

THE LEVELLAND CITY COUNCIL MET IN A REGULAR MEETING ON MONDAY, THE 5th DAY OF DECEMBER 2022, 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
Mary Engledow	Council Member	Present
Breann Buxkemper	Mayor Pro Tem	Present
Michael Stueart	Council Member	Present
Matt Wade	City Attorney	Present
Brandon Anderson	City Manager	Present
Andréa Corley	City Secretary	Present

The meeting was called to order at 6:00pm.

The Pledge was led by Mayor Barbra Pinner and the Invocation was given by Council Member Michael Stueart.

Statements by Citizens:

There was one statement by a citizen regarding cemetery rules.

FIRST ITEM OF BUSINESS:

Consider and take necessary action to approve the minutes of the November 21, 2022, regular meeting and the November 30, 2022, special meeting.

Motion by Breann Buxkemper

Seconded by Michael Stueart

To approve the minutes of the November 21, 2022, regular meeting and the November 30, 2022, 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, Tax and Waterworks and Sewer System (Limited Pledge) Revenue Certificates of Obligation, Taxable Series 2022”, including the adoption of Ordinance 1067 authorizing the issuance of such certificates of obligation.

A representative from Hilltop Securities attended the council meeting to discuss the final pricing on the certificates of obligation sold to finance the new wastewater treatment plant.

The pricing outlook from underwriters indicates the market is favoring the City; The final sale reflected more favorable terms than presented in previous estimates.

City of Levelland
Tax and Waterworks and Sewer System (Limited Pledge) Revenue
Certificates of Obligation, Taxable Series 2022

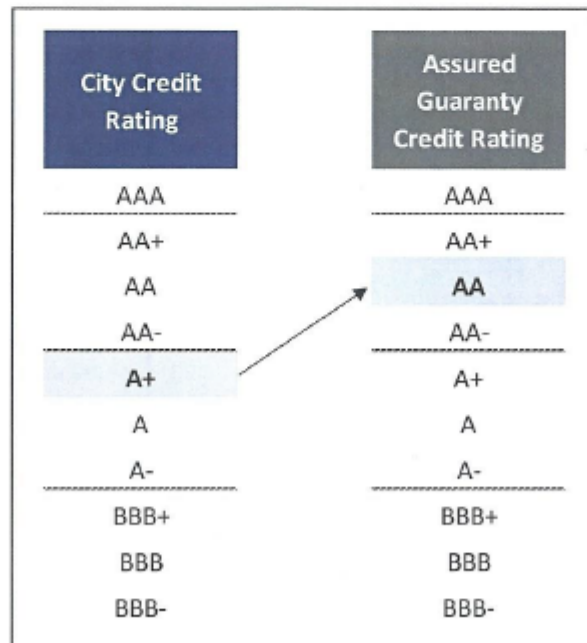
Notice of Intent

- Council approved a Notice of Intent to issue taxable Certificates of Obligation on October 17th
 - *Maximum* principal amount authorized: \$20,000,000
 - *Estimated* total debt service: \$33,935,000

Credit Rating

- Standard & Poor's affirmed the City's "A+" credit rating
- Assured Guaranty insured the CO's, raising the credit rating further to "AA" by Standard & Poor's

City Credit Rating	Assured Guaranty Credit Rating
AAA	AAA
AA+	AA+
AA	AA
AA-	AA-
A+	A+
A	A
A-	A-
BBB+	BBB+
BBB	BBB
BBB-	BBB-



Taxable Certificates of Obligation

- Final par amount of \$19,650,000
- Produces \$19,350,000 in project proceeds
- Final true interest cost of 5.31%

	<u>Total Debt Service</u>	<u>Average Annual Debt Service</u>
Projections (10.17.22)	\$33,935,000	\$1,696,750
Pricing (12.5.22)	<u>\$31,586,792</u>	<u>\$1,579,340</u>
Difference	\$2,348,208	\$117,410

- Callable in 10 years – August 15, 2032
- Scheduled to close on Thursday, December 29th

