

The City Commission of the City of Canyon met in regular session at 4:30 p.m. 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, Robyn Cranmer, Danny Potter and Paul Lyons.

Also present were the following City Staff: City Manager Joe Price, Assistant City Manager Jon Behrens, City Secretary Gretchen Mercer, HR Director Hector Mendoza, Canyon Economic Development Director Stephanie Tucker, Fire Chief Dennis Gwyn, Assistant Fire Chief Vine Whitfill, Water Superintendent Eric Whitten, Director of Public Works Dan Reese, Assistant Director of Public Works Chris Enriquez, Planning and Development Director Lucas Raley, Assistant Director of Planning and Development Craig Brown, Purchasing Manager Beau Boyer, Director of Finance Joel Wright, Police Chief Steve Brush, Police Captain Matt Coggins, Communications Director Megan Nelson, City Engineer Adolfo Garcia, and City Attorney Chuck Hester.

Item 1. Call to Order.

Mayor Hinders called the meeting to order at 4:33 pm.

Item 2. Invocation.

Mayor Pro-Tem Jones gave the invocation.

Item 3. Pledge of Allegiance.

The Pledge of Allegiance was led by Commissioner Potter.

Item 4. Approval of the Minutes of the Meeting of December 4, 2023.

Commissioner Cranmer moved, duly seconded by Mayor Pro-Tem Jones to approve the minutes of December 4, 2023 as presented. Motion carried unanimously.

Item 5. Public Comment – Comments from Interested Citizens.

No comments were made.

Item 6. First Reading of Resolution No. 01-2024, A Resolution of the City Commission of the City of Canyon Approving a Project Funding Agreement Between the Lumber Yard, Ltd, A Texas Limited Partnership Acting by and Through its General Partner The Lumber Yard Management, LLC, a Limited Liability Corporation and The Crew Entertainment, Ltd and Canyon Economic Development Corporation Relating to Direct Financial Assistance and Job Incentives for New Business in Canyon.

Economic Development Director Stephanie Tucker presented Resolution No. 01-2024 for consideration. Ms. Tucker said the Canyon Economic Development Corporation approved project funding for the Lumber Yard, Ltd providing \$500,000 for job incentives for a new business, The Lumber Yard. Ms. Tucker stated the CEDC held a public hearing January 4, 2024 and there was no opposition for the approval of the project.

First reading only, no action required.

RESOLUTION NO. 01-2024

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF CANYON APPROVING PROJECT FUNDING AGREEMENT BETWEEN THE LUMBER YARD, LTD, A TEXAS LIMITED PARTNERSHIP ACTING BY AND THROUGH ITS GENERAL PARTNER THE LUMBER YARD MANAGEMENT, LLC AND THE CREW ENTERTAINMENT, LTD AND CANYON ECONOMIC DEVELOPMENT CORPORATION RELATING TO DIRECT FINANCIAL ASSISTANCE AND JOB INCENTIVES FOR NEW BUSINESS IN CANYON.

- Item 7. Presentation of Section 3 Goals and Requirements as it Relates to the City's Texas Community Development Block Grant TXCDBG Water System Improvements Project #CDV21-0143. To Include Information on Employment Opportunities of Low and Very Low-Income Persons as Well as Residents Residing in the Community.

City Manager Joe Price gave an informational presentation created by Jarian Fred, Local Government Services Program Coordinator of the Panhandle Regional Planning Commission. Mr. Price said the Section 3 Presentation is a CDBG programmatic requirement and explains how the City of Canyon is currently compliant and will remain compliant throughout the CBDG project awarded.

No action required, informational only.

- Item 8. Consider and Take Appropriate Action on Award to the Lowest and Best Bid for the City of Canyon's TxCDBG Community Development Project #CDV21-0143.

Director of Public Works Dan Reese presented bids received and opened December 12, 2023 for water distribution and sanitary sewer collection system improvements. Mr. Reese stated the City of Canyon originally applied for the CDBG grant in 2020 for water distribution and sanitary sewer collection system improvements to be made in Original Town and Normal Additions of the city. Mr. Reese said the project would replace 7 blocks of 2" cast iron water mains and 6 blocks of aging clay sewer mains, along with all of the associated sewer manholes. Mr. Reese stated four (4) bids were received with the low bid submitted by Amarillo Utility Contractors of Amarillo in the amount of \$1,051,200.00 and a completion time frame of 220 calendar days. Mr. Reese stated the original estimate for the project was \$778,310.00 making the low bid approximately \$273,000 over budget. Mr. Reese stated it is recommended that the budget shortfall be made up with existing funds allotted to the City of Canyon under the American Rescue Plan (ARPA). Mr. Reese said these funds are currently allotted to the 4<sup>th</sup> Street ground storage tank project, so it is recommended to reimburse the funds to the 4<sup>th</sup> Street ground storage tank project in the 2024-2025 budget.

