

LAKEWOOD VILLAGE TOWN COUNCIL

COUNCIL MEETING

AUGUST 12, 2021

Council Members:

Dr. Mark Vargus, Mayor
Darrell West – Mayor Pro-Tem
Clint Bushong
Serena Lepley
Matt Bissonnette
Eric Farage

Town Staff:

Linda Asbell, TRMC, CMC – Town Secretary
Andy Messer –Town Attorney

REGULAR SESSION - 7:00 P.M.

With a quorum of the Council Members present, Mayor Vargus called the Regular Meeting of the Town Council to order at 7:00 p.m. on Thursday, August 12, 2021 in the Council Chambers of the Lakewood Village Town Hall, 100 Highridge Drive, Lakewood Village, Texas.

PLEDGE TO THE FLAG:

(Agenda Item A)

Mayor Vargus led the Pledge of Allegiance.

EXECUTIVE SESSION:

(Agenda Item B)

At 7:00 p.m. Mayor Vargus recessed into executive session in accordance with

1. § 551.071(2), Texas Government Code to wit: consultation with Town Attorney on a matter in which the duty of the attorney to the governmental body under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with this chapter to receive legal advice re: Development agreements, development and zoning standards; and

RECONVENE:

(Agenda Item C)

Mayor Vargus reconvened the regular session at 7:40 p.m. No action was taken.

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VISITOR/CITIZENS FORUM:

(Agenda Item D)

No one requested to speak.

PUBLIC HEARING:

(Agenda Item E)

A public hearing was held to provide an opportunity for citizen comment on the proposed fiscal year 2021-2022 budget.

Eric Hancock, 8249 Treemont Place, Frisco, Texas asked about the mayor's private company and if it has any relationship with the town. Mayor Vargus stated that his private company has never had any association with the town and if it did, he would be required to report a conflict of interest and it would have been noted during the independent financial audit. Mayor Vargus asked Mr. Hancock to stay on the topic of the budget. Mr. Hancock made additional comments about the mayor's private company. Mayor Vargus stated the public hearing was only for the comments on the budget.

MOTION: Upon a motion made by Mayor Pro-Tem West and seconded by Councilman Farage, council voted five (5) "ayes", no (0) "nays" to close the public hearing at 7:45 p.m. *The motion carried.*

PUBLIC HEARING:

(Agenda Item F)

A public hearing was held to provide an opportunity for citizen comment on the proposed combined property tax rate of \$0.45/\$100.

No one requested to speak

MOTION: Upon a motion made by Councilman Farage and seconded by Councilman Bissonnette, council voted five (5) "ayes", no (0) "nays" to close the public hearing at 7:45 p.m. *The motion carried.*

PUBLIC HEARING:

(Agenda Item G)

A public hearing was held to consider public testimony regarding the creation of the Lakewood Village Public Improvement District No. 1 new capital public improvement district at The Sanctuary at Sunset Cove.

No one requested to speak

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MOTION: Upon a motion made by Councilman Bissonnette and seconded by Councilman Farage, council voted five (5) “ayes”, no (0) “nays” to close the public hearing at 7:45 p.m. *The motion carried.*

PUBLIC HEARING:

(Agenda Item H)

A public hearing was held to consider public testimony regarding the creation of the Lakewood Village Operation and Maintenance Public Improvement District No. 1 at The Sanctuary at Sunset Cove.

No one requested to speak

MOTION: Upon a motion made by Mayor Pro-Tem West and seconded by Councilman Farage, council voted five (5) “ayes”, no (0) “nays” to close the public hearing at 7:46 p.m. *The motion carried.*

CONSENT AGENDA:

(Agenda Item I)

1. Minutes of July 8, 2021 Council Meeting (Asbell)
2. Minutes of July 21, 2021 Council Meeting (Asbell)
3. Interlocal Agreement with Denton County for Tax Collection (Asbell)
4. Professional Services Agreement with Lakewood Village Partners (Asbell)

Eric Hancock, 8249 Treemont Place, Frisco, Texas. asked council to remove the minutes from both the July council meetings and not approve them because they do not fully reflect his statements.

