

THE LEVELLAND CITY COUNCIL MET IN REGULAR SESSION ON MONDAY, THE 10th OF AUGUST 2020, AT LEVELLAND CITY HALL, R. O. DENNIS COUNCIL CHAMBERS, 1709 AVENUE H, WITH THE FOLLOWING MEMBERS PRESENT:

Barbra Pinner	Honorable Mayor	Present
Jim Myatt	Council Member	Present
Max Ledesma	Mayor Pro-Tem	Present
Breann Buxkemper	Council Member	Present
Joe Bill Vardeman	Council Member	Present
Matt Wade	City Attorney	Present
Erik Rejino	City Manager	Present
Andréa Corley	City Secretary	Present

The Pledge was led by Mayor Barbra Pinner and the Invocation was given by Council Member Joe Bill Vardeman

Statements by Citizens:

There were no statements by citizens

FIRST ITEM OF BUSINESS:

Consider and take necessary action to approve the minutes of the July 20, 2020 regular meeting and the July 21, 2020 special meeting.

Motion by Max Ledesma

Seconded by Joe Bill Vardeman

To approve the minutes of the July 20, 2020 regular meeting and the July 21, 2020 special meeting.

Motion carried unanimously.

SECOND ITEM OF BUSINESS:

Consider and take necessary action to propose tax rate for fiscal year 2020-2021.

One of the first official steps in setting a tax rate for next year is for the Council to propose a tax rate. Proposing a tax rate initiates a process that can potentially include one required legal notice and one public hearing before the tax rate can be officially adopted. Council is not locked in to adopting the proposed tax rate. Council will have the option to adopt a lower tax rate without any change in the process when it adopts a final tax rate in September. However, Council cannot adopt a rate higher than the proposed rate without starting the entire adoption process over per State law. Council is scheduled to adopt the tax rate on September 14th.

The following definitions and explanations are from the tax code.

No-New-Revenue Tax Rate (formerly the effective tax rate): The no-new-revenue tax rate is the rate that would produce the same amount of taxes this year if applied to the same properties that were taxed last year.

- \$0.670140 (FY 2020-2021)

Voter-Approval Tax Rate (formerly the roll-back rate): The voter-approval tax rate would produce 3 ½ percent more tax revenue than was produced last year. If a taxing entity adopts a tax rate greater than the voter-approval tax rate, the tax rate must be approved by the voters by holding an election. However, for municipalities under 30,000 in population the voter-approval tax rate is the highest tax rate that may be adopted without holding an election to seek voter approval of the rate unless the de minimis tax rate exceeds the voter-approval tax rate.

- \$0.687295 (FY 2020-2021)

De Minimis Tax Rate (new): The de minimis tax rate applies to municipalities with a population of less than 30,000. The de minimis rate is the rate equal to the sum of the no-new revenue maintenance and operations rate, the rate that will raise \$500,000 more in revenue, and the current debt rate.

- \$0.809539 (FY 2020-2021)

The tax rate in this year's current budget is \$0.68 which is distributed to the General Fund, the Cemetery Fund, and the Interest and Redemption Fund for debt service. As we discussed during the budget process, we have built the proposed budget for fiscal year 2020-2021 with no tax increase.

Motion by Breann Buxkemper

Seconded by Jim Myatt

To propose a tax rate ceiling of .660140

Breann Buxkemper and Jim Myatt voted FOR the motion. Max Ledesma and Joe Bill Vardeman voted AGAINST the motion. Mayor Barbra Pinner broke the tie by voting AGAINST the motion.

The motion did not pass on a 3-2 vote.

Motion by Jim Myatt

To propose a tax rate ceiling of .650000

The motion died for lack of a second

Motion by Breann Buxkemper

Seconded by Jim Myatt

To propose a tax rate ceiling of .665140

Breann Buxkemper, Jim Myatt and Max Ledesma voted FOR the motion. Joe Bill Vardeman AGAINST the motion.

The motion passed on a 3-1 vote.

THIRD ITEM OF BUSINESS:

Consider and take necessary action on procedures, processes, timelines, and priorities regarding lifting restrictions and regulations implemented during the COVID-19 Public health Emergency

Council extended the current reopening order on July 20th. Since our next Council meeting following the upcoming meeting will not occur until August 24th we need to extend the current order through the next meeting. Below is a summary of cases as of August 6, 2020.