<b><u>BIDDER</u></b>	<b><u>BID AMOUNT</u></b>	<b><u>DAYS TO COMPLETION</u></b>
Amarillo Utility Contractors	\$1,051,200.00	220
Scott Wampler	\$ 1,062,790.00	270
Fuller and Sons, LTD	\$ 1,177,913.00	195
MH Civil Constructors, Inc.	\$ 2,264,000.00	300

After discussion, Mayor Pro-Tem Jones moved, duly seconded by Commissioner Potter to award the bid for the TxCDBG grant project #CDV21-0143, to Amarillo Utility Contractors, in the amount of \$1,051,200.00. Motion carried unanimously.

Item 9. Consider and Take Appropriate Action on Ordinance No. 1196, An Ordinance of the City Commission of the City of Canyon, Texas, Amending the City's Budget for the Fiscal Year Beginning October 1, 2022 and Ending September 30, 2023 as Adopted by Ordinance No. 1161; Providing for an Increase of Expected Revenues, Expenditures, and Transfer of Certain Funds; Providing That Prior Parts of Ordinance No. 1161 Inconsistent with or in Conflict With Any of the Provisions of This Ordinance are Hereby Expressly Repealed to the Extent of Any Such Inconsistency or Conflict; Providing for Severability; and Providing for an Effective Date.

Director of Finance Joel Wright presented Ordinance No. 1196 for consideration. Mr. Wright stated this amendment addressed the end of year revenues and expenditures that were unanticipated during the original budget process.

After discussion, Commissioner Cranmer moved, duly seconded by Mayor Pro-Tem Jones to adopt Ordinance No. 1196 amending the FY 2022-2023 Operating Budget as presented. Motion passed unanimously.

ORDINANCE NO. 1196

AN ORDINANCE OF THE CITY COMMISSION OF THE CITY OF CANYON, TEXAS, AMENDING THE CITY'S BUDGET FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2022 AND ENDING SEPTEMBER 30, 2023 AS ADOPTED BY ORDINANCE NO. 1161; PROVIDING FOR AN INCREASE OF EXPECTED REVENUES, EXPENDITURES, AND TRANSFER OF CERTAIN FUNDS; PROVIDING THAT PRIOR PARTS OF ORDINANCE NO. 1161 INCONSISTENT WITH OR IN CONFLICT WITH ANY OF THE PROVISIONS OF THIS ORDINANCE ARE HEREBY EXPRESSLY REPEALED TO THE EXTENT OF ANY SUCH INCONSISTENCY OR CONFLICT; PROVIDING FOR SEVERABILITY; AND PROVIDING FOR AN EFFECTIVE DATE.

**MAYOR HINDERS MOVED TO ITEM 11.**

- Item 11. Consider and Take Appropriate Action on Ordinance No. 1197, An Ordinance of the City of Canyon, Texas, Removing Real Property from the Extraterritorial Jurisdiction (“ETJ”) of the City of Canyon on Petition of Landowners and Reducing the ETJ of the City of Canyon in Accordance with Such Action; and Providing for an Effective Date.

Planning and Development Director Lucas Raley presented Ordinance No. 1197 for consideration. Mr. Raley stated pursuant to Section 42.102 of the Texas Local Government Code, a petition for release from the Extraterritorial Jurisdiction was received November 11, 2023 for property owned by MH Panhandle Investments, LLC and Canyon Rock, LLC. Mr. Raley provided all documents relevant to the request.

After discussion, Mayor Pro-Tem Jones moved, duly seconded by Commissioner Potter to adopt Ordinance No. 1197 removing real property from the Extraterritorial Jurisdiction of the City of Canyon pursuant to Section 42.023 of the Texas Local Government Code. Motion carried with Commissioner Lyons voting against.

ORDINANCE NO. 1197  
AN ORDINANCE OF THE CITY OF CANYON, TEXAS REMOVING  
REAL PROPERTY FROM THE EXTRATERRITORIAL  
JURISDICTION (“ETJ”) OF THE CITY OF CANYON ON PETITION  
OF LANDOWNERS AND REDUCING THE ETJ OF THE CITY OF  
CANYON IN ACCORDANCE WITH SUCH ACTION; AND  
PROVIDING FOR AN EFFECTIVE DATE.

**MAYOR HINDERS MOVED TO ITEM 10**

- Item 10. Hear an Update on Progress Regarding the Implementation of the City of Canyon Comprehensive Plan.

Director of Planning and Development Lucas Raley presented an update on the Comprehensive Plan adopted by Ordinance No. 1091 in 2018. Mr. Raley stated there has been great progress on the implementation of the goals and actions identified in the plan. Mr. Raley gave a review of all the actions items with completion dates or projected completion dates.

No action, informational only

- Item 12. Update on Pro Rata and Draft CISD Pro Rata Agreement.

City Manager Joe Price gave a brief overview of the proposed process for Pro-Rata agreements as currently established in a recent ordinance. Mr. Price said there is some confusion on calculating the pro-rata amounts and staff is working to simplify the process.

No action, informational only.