Sources and Uses of Funds

Sources:	
Par Amount of Bonds	\$ 19,650,000.00
Total Sources	<u>\$ 19,650,000.00</u>
Uses:	
Project Fund	\$ 19,350,000.00
Underwriter's Discount	116,730.25
Costs of Issuance	130,000.00
Bond Insurance	50,854.74
Rounding Amount	2,415.01
Total Uses	<u>\$ 19,650,000.00</u>

Debt Service

<u>Period Ending</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
9/30/2023	\$ 945,000	\$ 632,666	\$ 1,577,666
9/30/2024	615,000	963,655	1,578,655
9/30/2025	645,000	934,627	1,579,627
9/30/2026	675,000	904,119	1,579,119
9/30/2027	710,000	872,124	1,582,124
9/30/2028	740,000	838,257	1,578,257
9/30/2029	775,000	802,737	1,577,737
9/30/2030	815,000	764,762	1,579,762
9/30/2031	855,000	724,419	1,579,419
9/30/2032	900,000	681,926	1,581,926
9/30/2033	945,000	636,926	1,581,926
9/30/2034	990,000	588,920	1,578,920
9/30/2035	1,040,000	538,133	1,578,133
9/30/2036	1,095,000	484,261	1,579,261
9/30/2037	1,150,000	426,992	1,576,992
9/30/2038	1,215,000	366,272	1,581,272
9/30/2039	1,280,000	301,513	1,581,513
9/30/2040	1,345,000	232,649	1,577,649
9/30/2041	1,420,000	159,615	1,579,615
9/30/2042	1,495,000	82,225	1,577,225
	<u>\$ 19,650,000</u>	<u>\$ 11,936,792</u>	<u>\$ 31,586,792</u>

Motion by Michael Stuart

Seconded by Breann Buxkemper

To Approve Ordinance #1067 authorizing the issuance of “City of Levelland, Texas, Tax and Waterworks and Sewer System (Limited Pledge) Revenue Certificates of Obligation, Taxable Series 2022” on a first and final reading.

Motion carried unanimously.

THIRD ITEM OF BUSINESS:

Consider and take necessary action on resale properties:

- *208 Ave. C- Lots Nine (9) and Ten (10), Block Ninety-One (91), Original Town Addition to the City of Levelland, Hockley County, Texas (R14440)*

At the end of 2019, 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 one set of trust properties jointly owned by all of the taxing entities. At this time there is one (1) property that has been paid for and is now pending approval from the taxing entities. The prospective new owner understands that the property will have to be brought up to current building codes or demolished. Accordingly, staff recommends Council approve the resale of this property (208 Ave. C) for a total of \$6500.

Motion by Breann Buxkemper

Seconded by Mary Engledow

To approve the resale of the trust property to the highest bidder.

Motion carried unanimously.

FOURTH ITEM OF BUSINESS:

Consider and take necessary action to approve a vehicle lease or other options with Levelland EMS.

Staff received a memo from Pat Vigil with Covenant EMS requesting use/lease of the “old” City/County-owned 2011 Ram 4500 Ambulance. City Manager, Brandon Anderson, reached out to the County Judge and has been working on proposals to bring to Council and the Commissioners. We are getting values from Purple Wave Auction as well as information on recent sales of similar units. We have also received a “Trade In” ballpark figure from a gentleman who deals in new and used Ambulance’s. That figure is in the \$5,000 to \$8,000 range.

Obviously being a jointly owned unit, it would have to be agreed upon by the Commissioners Court as well.

Motion by Mary Engledow

Seconded by Jim Myatt

To recommend negotiating the lease price for 6 months of use, then work with the County to auction publicly at the conclusion of the lease.

Motion carried unanimously.

FIFTH ITEM OF BUSINESS:

Consider and take necessary action to approve Resolution 2022-45 granting landlord consent to a sublease agreement for the Wastewater Treatment Plant Farm.

Council awarded the Wastewater Farm lease to JMB Cattle Company at the previous Council meeting. Mr. Bob Morris with JMB Cattle Company informed us that he would be operating the farm, but the cattle that would be grazing the property are owned by W.F. Cattle Company, which would be arranged with another agreement directly between JMB Cattle Company and W.F. Cattle Company. This is the current arrangement, previously approved by Council, between JMB Cattle and W.F. Cattle Company.