Hockley County COVID-19 Cases:

Total COVID-19 Cases:	192
Total Recovered:	138
Total Fatalities:	4
Total Active Cases:	50

Motion by Breann Buxkemper

Seconded by Joe Bill Vardeman

To approve Resolution No. 2020-28 adopting GA-28 as amended, GA-29 and extending the local disaster declaration.

The motion passed unanimously

FOURTH ITEM OF BUSINESS:

Consider and take necessary action on the annual services agreement with the Levelland Chamber of Commerce for FY 2020-2021.

Each year we execute an agreement with the Chamber of Commerce for services which the Chamber provides for the City. These services in the current agreement include 1) assistance with reviewing applications and administering the Hotel Occupancy Fund, 2) event marketing and coordination, 3) general services administration, and 4) operation of the Keep Levelland Beautiful Program.

The agreement that outlines the terms and includes funds and changes worked into the proposed FY 2020-2021 budget presented to Council. The terms in the agreement are close to identical to last year's agreement and there are no significant proposed changes. The only changes you will see in the agreement relate to the Hotel Occupancy Tax funds which were discussed during the budget work session held last month.

Motion by Breann Buxkemper

Seconded by Jim Myatt

To approve the annual services agreement with the Levelland Chamber of Commerce for FY 2020-2021.

The motion passed unanimously

FIFTH ITEM OF BUSINESS:

Consider and take necessary action on the following request for Hotel Occupancy Tax Funds:

- a. Clovis Horse Sale.*
- b. Christmas Cash Classic.*

The Tourism & Lodging Committee considered and is recommending funding requests from the Clovis Horse Sale and the Christmas Cash Classic. During the meeting, the committee recommended funding as follows:

Clovis Horse Sale in Levelland

Event Date: November 20-21, 2020
Location: Mallet Event Center & Arena
Requested \$5,000
June 2020 N=219
November 2020 Suggested amount - \$5,000

Christmas Cash Classic

Event Date: December 18-20, 2020
Location: Mallet Event Center & Arena
Requested \$7,500
2018-RNS N= 60; Funded - \$7,000; N=1,400 attendees
2019 – RNS N =82; Funded - \$4,200; N=900 attendees
2020 Suggested amount - \$3,200 based off Room Night Summary 2019

It is important to note that both events are already built into the FY 2020-2021 budget presented to Council.

Motion by Breann Buxkemper

Seconded by Jim Myatt

Approve funding request for the Hotel Occupancy Tax Funds for Clovis Horse Sale and Christmas Cash Classic as recommended.

Motion passed unanimously.

SIXTH ITEM OF BUSINESS:

Consider and take necessary action on Resolution No. 2020-29 to establish a Façade Grant Program pursuant to Chapter 380 of the Texas Local Government Code.

The City of Levelland established the Sign and Paint Grant program in the first years of the Levelland Main Street Program as an incentive for downtown property and business owners to maintain their downtown buildings. The grant originally started at \$150 for signage and or paint. The total amount allotted for the fund at that time was \$2000. Of the original \$2000 there is currently \$850 remaining in the fund. This fund has not been utilized as much as we had hoped. The feedback from businesses over the years has been that the process to receive the funds is not worth the amount awarded. The amount was increased in the past a few

times at the discretion of the Main Street Board to try and compensate for inflation and to make it more worthwhile but the program has continued to not be utilized at the level we would like.

The Main Street Board met prior to the pandemic and discussed the grant program and feels it would be better suited, and potentially more utilized, if it is rolled into the City's Chapter 380 Economic Development Program and that the amount of the grant be increased. The Board is recommending a similar application process so that resources from the Texas Main Street Design Team are utilized as recommended by the Texas Main Street Program (TMSP) staff. Façade improvement programs are highly recommended by the TMSP and maintained in thriving Main Street cities, as they are considered essential in the promotion of preservation and beautification of Main Street Districts.

Motion by Joe Bill Vardeman

Second by Breann Buxkemper

To approve Resolution No. 2020-29 to establish a Façade Grant Program pursuant to Chapter 380 of the Texas Local Government Code.

Motion passed unanimously.

SEVENTH ITEM OF BUSINESS:

Consider and take necessary action on proposed rule changes for the Levelland Cemetery.

The Cemetery Advisory Board met on July 22, 2020 to discuss a few minor rule changes and a recommendation on the flags. The first item the board discussed was the current situation with cremations and caskets in one plot. Currently the cemetery allows (1) one cremation and (1) one casket per plot with a (2) two-memorial limit which was put into place last year. The advisory board would like to recommend adding an additional option which is (1) one cremation and (1) one casket and or (2) two cremations without a casket with a (2) two-memorial limit staying the same.

