

THE LEVELLAND CITY COUNCIL MET IN A REGULAR MEETING ON MONDAY, THE 2nd DAY OF JUNE, 2025, AT LEVELLAND CITY HALL, R. O. DENNIS COUNCIL CHAMBERS, 1709 AVENUE H, WITH THE FOLLOWING MEMBERS PRESENT:

Breann Buxkemper	Honorable Mayor	Present
Michael Stueart	Mayor Pro Tem	Absent
Bill Powell	Council Member	Present
Max Ledesma	Council Member	Present
Jaime McCabe	Council Member	Present
Slater Elza	City Attorney	Present
James Fisher	City Manager	Present
Justin Balderas	Interim Asst. City Manager	Present
Andréa Corley	City Secretary	Present

The City Council meeting was called to order at 6:00pm by Mayor Buxkemper.

The Pledge was led by Mayor Breann Buxkemper.

The Invocation was led by Mayor Breann Buxkemper

Employees from the Fire and Police Departments were recognized. Both departments held their respective annual banquets, and the award-winners were recognized in front of the Council. Council took a 14-minute recess from 6:18-6:32pm to go outside and see a new police unit and Animal Control truck.

Statements by Citizens:

There were no statements by citizens.

FIRST ITEM OF BUSINESS:

Consider and take necessary action to approve the minutes of May 5, 2025, regular meeting and the May 12, 2025, special meeting.

This item was skipped, as these were the incorrect meeting minute dates. The meeting minutes from May 19, 2025 should have been the minutes needing approval.

SECOND ITEM OF BUSINESS:

Discussion regarding issuance of Certificates of Obligation.

City staff presented an overview of the financial impact of the Wastewater Treatment Plant project on Monday, April 28th. On Monday, May 5th, Jason Hughes, Hilltop Securities, presented an overview of the city's current debt status and discussed some options to consider in the award of the bid for the new Wastewater Treatment Plant project. The

proposed debt options included funding for the WWTP, fire department roof, public facility, and a SCADA system for utilities.

After discussion with the City Council, it was decided to finance the SCADA system utilizing funds from the Water and Wastewater Improvement Funds, remove the fire department roof pending resolution with insurance (meeting with TML IRP representatives in June), reduce public facility to \$4 million and consider an option of a tax levy and using funds from wastewater revenue.

Council was given hard copy of a memo from Jason Hughes, dated 05/22/2025, that outlines various options for repayment of debt utilizing the Interest and Sinking tax rate and utilizing water/sewer revenue. The spreadsheet discusses two projects for consideration: 1) \$4 million for public facility (new animal shelter and if funds available, maybe minor renovations to the Civic Center); and 2) \$7 million for the wastewater treatment plant (additional funds). The city's property tax provides approximately \$3.7 million to the General Fund. The Property tax is measured by the value of a taxpayer's property. It is also called ad valorem tax, a Latin phrase meaning "according to value." Our property tax rate is made up of two parts, an interest and sinking rate (otherwise known as the debt service rate) and a maintenance/operations rate (this funds the daily operations of the city). Currently the City's Property Tax Rate is .53500/\$100 valuation, maintenance/operations are .498729 and interest/sinking (debt service) is .036271. One penny of property tax generates approximately \$65,000.

Also, the city has a Wastewater Improvement Fee (WWIF) of \$21.62/customer that generates approximately \$112,424/month or \$1,349,080/year. The city also receives approximately \$322,000/year for the sale of effluent water. This adds up to \$1,671,088/year. Our current annual bond payment is \$1,577,666 (it will change each year). One dollar of the Wastewater Improvement Fee generates approximately \$62,400/year.

The proposed Certificates of Obligation will not exceed \$11 million. The spreadsheet anticipates an annual repayment of \$335,000 for 20 years from the General Fund debt service, approximately .05, depending on property valuations and it anticipates an annual repayment from the Wastewater Revenue account of \$657,000 for 20 years, \$10.42 addition to the Wastewater Improvement Fee. I am not proposing that we adopt these numbers, I wanted you see what it will take to repay this new debt. These numbers are alarming and extremely concerning. First, the WWIF is also utilized as the Reserve Fund for wastewater projects, and this fund is being depleted to pay for the new Wastewater Treatment Plant. The opportunity variable is that growth occurs within the city and new utility accounts are added. Also, the city's sale of effluent water to the ethanol plant increases and thus, our wastewater revenue. Second, our community does not have a lot of disposable income and what they do have, they are not very excited about giving any of it to the city. Finally, this really puts the city in a bind. The 2023 Infrastructure Master Plan needs to be implemented, but we will be unable to for quite some time. Organizational projects will need to be scaled down and belts will be tightened. Savings will need to be found to reduce the impact on our community.