MOTION: Upon a motion made by Mayor Pro-Tem West and seconded by Councilman Bissonnette, council voted five (5) “ayes”, no (0) “nays” to approve consent agenda items as presented. *The motion carried.*

REGULAR AGENDA:

(Agenda Item J)

**Consideration of Resolution Authorizing the
Creation of the Lakewood Village Public
Improvement District No. 1 at Sanctuary at
Sunset Cove (Vargus)**

(Agenda Item J.1)

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MOTION: Upon a motion made by Mayor Pro-Tem West and seconded by Councilman Bissonnette, council voted five (5) “ayes”, no (0) “nays” to approve the resolution authorizing the creation of the Lakewood Village Public Improvement District No. 1 at Sanctuary at Sunset Cove as presented. *The motion carried.*

**Consideration of Resolution Authorizing the
Creation of the Lakewood Village Operation
and Maintenance Public Improvement
District No. 1 at Sanctuary at Sunset Cove
(Vargus)**

(Agenda Item J.2)

MOTION: Upon a motion made by Mayor Pro-Tem West and seconded by Councilman Bissonnette, council voted five (5) “ayes”, no (0) “nays” to approve the resolution authorizing the creation of the Lakewood Village Operation and Maintenance Public Improvement District No. 1 at Sanctuary at Sunset Cove. *The motion carried.*

**Consideration of Resolution Authorizing the
Mayor to execute an Escrow Agreement
Related to Certain Dissolution Petitions and
Resolving Other Matters Related Thereto
(Vargus)**

(Agenda Item J.3)

MOTION: Upon a motion made by Mayor Pro-Tem West and seconded by Councilman Farage, council voted five (5) “ayes”, no (0) “nays” to approve the resolution authorizing the mayor to execute an escrow agreement related to certain dissolution petitions and resolving other matters related thereto. *The motion carried.*

**Consideration of Development Agreement
with Sanctuary Texas, LLC (Vargus)**

(Agenda Item J.4)

Mayor Vargus reported that Little Elm is expected to release the 6 acres they are claiming in their ETJ in their September 7th council meeting. The development agreement will be re-executed to include those acres and include language related to solid waste service. Mayor Vargus reported that Mary Petty of P3Works reviewed the agreement and included language that was required due to the Public Improvement District. Mayor Vargus reported that required anti-boycotting language needs to be added to the agreement.

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MOTION: Upon a motion made by Mayor Pro-Tem West and seconded by Councilman Bissonnette, council voted five (5) “ayes”, no (0) “nays” to conditionally approve the development agreement and conditionally make the agreement effective only if the Town of Little Elm on September 7, 2021, by majority vote of the Little Elm City Council at its public meeting, (1) forever terminates the development agreement between Little Elm and The Sanctuary Texas LLC; and (2) forever grants approximately 6 acres in The Sanctuary development (defined as the 6 Acre Portion currently claimed by Little Elm to be in its extraterritorial jurisdiction) to the Town of Lakewood Village. *The motion carried.*

**Consideration of Interlocal Agreement for
Fire/EMS and Police for Public Improvement
District No. 1 (Vargus)**

(Agenda Item J.5)

Mayor Vargus reported that Little Elm already provides Fire and EMS services to Lakewood Village. Little Elm would like to provide Fire/EMS and police services to the public improvement district. Mayor Vargus clarified the PID will pay for these services and no town funds will be used for these services. Lakewood Village is not allowing Little Elm police to patrol inside Lakewood Village.

MOTION: Upon a motion made by Mayor Pro-Tem West and seconded by Councilman Farage, council voted five (5) “ayes”, no (0) “nays” to conditionally approve the amended interlocal agreements and conditionally make the agreements effective only if the Town of Little Elm on September 7, 2021, by majority vote of the Little Elm City Council at its public meeting, (1) forever terminates the development agreement between Little Elm and The Sanctuary Texas LLC; and (2) forever grants approximately 6 acres in The Sanctuary development (defined as the 6 Acre Portion currently claimed by Little Elm to be in its extraterritorial jurisdiction) to the Town of Lakewood Village. *The motion carried.*

Discussion of Concrete Road Project (Vargus)