The next item the advisory board discussed was to recommend allowing small flower arrangements at temporary markers that do not hinder maintenance. The temporary markers will be picked up when a permanent memorial is placed. The other items will be picked up during a scheduled cemetery cleanup day which we are recommending we do three (3) times a year. This will allow families to have something to place at a temporary marker while they wait on their memorial. The lead time currently on the permanent memorials is longer than ever due to COVID-19 and the board and staff feel it is important to allow something for the family while they wait.

The last item on the Cemetery Advisory Board agenda was considering allowing permanent flag poles on individual graves at the cemetery.

The Cemetery Advisory board considered a few options which were 1) implement a flagpole program for individual graves, 2) purchase two additional flag poles for the Cemetery at a cost of approximately \$25,000, 3) allow stick flags that cannot exceed 8"x12" in vases and

on headstone bases. The Cemetery Advisory Board recommended allowing stick flags and remove the \$25,000 for the two additional flag poles from the proposed budget due to budget concerns. They recommended no other changes to the current flag rules.

Motion by Joe Bill Vardeman

Second by Breann Buxkemper

To approve the proposed rule changes for the Levelland Cemetery as recommended by the Cemetery Advisory Board.

Motion passed unanimously.

EIGHTH ITEM OF BUSINESS:

Consider and take necessary action on Resolution 2020-30 to order and establish procedure for the November 3, 2020 Uniform City of Levelland General City Election.

The City of Levelland general election date will be Tuesday, November 3, 2020

Resolution No. 2020-30 calls for a General Election for one Council member from District A. The resolution also addresses early voting, designated polling place, dates and times.

Motion by Breann Buxkemper

Second by Joe Bill Vardeman

To approve Resolution No. 2020-30 to order and establish procedure for the November 3, 2020 General Election.

Motion passed unanimously.

NINTH ITEM OF BUSINESS:

Consider and take necessary action on the quarterly investment report for the quarter ending on June 30, 2020.

In accordance with the guidelines and strategies set forth in the City's Investment Policy, the Public Funds Investment Act and the Public Funds Collateral Act, only funds that are not needed for immediate use are invested.

The three primary objectives of the City's Investment Policy are listed below, in order of importance:

1. Safety
2. Liquidity
3. Yield

The City's investments in the accompanying report meet the above objectives within state standards. Longer term investments are in certificates of deposit and are secured by bank-owned securities pledged by the bank to the City for the amounts in excess of FDIC coverage. These pledged securities are held by the bank's safekeeping agent. The City's

investments in certificates of deposit are with local banks other than the City's depository bank, which assists the City in diversifying its cash position.

Interest rates remain low for both short-term pooled investments and certificates of deposit. Because interest rates are so low, the CD that matured during the quarter was moved to pooled investments. The rates banks were able to offer did not compete with the pools at a level that justified tying funds up at such a low rate for a longer period of time. Sarah is hopeful we will see an improvement in the CD market within the next 12 months. The City was earning .65% on depository demand monies as of June 30, 2020. The City continues to see the impact of COVID-19 and the down economy on our investment earnings.

Motion by Joe Bill Vardeman

Second by Breann Buxkemper

To approve the Quarterly Investment Report for the quarter ending June 30, 2020

Motion passed unanimously.

TENTH ITEM OF BUSINESS:

Consider and take necessary action on Resolution No. 2020-31 reviewing and approving the City of Levelland Investment Policy.

To be in accordance with the State of Texas Public Funds Investment Act, City Council must review and adopt by resolution its Investment Policy on an annual basis.

The City's Investment Policy provides the expectations and guidance as to how the City's investments are to be administered.

Motion by Joe Bill Vardeman

Second by Max Ledesma

To approve Resolution No. 2020-31 reviewing and approving the City of Levelland Investment Policy.

Motion passed unanimously.

ELEVENTH ITEM OF BUSINESS:

Consider and take necessary action on resale properties.

