

THE LEVELLAND CITY COUNCIL MET IN REGULAR SESSION ON MONDAY, THE 4TH OF NOVEMBER, 2019 AT LEVELLAND CITY HALL, R. O. DENNIS COUNCIL CHAMBERS, 1709 AVENUE H, WITH THE FOLLOWING MEMBERS PRESENT:

Barbra Pinner	Honorable Mayor	Present
Jim Myatt	Councilmember	Present
Max Ledesma	Mayor Pro-Tem	Absent
Breann Buxkemper	Councilmember	Present
Joe Bill Vardeman	Councilmember	Present
Matt Wade	City Attorney	Present
Erik Rejino	City Manager	Present
Beth A. Walls	City Secretary	Present

Pledge of Allegiance and Invocation was given by Mayor Pinner and Joe Bill Vardeman.

Statements by Citizens:

FIRST ITEM OF BUSINESS:

Consider and take necessary action to approve the minutes of the October 7, 2019 meeting and the October 23, 2019 Special Meeting.

Motion by Breann Buxkemper

Seconded by Jim Myatt

To approve minutes of the October 7, 2019 meeting and the October 23, 2019 Special Meeting

Motion carried unanimously.

SECOND ITEM OF BUSINESS:

Consider all matters incident and related to the issuance and sale of "City of Levelland Texas, General Obligation Refunding Bonds, Series 2019," including the adoption of Ordinance No. 1047 authorizing the issuance of such bonds.

A representative from Hilltop Securities, the City's Financial Advisor, was in attendance to review bids received related to the sale of the 2009 Certificates of Obligation and issuance of refinanced debt, now known as the "General Obligation Refunding Bonds, Series 2019." Final bids were received on November 1, 2019 and that information was given to Council regarding the structure and terms of the debt issuance.

The 2009 Certificates of Obligation were issued in 2009 in support of the Levelland Industrial Rail Park. While this is City issued debt, the actual payment of the Certificates comes from the LEDC and TIF No. 2. This information was presented to the LEDC board at their September meeting and the board was in favor of refinancing these certificates. Council authorized City staff to work with Hilltop Securities to refinance these bonds in your October 7, 2019 meeting. Similar to refinancing a house, these callable bonds were sent to bid in an effort to take advantage of a decrease in interest rates. This refinancing does not extend the life of the bonds, nor should it have any impact on the City's credit rating.

Motion by Joe Bill Vardeman

Seconded by Breann Buxkemper

To adopt Ordinance No. 1047 authorizing the issuance of such bonds

Motion carried with a vote of 2-1. Breann Buxkemper and Joe Bill Vardeman voted to adopt. Jim Myatt voted against adopting.

THIRD ITEM OF BUSINESS:

Consider and take necessary action on the quarterly investment report for the quarter ending on September 30, 2019.

Finance Director Sarah Osburn directed Council's attention to the investment report for the quarter ending September 30, 2019. She asked Council to keep in mind that our current Investment Policy provides guidelines and strategies for investing the City's funds that are not in immediate demand for daily operations. According to the City of Levelland's current Investment Policy, there are three main objectives and are as follows:

1. Safety
2. Liquidity
3. Yield

Motion by Breann Buxkemper
Seconded by Jim Myatt
To approve the quarterly investment report
Motion carried unanimously.

FOURTH ITEM OF BUSINESS:

Consider and take necessary action to cast votes for the board of directors of the Hockley County Appraisal District.

All nominations are in and the City is being asked to cast votes to elect the five directors for the Hockley County Appraisal District. There are seven candidates nominated for the five positions on the board of directors. The City may cast its 361 votes in any combination among any or all of the nominees. There are a total of 5,000 votes between all of the taxing entities making the City's percentage of the votes 7.21 percent.

Motion by Breann Buxkemper
Seconded by Jim Myatt
To cast votes for HCAD board of directors
Motion carried unanimously.

FIFTH ITEM OF BUSINESS:

Consider and take necessary action on the event application for the 2019 Ladies Night Out Event

In 2017 Council approved an ordinance establishing festival and event standards and a permitting process for such events. As you know the Levelland Main Street Program holds a number of events throughout the year. At this time the Levelland Main Street Program has put together an event application in accordance with the City's ordinance for the upcoming "Ladies Night Out" Event which includes a night of entertainment and downtown shopping. The event for this year is scheduled for November 14th.

All events where alcohol will be distributed require approval from the City Council. Since alcohol will be served at this event the event application must be considered by the City Council.

