

LAKEWOOD VILLAGE TOWN COUNCIL

COUNCIL MEETING

APRIL 14, 2016

Council Members:

Dr. Mark Vargus, Mayor
Carl Menckhoff, M.D., Mayor Pro-Tem - ABSENT
Clint Bushong
Ray Duff
Gary Newsome
Ed Reed

Town Staff:

Linda Asbell, TRMC, Town Secretary

REGULAR SESSION - 7:00 P.M.

With a quorum of the Council Members present, Mayor Vargus called the Regular Session of the Town Council to order at 7:00 p.m. on Thursday, March 10, 2016, 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

VISITOR/CITIZENS FORUM:

(Agenda Item B)

No one requested to speak

PUBLIC HEARING:

(Agenda Item C)

A public hearing was held to provide an opportunity for citizen comment on the proposed Comprehensive Plan including thoroughfare plan and future land use assumptions. Mayor Vargus opened the public hearing at 7:02 pm.

Mayor Vargus reported that the Council is committed to keeping public hearings on the agenda until the comprehensive plan is completed to give citizens ample opportunity to provide input. Councilman Bushong reported that some new water and sewer information is being compiled and added into the comprehensive plan. Mayor Vargus reported that there have been discussions with the Little Elm Fire Department regarding their desire to have fire suppression sprinklers installed in large new homes being constructed. Mayor Vargus reported that there is a discussion on requiring developers to design for increased fire flow versus requiring installation of fire suppression sprinklers in each new home constructed.

**LAKEWOOD VILLAGE TOWN COUNCIL
REGULAR SESSION
APRIL 14, 2016**

Page 2

MOTION: Upon a motion made by Councilman Bushong and seconded by Councilman Reed, council voted four (4) “ayes” and no (0) “nays” to close the public hearing at 7:07 pm. *The motion carried.*

PUBLIC HEARING:

(Agenda Item D)

A public hearing was held to provide an opportunity for citizen comment on the Town of Lakewood Village management of its extraterritorial jurisdiction and future annexations. Mayor Vargus opened the public hearing at 7:07 pm.

Mayor Vargus stated the council wanted to give citizens an opportunity to provide input regarding how the land in the extraterritorial jurisdiction develops. Dan Tantalo expressed concern about the desire to expand the town and the cost of infrastructure. Mr. Tantalo stated that he understands the idea that the council would want to control the type of development and encouraged council to educate the citizens on that goal and then ask for feedback. Mayor Vargus stated that the town utilities provide some desirability for developers in the ETJ to negotiate with the Town.

Mr. Michael Neal stated that he would like to see the entire peninsula be residential. He likes the more rural lifestyle and does not want to see retail stores. Mr. Tantalo stated that, generally speaking, he is against any growth of government. Mr. Eric Farage stated that if we know the land is going to develop then he believes that development should be under the control of the Town. Mayor Vargus explained the critical importance of control during development.

Councilman Reed stated that he does not know of any citizen of the town that would want to see the types of businesses that are currently operating in the ETJ to expand and continue to develop in the same way. Mr. Danny Cook stated that he supports the town controlling the development. Mr. Cook expressed concern about strip-mall type developments that are attractive for five years and then sit mostly empty. Mr. Tantalo recommended creating a map that shows the proximity of retail/commercial centers to the Town of Lakewood Village to further educate citizens. Councilman Newsome stated that it is good for the Town to have control over that area.

Mayor Vargus stated that this public hearing is an opportunity to open discussions on this important issue.

MOTION: Upon a motion made by Councilman Bushong and seconded by Councilman Newsome, council voted four (4) “ayes” and no (0) “nays” to close the public hearing at 7:30 pm. *The motion carried.*

REGULAR AGENDA:

(Agenda Item E)

Mid-Year Financial Review (Vargus)

(Agenda Item E.1)

Mayor Vargus reviewed the cash liquidity of the Town as of March 31, 2016. Councilman Bushong reported that the town will be spending down some cash for planned capital improvement projects and an impact fee study. Mayor Vargus reviewed the budget to actual financial reports. Mayor Vargus reported that many expenses, especially in the Utility Fund, occur in the beginning of the fiscal year and utility fund revenues increase during the summer months. Sales tax revenues increased by 50% in 2014, by 115% in 2015, and this fiscal year is running ahead of last year by approximately 20%. Mayor Vargus reviewed General Fund expenses and reported attorney's fees are slightly higher than budgeted but the litigation and associated expenses are mostly completed. There was some discussion about the playground improvements. Town Secretary, Linda Asbell, reported that the new swings will be installed tomorrow morning. There was some discussion about lien repayments received. There was some discussion about the seasonal utility fund revenues. Mayor Vargus reported that Summer Paulsen is handling all the utility billing and all the building inspection scheduling and record keeping so the salary line associated with Summer is higher than budgeted because there has been a large increase in building. Mr. Dan Tantalo reported that every person he has talked to has nothing but good things to say about how professional, polite, and accurate Summer is. Mayor Vargus reported that Summer has been doing a fantastic job and Summer will eventually be full-time to allow her to keep up with the increase in building the town is experiencing. Mayor Vargus reviewed the revenues and expenses in the Road Maintenance fund. Councilman Reed reported that he and Councilman Newsome are attempting to overcome some obstacles on working with the County Commissioner Hugh Coleman, who has not supported any road maintenance for Lakewood Village since 2011. Councilman Reed reported that the county has agreed to come out and assess Melody Lane and Carrie Lane and he should receive some feedback from them in the next few weeks. Mayor Vargus reported that the benefit of contracting with the County for roadwork is that the town pays for only the cost of the supplies, not the labor of the employees doing the work. The County Commissioner, however, has 100% discretion on what roads will be approved for work. There was some discussion on the plan for repairs on existing asphalt roads until all roads can be replaced with concrete. Mayor Vargus reported on capital improvement projects and the new Public Works building. The building is a shipping container which was purchased and installed for \$11,000 rather than the \$35,000 which was budgeted for full construction of a new building. Mayor Vargus reported that the money saved on the building will be spent on the new water storage tank.