- *Lot Sixty-Four (64), of the Western Meadows Addition to the City of Levelland, Hockley County, Texas, (R26372), 101 Ave V, Levelland, TX 79336.*
- *Lot Sixty-Three (63), of the Western Meadows Addition to the City of Levelland, Hockley County, Texas, (R26371), 103 Ave V, Levelland, TX 79336.*
- *Lot Sixty-Two (62), of the Western Meadows Addition to the City of Levelland, Hockley County, Texas, (R26370), 105 Ave V, Levelland, TX 79336.*
- *Lot Sixty-One (61), of the Western Meadows Addition to the City of Levelland, Hockley County, Texas, (R26369), 107 Ave V, Levelland, TX 79336.*
- *Lot Sixty (60), of the Western Meadows Addition to the City of Levelland, Hockley County, Texas, (R26368), 109 Ave V, Levelland, TX 79336.*

- *East Fifty feet (50) in Block One (1), of the S S Ripley Addition to the City of Levelland, Hockley County, Texas, (R17277), 132 Railroad Ave, Levelland, TX 79336.*
- *Lots Five (5) and Six (6) in Block One (1) of the Northside Addition to the City of Levelland, Hockley County, Texas, (R8338), 510 West Jefferson, Levelland, TX 79336.*
- *Lot Thirteen (13), Block Two (2), Smallwood Addition to the City of Levelland, Hockley County, Texas, (R17720), 620 West Washington, Levelland, TX 79336.*
- *Lot Thirty-six (36) and Thirty-seven (37), Block Two (2), Smallwood Addition to the City of Levelland, Hockley County, Texas (R17719), 623 TX-114, Levelland, TX 79336.*
- *Lot Nineteen (19), Block Two (2), Smallwood Addition to the City of Levelland, Hockley County, Texas (R17722), 624 W Washington St, Levelland, TX 79336.*

At the end of last year, the City entered into an agreement with Texas Communities Group (TCG). TCG's focus is to increase current tax values by addressing some of the city's lowest valued properties. They do so by focusing on dilapidated and abandoned structures, particularly properties that are back due on taxes and have liens. These properties often have demolition liens where the City demolished a substandard structure or a mowing lien where the property owner failed to address excess vegetation on their property and the City was forced to step in. These properties are also often past due on property taxes. TCG also helps market the current inventory of trust properties jointly owned by the taxing entities in an effort to get the properties back into compliance and back on the tax rolls.

We recently completed bidding out our first set of trust properties jointly owned by all of the taxing entities. At this time there are an additional 10 properties that have been paid for and are now pending approval from the taxing entities.

Motion by Joe Bill Vardeman

Second by Jim Myatt

Approve the resale of the trust properties to the highest bidder for each property

Motion passed unanimously

TWELTH ITEM OF BUSINESS:

Convene into executive session in accordance with Tex. Gov't Code §551.071 to seek the advice about pending or contemplated litigation, settlement offers or on matters in which duty of the attorney under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas conflicts with Tex. Gov't Code Ch. 551 (Speedcrete Inc.).

THIRTEENTH ITEM OF BUSINESS:

Convene into executive session in accordance with Texas Gov't Code, Section 551.087, to discuss or deliberate regarding commercial or financial information that the city council has received from a business prospect that the city council seeks to have locate, stay, or expand

in or near the City of Levelland and with which the city council is conducting economic development negotiations; and to deliberate the offer of a financial or other incentive to such business prospect.

Mayor Pinner declared Council to be in Executive Session at 7:39p.m. She returned Council to regular session at 8:36p.m.

FOURTEENTH ITEM OF BUSINESS:

Consider and take necessary action on proposed settlement agreement(s) related to claims associated with the City of Levelland Downtown Revitalization Project with Speedcrete Inc.

No action taken

FIFTEENTH ITEM OF BUSINESS:

Hold a public hearing regarding a request from Harish Parekh, owner of the Kwik Stop located at 701 Alamo Road Levelland, TX to sell alcoholic beverages, namely package beer and wine products.

LISD Superintendent Jeff Northern called in to give the school district's stance on the issue.

No action required

SIXTEENTH ITEM OF BUSINESS:

Consider and take necessary action on Resolution No. 2020-33 regarding a request from Harish Parekh, owner of the Kwik Stop located at 701 Alamo Road Levelland, TX to sell alcoholic beverages, namely package beer and wine products.

Motion by Breann Buxkemper

Second by Joe Bill Vardeman

To deny the variance allowing Kwik Stop to sell alcoholic beverages, namely package beer and wine

Motion passed unanimously

There being no further business the meeting was adjourned at 8:37 p.m.

Respectfully Submitted,

Andréa Corley, City Secretary