(Agenda Item J.6)

Mayor Vargus reported that Ed Bell Construction has essentially walked off the job and is not following through with completion of the punch-list items, laying of sod, watering of the sod, completion of drainage, inlets, and other items. Mayor Vargus reported on different areas that Ed Bell has not completed and on unapproved change orders Ed Bell has attempted to submit for payment. Town Engineer, Kimley Horn, does not recommend approval of the change orders. Town Engineer and the Town Attorney are reviewing the contract to determine the required steps for enforcement. The Town Engineer said they have never had a contractor abandon and not complete a job. Mayor Vargus reviewed the major errors in the construction of Stowe Lane at the beginning of the road project. Mayor Vargus stated that he came up with a correction for Stowe

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Lane which accommodated Ed Bell and allowed them to fix Stowe rather than completely remove and reconstruct the street. There was some discussion about the nearly \$20,000 in extra engineering expenses and extra Fugro costs due to Ed Bell's errors on Stowe Lane. There was some discussion about the project being substantially complete and the possibility of using the funds withheld from Ed Bell to hire another contractor to complete the project.

**Consideration of 2021-2022 Fiscal Year
Budget (Vargus)**

(Agenda Item J.7)

Mayor Vargus reviewed the current year to date numbers. There was some discussion about possible changes caused by development. Mayor Vargus reported on the possibility of the American Rescue Act funds being received. Municipal Development District President Linda Loudon reviewed the MDD budget which was approved at the previous MDD meeting. There was some discussion about town functions, parks, and town mowing being handled by the MDD. There was some discussion about street sign replacement.

MOTION: Upon a motion made by Councilman Farage and seconded by Councilman Bissonnette, council voted five (5) "ayes", no (0) "nays" to approve the budget for fiscal year 2021-2022. *The motion carried.*

Consideration of 2018 Fire Code (Bushong)

(Agenda Item J.8)

Councilman Bushong reported the document has not changed since the last time council meeting.

MOTION: Upon a motion made by Councilman Bissonnette and seconded by Councilman Farage, council voted five (5) "ayes", no (0) "nays" to approve the 2018 Fire Code. *The motion carried.*

EXECUTIVE SESSION:

(Agenda Item K)

At 8:20 p.m. Mayor Vargus recessed into executive session in accordance with

1. § 551.071(2), Texas Government Code to wit: consultation with Town Attorney on a matter in which the duty of the attorney to the governmental body under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with this chapter to receive legal advice re: Development agreements, development and zoning standards; and
2. § 551.071(2), Texas Government Code to wit: consultation with Town Attorney on a matter in which the duty of the attorney to the governmental body under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with this chapter to receive

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legal advice re: Development agreements, development and zoning standards; and

3. § 551.087 Texas Government Code to wit: Economic Development Negotiations regarding Sam Hill Ventures, Sanctuary at Sunset Cove, Project Left Field, Project Slade Rock, Project Boy Scout, Project Lakewood Village Partners, Project Lightning Bolt, and Project Flat Top; and
4. § 551.072 Texas Government Code to wit: deliberations about real property regarding Sam Hill Ventures, Sanctuary at Sunset Cove, Project Left Field, Project Slade Rock, Project Boy Scout, Project Lakewood Village Partners, Project Lightning Bolt, and Project Flat Top; and

RECONVENE:

(Agenda Item L)

Mayor Vargus reconvened the special session at 9:12 p.m. No action was taken.

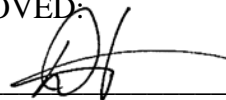
ADJOURNMENT

(Agenda Item M)

MOTION: Upon a motion made by Councilwoman Lepley and seconded by Mayor Pro-Tem West council voted five (5) “ayes” and no (0) “nays” to adjourn the Regular Meeting of the Lakewood Village Town Council at 9:12 p.m. on Thursday August 12, 2021. The motion carried.

These minutes approved by the Lakewood Village Town Council on the 9th day of September 2021.

APPROVED:



Darrell West
MAYOR PRO-TEM

ATTEST:


Linda Ruth, TRMC, CMC
TOWN SECRETARY

