIFFS TO BE JUST AND REASONABLE AND IN THE PUBLIC INTEREST; APPROVING AN ATTACHED EXHIBIT ESTABLISHING A BENCHMARK FOR PENSIONS AND RETIREE MEDICAL BENEFITS; APPROVING AN ATTACHED EXHIBIT REGARDING AMORTIZATION OF REGULATORY LIABILITY; REQUIRING THE COMPANY TO REIMBURSE CITIES’ REASONABLE RATEMAKING EXPENSES; DETERMINING THAT THIS RESOLUTION WAS PASSED IN ACCORDANCE 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 CITIES’ LEGAL COUNSEL.

WHEREAS, the City of Canyon, Texas (“City”) is a gas utility customer of Atmos Energy Corp., West Texas Division (“Atmos West Texas” or “Company”), and a regulatory authority with an interest in the rates and charges of Atmos West Texas; and

WHEREAS, the City is a member of Cities Served by Atmos West Texas (“Cities”), a coalition of similarly-situated cities served by Atmos West Texas that have joined together to facilitate the review of, and response to, natural gas issues affecting rates charged in the Atmos West Texas service area; and

WHEREAS, Cities and the Company worked collaboratively to develop a new Rate Review Mechanism (“RRM”) tariff that allows for an expedited rate review process by Cities as a substitute to the Gas Reliability Infrastructure Program (“GRIP”) process instituted by the Legislature, and that will establish rates for Cities based on the system-wide cost of serving the Atmos West Texas service area; and

WHEREAS, the RRM tariff was adopted by the City in a rate ordinance in 2018; and

RESOLUTION NO. 32-2021

WHEREAS, on about April 1, 2021, Atmos West Texas filed its 2021 RRM rate request with Cities based on a test year ending December 31, 2020; and

WHEREAS, Cities coordinated its review of the Atmos West Texas 2021 RRM filing through its Executive Committee, assisted by Cities' attorneys and consultants, to resolve issues identified in the Company's RRM filing; and

WHEREAS, the Executive Committee, as well as Cities' counsel and consultants, recommends that Cities approve an increase in base rates for Atmos West Texas of \$152,000 with an Effective Date of December 1, 2021; and

WHEREAS, the attached tariffs (Exhibit A) implementing new rates are consistent with the recommendation of the Cities' Executive Committee, are agreed to by the Company, and are just, reasonable, and in the public interest; and

WHEREAS, the settlement agreement sets a new benchmark for pensions and retiree medical benefits (Exhibit B) and

WHEREAS, the settlement agreement establishes an amortization schedule for regulatory liability (Exhibit C); and

WHEREAS, the RRM Tariff contemplates reimbursement of Cities' reasonable expenses associated with RRM applications;

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

SECTION 1.

That the findings set forth in this Resolution are hereby in all things approved.

SECTION 2.

That, without prejudice to future litigation of any issue identified by Cities, the City Commission finds that the settled amount of an increase in revenues of \$152,000 for Cities represents a comprehensive settlement of gas utility rate issues affecting the rates, operations, and services offered by Atmos West Texas within the municipal limits arising from Atmos West Texas' 2021 RRM filing, is in the public interest, and is consistent with the City's authority under Section 103.001 of the Texas Utilities Code.

SECTION 3.

That the existing rates for natural gas service provided by Atmos West Texas are unreasonable. The new tariffs, attached hereto and incorporated herein as Exhibit A, are just and reasonable, and are designed to allow Atmos West Texas to recover annually an additional \$152,000 in revenue from customers in Cities, over the amount allowed under currently approved rates. Such tariffs are hereby adopted.

SECTION 4.

That the ratemaking treatment for pensions and retiree medical benefits in Atmos West Texas' next RRM filing shall be as set forth on Exhibit B, attached hereto and incorporated herein.

SECTION 5.

That subject to any future settlement or decision regarding the balance of Excess Deferred Income Tax to be refunded to ratepayers, the amortization of regulatory liability shall be consistent with the schedule found in Exhibit C, attached hereto and incorporated herein.

SECTION 6.

That Atmos West Texas shall reimburse the reasonable ratemaking expenses of the Cities in processing the Company's 2021 RRM filing.

SECTION 7.

That to the extent any resolution or ordinance previously adopted by the Commission is inconsistent with this Resolution, it is hereby repealed.

SECTION 8.

That the meeting at which this Resolution was approved was in all things conducted in strict compliance with the Texas Open Meetings Act, Texas Government Code, Chapter 551.

SECTION 9.

That if any one or more sections or clauses of this Resolution is adjudged to be unconstitutional or invalid, such judgment shall not affect, impair, or invalidate the remaining provisions of this Resolution, and the remaining provisions of the Resolution shall be interpreted as if the offending section or clause never existed.

SECTION 10.

That consistent with the City Ordinance that established the RRM process, this Resolution shall become effective from and after its passage with rates authorized by attached tariffs to be effective for bills rendered on or after December 1, 2021.

SECTION 11.

That a copy of this Resolution shall be sent to Atmos West Texas, care of Philip Littlejohn, Vice President of Rates and Regulatory Affairs, West Texas Division, 6606 66th Street, Lubbock, Texas 79424, and Thomas Brocato, General Counsel to Cities, at Lloyd Gosselink Rochelle & Townsend, P.C., 816 Congress Avenue, Suite 1900, Austin, Texas 78701.

PASSED AND APPROVED this 2nd day of July, 2021.

GARY HINDERS, MAYOR

ATTEST:

APPROVED AS TO FORM:

Gretchen Mercer, City Secretary

Chuck Hester, City Attorney

To: Joe Price, City Manager
From: Gretchen Mercer, City Secretary/Director of Administrative Services
Date: August 2, 2021
Re: Consider and Take Appropriate Action on Meeting Dates for September and October 2021.

I have included a calendar for September and October 2021 with meeting dates, closures and TML Conference noted.

It is recommended to meet:


- Meet Tuesday September 7 instead of Monday September 6 due to City Hall being closed on Monday for Labor Day. It is necessary to meet this week in order to fulfill regulations of the budget process / budget Calendar.
- Regular meeting on Monday, September 20, 2021
- Cancel the meeting for Monday October 4, 2021. We normally cancel this meeting after all the extra hours put in on the Budget and due to the TML Conference the same week.
- Meet Monday October 18, 2021 – Regular meeting

RECOMMENDED MOTION

I move to **approve/not approve** the proposed meeting schedule for September and October 2021

SEPTEMBER 2021

SUN MON TUE WED THU FRI SAT

			1	2	3	4
5	6 City Holiday 	7 City Commission Meeting	8	9	10	11
12	13	14	15	16	17	18
19	20 City Commission Meeting	21	22	23	24	25
23	27	28	29	30		

OCTOBER 2021

SUN MON TUE WED THU FRI SAT

					1	2
3	4	5	6	7	8	9
			 <p>★ 109TH ★ ANNUAL CONFERENCE AND EXHIBITION OCTOBER 6-8, 2021 • HOUSTON</p>			
10	11	12	13	14	15	16
17	18 City Commission Meeting	19	20	21	22	23
24 / 31	25	26	27	28	29	30
31 Halloween 						