No Action Taken.

THIRD ITEM OF BUSINESS:

Consider and take necessary action on all matters incident and related to approving and authorizing publication and posting of notice of intention to issue certificates of obligation, including the adoption of Resolution 2025-10 pertaining thereto.

Agenda Memo information is found in the preceding agenda item (discussion).

Motion by Bill Powell

Seconded by Max Ledesma

To approve Resolution 2025-10, regarding matters incident and related to approving and authorizing publication and posting of notice of intention to issue certificates of obligation.

Motion carried unanimously.

FOURTH ITEM OF BUSINESS:

Consider and take necessary action to approve the FY26 Budget Calendar.

The City Council discussed the FY 26 Budget Calendar at the May 19th meeting and staff asked the Council to provide vacation dates to establish the Budget Calendar. Attached is a copy of the proposed calendar with dates set for budget work sessions that may be canceled if not needed. Also, the 2nd Regular Meeting in July has been pushed back a week to July 28th.

BUDGET CALENDAR

Oct 1, 2024 - Sept 30, 2025

City Council Budget Workshops

- July 1 - July 29
- July 8 - Aug. 5
- July 10

- June 2 Regular City Council Meeting – Discussion on FY 26 Annual Budget, Order Notice of Intent for Certificates of Obligations (additional WWTP funding & Animal Services Facility);
- June 16 Joint Planning and Zoning Meeting at 5pm, Regular City Council Meeting at 6pm;
- July 1 Budget workshop over city revenue;
- July 7 Regular City Council Meeting – Discuss proposed FY 26 Annual Budget, Discussion on Certificate of Obligations.
- July 8 Budget meeting;
- July 10 Budget meeting;
- July 28 Regular City Council Meeting;
- July 29 Budget meeting;
- July 25-31 Receive Certified Tax Rolls;
- Aug. 4 Regular City Council Meeting – Discussion on Certificate of Obligations;
- Aug. 5 Budget meeting;
- Aug. 11 Special City Council Meeting – Submit FY 26 Annual Budget to City Council, Discuss proposed Tax Rate, Order date, place and time for Public Hearing on FY 26 Annual Budget;
- Aug. 18 Regular City Council Meeting – Discuss proposed FY 26 Annual Budget and Tax Rate, Order Public Hearing for FY 26 Tax Rate, Vote on Tax Rate Ceiling, Discussion on Certificate of Obligations;
- Aug. 25 Special City Council Meeting – Vote on the authorization for the issuance of Certificates of Obligations, Discuss proposed FY 26 Annual Budget and Tax Rate;
- Sept. 8 Regular City Council Meeting – Public Hearing on FY 26 Tax Rate, Discuss proposed FY 26 Annual Budget and Tax Rate;
- Sept. 15 Regular City Council Meeting – Discuss proposed FY 26 Annual Budget and Tax Rate, Public Hearing on FY 26 Annual Budget, Vote to adopt FY 26 Annual Budget, Vote to adopt FY 26 Tax Rate.

JUNE 2025						
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31						

JULY 2025						
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AUGUST 2025						
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SEPTEMBER 2025						
SUN	MON	TUE	WED	THU	FRI	SAT
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30						

Budget Item - ★	Budget Workshop - B
Council Meeting - C	Holiday - H

Motion by Jaime McCabe
Seconded by Bill Powell
To approve the FY26 Budget Calendar.
Motion carried unanimously.

FIFTH ITEM OF BUSINESS:

City Manager Report: Staff Updates, Project Updates, Staff/Citizen recognition, Items of Community Interest. No action will be taken.

City Manager James Fisher gave updates on various Parkhill projects. He reminded Council about the upcoming “Levelland Listens” and updated Council on the recent Public Works lunch.

No Action Taken.

SIXTH 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)

Mayor Buxkemper convened Council into Executive Session at 6:57pm.
Mayor Buxkemper returned Council to Open Session at 7:18pm.

SEVENTH ITEM OF BUSINESS:

Consider and take necessary action relating to items discussed in executive session.

No Action Taken.

There being no further business, the meeting adjourned at 7:18pm

Respectfully Submitted,

Andréa Corley, TRMC
City Secretary

Breann Buxkemper, Mayor