**Update on New Storage Tank Installation
(Vargus)**

(Agenda Item E.2)

Mayor Vargus reported that Sam Morgan has been out due to back surgery so this project has been delayed. The surplus pressure tank from Lakewood Village has already been moved to the Rocky Point Water System. Councilman Reed reported that he checked on the water storage

tanks and they are secure and undamaged while we are making arrangements to have them moved. The Town will put the new storage tank near the front of the water plant property along with an additional 6,000 gallon pressure tank.

**Consideration of Municipal Development
District Expenditures for Compliance
Related Water System Improvements (Reed)**

(Agenda Item E.3)

Councilman Reed reported that the MDD Board has recently approved a plan that includes the steps necessary to bring the Rocky Point Water System into compliance with TCEQ regulations. The MDD Board approved a total capital expenditure of \$30,620 for system improvements. The only additional major expense the board expects is a new fence around the entire property.

MOTION: Upon a motion made by Councilman Reed and seconded by Councilman Bushong, council voted four (4) “ayes” and no (0) “nays” to approve Municipal Development District expenditures of \$30,620 for compliance related water system improvements. *The motion carried.*

**Consideration of Renewal of the Economic
Development Agreement between the Town
of Lakewood Village and the Lakewood
Village Municipal Development District
(Asbell)**

(Agenda Item E.4)

Mayor Vargus reviewed the terms of the agreement which would allow the Municipal Development District to borrow funds from the Town. There was some discussion about the term of the loan repayment and the extension of the agreement.

MOTION: Upon a motion made by Councilman Reed and seconded by Councilman Bushong, council voted four (4) “ayes” and no (0) “nays” to approve the renewal of the Economic Development Agreement between the Town of Lakewood Village and the Lakewood Village Municipal Development District. *The motion carried.*

**Consideration of Interlocal Boundary
Agreement with Oak Point**

(Agenda Item E.5)

Mayor Vargus reported that the Town of Oak Point has already approved the agreement. This agreement was previously approved by Lakewood Village but Oak Point requested some minor “wordsmith” changes. There were no substantive changes to the agreement.

MOTION: Upon a motion made by Councilman Duff and seconded by Councilman Bushong, council voted four (4) “ayes” and no (0) “nays” to authorize Mayor Vargus to execute the Interlocal Boundary Agreement with Oak Point. *The motion carried.*

**Consideration of Resolution on Planning and
Scheduling of Future Meetings and Timelines
(Vargus)**

(Agenda Item E.6)

Mayor Vargus reported that the State of Texas has changed the uniform election date which will cause a conflict with the May council meeting for canvassing and swearing in of newly elected members. This resolution establishes a uniform timeline and syncs the appointment and budget operation of the Municipal Development District Board with the Town Council.

MOTION: Upon a motion made by Councilman Newsome and seconded by Councilman Duff, council voted four (4) “ayes” and no (0) “nays” to approve the Resolution on Uniform Timelines for Meetings. *The motion carried.*

**Consideration of Minutes of the March 10,
2016 Town Council Meeting (Asbell)**

(Agenda Item E.7)

MOTION: Upon a motion made by Councilman Duff and seconded by Councilman Newsome, council voted four (4) “ayes” and no (0) “nays” to approve the minutes of the March 10, 2016 council meeting as presented. *The motion carried.*

EXECUTIVE SESSION:

(Agenda Item F)

At 9:05 p.m. Mayor Vargus recessed into executive session in compliance with (1) § 551.071 Texas Government Code to wit: Consultation with the Town Attorney regarding pending or contemplated litigation, re: Town of Lakewood Village V. Harry Bizios; (2) § 551.072 Texas Government Code to wit: deliberations about real property; and (3) § 551.087 Texas Government Code to

**LAKEWOOD VILLAGE TOWN COUNCIL
REGULAR SESSION
APRIL 14, 2016**

Page 6

wit: Economic Development Negotiations

RECONVENE:

(Agenda Item G)

Mayor Vargus reconvened the regular session of the Lakewood Village Town Council at 10:21 pm.

MOTION: Upon a motion made by Councilman Reed and seconded by Councilman Newsome, council voted four (4) “ayes” and no (0) “nays” to authorize Mayor Vargus to negotiate the purchase of 665 Woodcrest for a price not to exceed \$9100.00. *The motion carried.*

COUNCIL AND STAFF COMMENTS

(Agenda Item H)

Town Secretary, Linda Asbell, reported that the Oak Point PTA 5K Color Run has been cancelled. The PTA representative said they were disappointed to cancel but hope to return next year.

ADJOURNMENT

(Agenda Item I)

MOTION: Upon a motion made by Councilman Bushong and seconded by Councilman Duff, council voted four (4) “ayes” and no (0) “nays” to adjourn the Regular Session of the Lakewood Village Town Council at 10:26 p.m. on Thursday, April 14, 2016. The motion carried.

These minutes approved by the Lakewood Village Town Council on the 12th day of May 2016.

APPROVED

Dr. Mark E. Vargus
MAYOR

ATTEST:

Linda Asbell, TRMC
TOWN SECRETARY