- Item 13. Consider and Take Appropriate Action on Ordinance No. 1198, An Ordinance of the City of Canyon, Texas Amending Article 2.08 Taxation Division 4 Hotel Occupancy Tax of the Code of Ordinances to Provide for the Collection of Hotel Occupancy Tax From Short Term Rentals and Adding Chapter 9, Article 9.05 for Short Term Rental Registration; Providing for Severability; Providing for Repealer; Providing for Penalty; and Providing for an Effective Date.

Assistant City Manager Jon Behrens presented Ordinance No. 1198 for consideration. Mr. Behrens said staff has been working on the creation of a registration process for local Short-Term Rental properties and a payment procedure for local hotel taxes for hotels and short-term rentals. Mr. Behrens stated the adoption of Ordinance No. 1198 would update the City of Canyon Code related to Local Hotel Tax and add regulations associated with registration and online processes of Hotel Tax. Mr. Behrens referenced a program provided by Azavar as approved by the City Commission to implement a new online process associated with the registration and collection of the hotel and short-term rental taxes stating staff was ready to move forward.

After discussion, Commissioner Cranmer moved, duly seconded by Mayor Pro-Tem Jones to adopt Ordinance No. 1198 as presented. Motion carried with Commissioner Lyons voting against.

ORDINANCE NO. 1198

AN ORDINANCE OF THE CITY OF CANYON, TEXAS, AMENDING ARTICLE 2.08 TAXATION DIVISION 4 HOTEL OCCUPANCY TAX OF THE CODE OF ORDINANCES TO PROVIDE FOR THE COLLECTION OF HOTEL OCCUPANCY TAX FROM SHORT TERM RENTALS AND ADDING CHAPTER 9, ARTICLE 9.05 FOR SHORT TERM RENTAL REGISTRATION; PROVIDING FOR SEVERABILITY; PROVIDING FOR REPEALER; PROVIDING FOR PENALTY; AND PROVIDING FOR AN EFFECTIVE DATE.

- Item 14. Consider and Take Appropriate Action on Ordinance No. 1195, An Ordinance of the City of Canyon, Texas Amending §3.01 of the Code of Ordinances to add §3.01.012 Prohibiting the Maintenance of an Attractive Environment for Non-Owned Animals; and Providing for Severability, a Penalty and an Effective Date.

Chief of Police Steve Brush presented Ordinance No. 1195 for consideration. Chief Brush stated the City of Canyon has always dealt with feral cats and other wild animals inside the city limits, the problem in Canyon has compounded by well-meaning citizens who feed and provide shelter for wild animals. Chief Brush stated there are several houses providing shelter and food to feral cats with three homes confirmed as being maintained for the sole purpose of providing shelter and food to feral cats. Chief Brush said this creates a health hazard and potential bite risks as well as possible rabies issues. Chief Brush stated the proposed amendment will prohibit the maintenance of an attractive environment for non-owned animals and provide for a penalty. Chief Brush said the Animal Control Officer will speak to the main offenders before giving a citation.

After discussion, Commissioner Cranmer moved, duly seconded by Mayor Pro-Tem Jones to adopt Ordinance No. 1195 adding Section 3.01.012 to the Code of Ordinances. Motion carried unanimously.

ORDINANCE NO. 1195  
AN ORDINANCE OF THE CITY OF CANYON, TEXAS,  
AMENDING §3.01 OF THE CODE OF ORDINANCES TO ADD  
§3.01.012 PROHIBITING THE MAINTENANCE OF AN  
ATTRACTIVE ENVIRONMENT FOR NON-OWNED ANIMALS;  
AND PROVIDING FOR SEVERABILITY, A PENALTY AND AN  
EFFECTIVE DATE.

Item 15. Executive Session Pursuant to §551.071 Consultation with Attorney, §551.074 Board Appointments (Canyon Housing Authority Board, Parks Open Space and Recreation Advisory Committee, Main Street Advisory Board), §551.087 Deliberation Regarding Economic Development and §551.072 Deliberations about Real Property.

Mayor Hinders indicated the City Commission would adjourn into Executive Session at 5:45 pm.

Item 16. Consider and Take Appropriate Action on Items Discussed in Executive Session.

Upon Returning from Executive Session at 6:23 pm, the following action was taken.

Commissioner Cranmer moved, duly seconded by Mayor Pro-Tem Jones to appoint Matt Herzberger and Stephanie Palmer to the expired seats of Linda Washington and Allyson Hundley respectively on the Parks, Open Space and Recreation Advisory Committee. Motion carried unanimously.

Commissioner Cranmer moved, duly seconded by Mayor Pro-Tem Jones to appoint Chris Matthews to the expired seat of Maryann Hueston, and reappoint David Wheeler and Kristin Johnson for another term on the Canyon Main Street Advisory Board. Motion carried unanimously.

Commissioner Cranmer moved, duly seconded by Mayor Pro-Tem Jones to reappoint Medina Ortiz and Wiley Harp on the Canyon Housing Authority Board. Motion carried unanimously.

Item 17. Adjourn.

There being no further business, Mayor Pro-Tem Jones moved this meeting be adjourned at 6:24 pm.

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Gary Hinders, Mayor

ATTEST:

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Gretchen Mercer, City Secretary