

THE LEVELLAND CITY COUNCIL MET IN A REGULAR MEETING ON MONDAY, THE 4th DAY OF AUGUST, 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	Present
Bill Powell	Council Member	Present
Max Ledesma	Council Member	Absent
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 6:04pm by Mayor Buxkemper.

The Pledge was led by Mayor Breann Buxkemper.

The Invocation was led by Mayor Pro Tem Michael Stueart.

Members of the Levelland Police Department and Code Compliance Department were recognized by supervisors and introduced to Council.

Statements by Citizens:

There were no statements by citizens.

FIRST ITEM OF BUSINESS:

Consider and take necessary action to approve the minutes of July 28, 2025, regular meeting, July 31, 2025, special meeting.

Motion by Bill Powell

Seconded by Jaime McCabe

To approve the minutes of July 28, 2025, regular meeting, July 31, 2025, special meeting.

Motion carried unanimously.

SECOND ITEM OF BUSINESS:

Consider and take necessary action to approve Resolution 2025-12 appointing a member to the Canadian River Municipal Water Authority board of directors.

As a member of the Canadian River Municipal Water Authority (CRMWA) the City of Levelland appoints two Levelland citizens to represent us on the CRMWA board of directors. These board members serve staggered terms so that the Council has a CRMWA appointment to consider each summer. Due to having a reliable supply of water being so important to the city, the City Council has historically appointed two of Levelland's most outstanding community leaders as our representatives to the CRMWA board. Our current representatives, Richard Ellis and Ryan Hall, are two such individuals and are doing a great job of representing Levelland and looking out for our interests. Mr. Ellis is a veteran member of the CRMWA Board, having been appointed in 2006. Since 2019, Mr. Ellis has served as the board President.

Mr. Ellis' term expired at the end of July, and he has indicated a willingness to continue serving on this board.

Motion by Michael Stueart

Seconded by Jaime McCabe

To appoint Richard Ellis to the Canadian River Municipal Water Authority board of directors.

Motion carried unanimously.

THIRD ITEM OF BUSINESS:

Consider and take necessary action to approve a Temporary Operator Services/Operator of Record agreement with PSC Water Operating Company.

Since June 2025, we have partnered with Parkhill Smith & Cooper LLC dba PSC Water Operating Company (PSC) to support our water and wastewater department with Texas Commission on Environmental Quality (TCEQ) daily reporting. Due to critical licensing requirements and a major departmental transition, PSC was brought on to ensure compliance and prevent Notices of Violation (NOV) for inadequate licensing.

PSC has been working closely with City Staff to prepare them for licensing exams. Training will begin this month, with the first two or three sessions held in person, followed by remote sessions. Their goal is to help our team become certified operators.

This is a month-to-month agreement. Once our wastewater treatment plant is operational, PSC will assist with its operation until our staff is fully trained. At that point, we will discontinue PSC's services unless a significant need arises.

Motion by Michael Stueart

Seconded by Bill Powell

To approve and authorize the City Manager to complete and sign a Temporary Operator Services/Operator of Record agreement with PSC Water Operating Company

Motion carried unanimously.

FOURTH ITEM OF BUSINESS:

Consider and take necessary action to approve an interlocal agreement between the City of Levelland and the South Plains Association of Governments to provide 911 Public Safety Answering Point Services.

The South Plains Association of Governments (SPAG) is classified as a regional planning commission and as a political subdivision of the State. SPAG provides many services to its member cities including Regional 911 services which include address assignment, training, public education, and planning. SPAG has developed a Strategic Plan to establish and operate 911 service in the region and the Commission on State Emergency Communications (Commission) has approved the current strategic plan.

The contract between SPAG and the Commission requires SPAG to execute interlocal agreements each year with local governments relating to the planning, development, operation, and provision of 911 service, the use of wireline and wireless 911 fees, 911 funds, and adherence to applicable laws related to 911.

In the interlocal agreement the City agrees to operate and maintain 911 services at the communications center and to provide that service 24 hours per day, seven days per week, and to work with SPAG in providing and maintaining suitable Public Safety Answering Points space meeting all technical requirements set by the Commission on.

Motion by Jamie McCabe

Seconded by Bill Powell

To Approve an interlocal agreement between the City of Levelland and the South Plains Association of Governments to provide 911 Public Safety Answering Point Services.

Motion carried unanimously.

FIFTH ITEM OF BUSINESS:

Discussion about 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. In addition, the city is considering \$3 million bond issuance for the design and construction of a new Animal Services facility.

Following this memo are two spreadsheets; 1) one that shows our current debt situation and 2) one that shows repayment of debt utilizing the Interest and Sinking tax rate and utilizing water/sewer revenue. The spreadsheet discusses two projects for consideration: 1) \$3 million for a new Animal Services facility; 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 (FY 25), 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 \$76,000.

The proposed interest/sinking (debt service) rate for FY 26 is .0465/\$100 valuation. This is an increase of .010229.

Staff is also proposing to increase the Wastewater Improvement Fee from \$21.62/ month to \$27.00/month. The WWTP construction bid is \$26,265,000. This amount is approximately \$6,615,000 higher than projected. This fee will need to be reviewed in 3 years to determine if there is an additional increase needed to pay the debt service and to provide reserve funds within the Wastewater Fund.

The 2022 Certificate of Obligation series (original WWTP construction bond) and the proposed 2025 Certificate of Obligation series (additional WWTP construction costs) have an estimated annual payment of **\$2,070,575**. The city has approximately 5200 active utility accounts; **[5200*\$27.00=\$140,400/month; \$140,400*12=\$1,684,800]**. The city receives approximately \$320,000/year from the sale of effluent water. **[\$1,684,800 + \$320,000 = \$2,004,800]** This leaves a shortfall of **\$65,775**. We will utilize WW Improvement Fee funds (reserve funds) to cover the difference. Once the WWTP comes online (Winter 2026), we will review our financial status at that time.

The City Council will consider the authorization to issue Certificates of Obligation for the Waste Water Treatment Plant Construction (additional funds) and for the Animal Services Facility (Animal Shelter) on Monday, August 25th.

***25% of the Series 2025 CO Debt Service for the WWTP is paid for with I & S taxes.

****The city has an additional \$516,000 annual payment in Utility Revenue Supported Debt Service due to the issuance of debt for the replacement of water meters. The funds to pay this debt will come from recovered revenue due to inefficient meters.

No Action Taken.

SIXTH ITEM OF BUSINESS:

Discussion about the proposed FY26 Budget.

No Action Taken

SEVENTH ITEM OF BUSINESS:

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

EIGHTH ITEM OF BUSINESS:

Convene into executive session in accordance with Tex. Gov't Code §551.087 to deliberate economic development negotiations.

Mayor Buxkemper convened Council into Executive Session at 6:50pm.

Mayor Buxkemper returned Council to Open Session at 7:25pm.

NINTH ITEM OF BUSINESS:

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

Discussion Only. No Action Taken.

There being no further business, the meeting adjourned at 7:26pm

Respectfully Submitted,

Andréa Corley, TRMC
City Secretary

Breann Buxkemper, Mayor