In the lease agreement with JMB Cattle Company, any subletting of the farm must be approved by the City. Although JMB Cattle Company will be operating the farm since they will not own the cattle on the property this alternate arrangement is considered a sublease. Accordingly, Council must consider any such arrangement. Being that JMB Cattle Company will be the operator and the company we will work with directly and the fact that this is in line with the current arrangement with the current farmer, staff is recommending that Council approve the sublease. Below is the language in the lease agreement relating to subletting.

4.12. NO ASSIGNMENT OR SUBLETTING. Except with prior written consent of Lessor, Lessee shall not sublet any part of the Leased Premises or assign any of its rights hereunder. No such assignment or subletting made with the consent of Lessor shall affect any of Lessee's obligations under this Agreement including, without limitation, the requirement to make all required rental payments and comply with the provisions of the City of Levelland's TCEQ Permit. Lessee shall not at any time assign, transfer, pledge or otherwise alienate this Agreement or any interest herein without the prior written consent of Lessor.

Motion by Breann Buxkemper

Seconded by Michael Stueart

To Approve Sublease Agreement Resolution 2022-45 for the Wastewater Treatment Plant Farm as recommended.

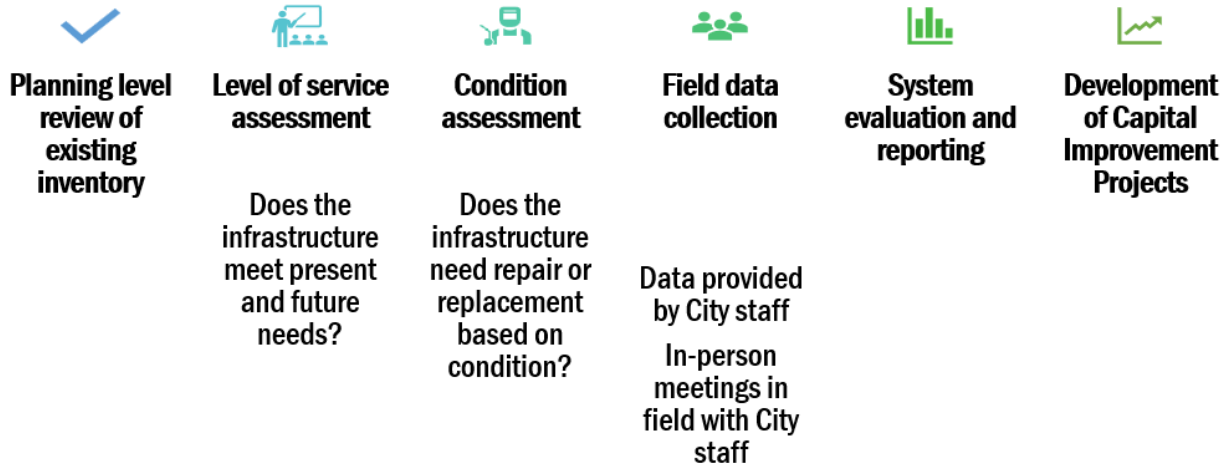
Motion carried unanimously, on a 3-0 vote.

SIXTH ITEM OF BUSINESS:

Update on the Comprehensive Infrastructure study by Freese & Nichols.

Our Freese & Nichols Comprehensive Infrastructure Plan team updated Council on the study that is currently under way. They outlined the process for the study. Made mention of multiple meetings & communications with staff and presented a timeline for the study.

Process



No Action Taken.

SEVENTH ITEM OF BUSINESS:

Convene into executive session in accordance with Texas Government Code §551.074 to deliberate the appointment, employment, evaluation, duties, discipline, or dismissal of a public officer or employee: City Manager, Municipal Court Judge

Mayor Pinner declared Council to be in Executive Session at 7:02pm. She returned Council to regular session at 7:57pm.

EIGHTH ITEM OF BUSINESS:

Consider and take necessary action to appoint or reappoint the Municipal Court Judge.

Motion by Michael Stueart

Seconded by Mary Engledow

To appoint Shawn Wilson as the City of Levelland Municipal Court Judge effective December 30, 2022.

Motion carried unanimously.

There being no further business, the meeting was adjourned at 7:58pm.

Respectfully Submitted,

Andréa Corley, TRMC
City Secretary

Barbra Pinner, Mayor