Motion by Joe Bill Vardeman
Seconded by Breann Buxkemper
To approve the event application for the Ladies Night Out event
Motion carried unanimously.

SIXTH ITEM OF BUSINESS:

Consider Resolution No. 2019-32 approving an agreement with the Texas Department of Transportation regarding the closing of two blocks of state highway for the 2019 Ladies Night Out Event.

The Levelland Main Street Program is planning to hold the annual Ladies Night Out Event for Thursday November 14th. In order to hold the event the City and TxDOT will need to temporarily close several streets. When events are held downtown we normally have to close Houston Street on the north side of the square and Avenue H on the west side of the square. These two streets are State highways and in order to close them the State requires that the City approve an agreement for the temporary closure of state right of way. The agreement simply states the requirements the City has when closing down a State highway.

Motion by Breann Buxkemper
Seconded by Jim Myatt
To approve Resolution 2019-32
Motion carried unanimously.

SEVENTH ITEM OF BUSINESS:

Consider Resolution No. 2019-33 approving an agreement with the Texas Department of Transportation regarding the closing of two blocks of state highway for the 2018 Levelland Festival of Lights and Christmas on the Square Event.

The Levelland Main Street Program partners with several entities including South Plains College to put on the Levelland Festival of Lights and Christmas on the Square. This year's event is scheduled for the evening of December 3. In order to hold the event the City and TxDOT will need to temporarily close several streets. When events are held downtown we normally have to close Houston Street on the north side of the square and Avenue H on the west side of the square. These two streets are State highways so in order to close them for more than a few hours the State requires that the City approve an agreement for the temporary closure of state right of way. The agreement simply states the requirements the City has when closing down a State highway.

Motion by Breann Buxkemper
Seconded by Joe Bill Vardeman
To approve Resolution No. 2019-33
Motion carried unanimously.

EIGHTH ITEM OF BUSINESS:

Consider and take necessary action on Tax Increment Reinvestment Zone #1 annual report.

State law requires that the city which created the Tax Increment Reinvestment Zone (TIRZ) must develop a report annually which provides certain information. The report must be developed within 150 days of the fiscal year end and must be distributed to each taxing entity as well as the Texas Comptroller. The TIF Boards met on October 7th and they are recommending approval of the annual reports by the City Council. Once approved by the City Council the reports will be distributed as required by law.

Keep in mind TIF #1 was established in 2006 to encourage more housing while TIF #2 was established in 2009 to help fund the Levelland Industrial Rail Park.

Motion by Breann Buxkemper
Seconded by Jim Myatt
To approve TIF #1 Annual Report
Motion carried unanimously.

NINTH ITEM OF BUSINESS:

Consider and take necessary action on Tax Increment Reinvestment Zone #2 annual report.

Motion by Breann Buxkemper
Seconded by Jim Myatt
To approve TIF #2 Annual Report
Motion carried unanimously.

TENTH ITEM OF BUSINESS:

Consider and take necessary action on Resolution No. 2019-34 approving cooperation with cities served by Atmos West Texas to review Atmos Energy Corp., West Texas Division's requested rate change.

As we have discussed in the past the City of Levelland along with other cities served by Atmos Energy Corp, West Texas Division, (Atmos West Texas) is a member of the West Texas Cities Steering Committee (WTC Cities). The Steering Committee is tasked with working with Atmos Energy to ensure that rates remain favorable for both city residents and Atmos. Atmos recently filed with the Railroad Commission a statement of intent requesting to include in the base rates assets that it acquired more than a decade ago. Cities could be affected by the filing via costs that will be rolled into the price of gas delivered to cities.

At this time the Steering Committee is recommending intervention at the Railroad Commission for the following reasons.

1. Atmos has requested creation of a regulatory asset that may adversely affect future rate filings.
2. It appears that Railroad Commission staff is mandating that Atmos treat a portion of the pipe assets involved with the filing as a separate transmission company.
3. Atmos intends to seek annual increases through the Gas and Reliability Infrastructure Program (GRIP) process for the transmission assets which will increase the cost of gas for cities versus the current Rate Review Mechanism (RRM).

Motion by Joe Bill Vardeman

Seconded by Breann Buxkemper

To Approve Resolution No. 2019-34

Motion carried unanimously.

The Council convened into executive session.

There being no further business the meeting was adjourned at 8:40 p.m.

Respectfully Submitted,

Beth A Walls, TRMC, IPMA-SCP, City Secretary