



**LAKEWOOD VILLAGE TOWN HALL
100 HIGHRIDGE DRIVE
LAKEWOOD VILLAGE, TEXAS**

**TOWN COUNCIL MEETING
MARCH 12, 2015 7:00 P.M.**

REGULAR SESSION – AGENDA

Call to Order and Announce a Quorum is Present

A. PLEDGE TO THE FLAG:

B. SPECIAL PRESENTATION: State Representative Pat Fallon will make a special presentation honoring late Mayor Pro-Tem Ken Guthrie

C. VISITOR/CITIZENS FORUM: At this time, any person with business before the Council not scheduled on the agenda may speak to the Council. No formal action may be taken on these items at this meeting.

D. CONSENT AGENDA: All of the items on the Consent Agenda are considered to be self-explanatory and will be enacted with one motion. There will be no separate discussion of these items unless a Council Member or citizen so request. For a citizen to request removal of an item from the Consent Agenda a speaker card must be filled out and submitted to the Town Secretary prior to the call to order.

1. Minutes of the January 8, 2015 Council Meeting (Asbell)
2. Minutes of the January 22, 2015 Council Meeting (Asbell)
3. Minutes of the February 5, 2015 Council Meeting (Asbell)
4. Minutes of the February 12, 2015 Council Meeting (Asbell)
5. Ordinance Cancelling the May 2015 General Election and Declaring Winners (Asbell)
6. Ratification of Financial Controls Ordinance 14-06 (Vargus)

E. REGULAR AGENDA:

1. Consideration of Variance Request by Mike Crow on Masonry Requirement and Front Facing Garage for 1234 Garza Lane in Lakewood Village Extra Territorial Jurisdiction (Asbell)
2. Consideration of Appointment of Kimley Horn for Town Engineers (Vargus)
3. Consideration of Sustainability Goals for Lakewood Village (Reed)
4. Consideration of Electronic Marquee for Town Hall (Menckhoff)
5. Consideration of Ice/Snow Road Plan for Lakewood Village (Menckhoff)
6. Consideration of Resolution Supporting House Bill 1418 – Annexation (Asbell)
7. Consideration of Resolution Opposing Senate Bill 182 – Revenue Cap (Asbell)
8. Discussion of Capital Improvement Projects Plan for 2015 (Vargus)
9. Consideration of Amendment of Building Packet to Require Use of Roll-Off Containers (Vargus)

F. EXECUTIVE SESSION: Recess 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; (3) § 551.087 Texas Government Code to wit: Economic Development Negotiations; and (4) § 551.076 Texas Government Code to wit: deliberations about Security Devices

G. RECONVENE: Reconvene into regular session and consideration of action, if any, on items discussed in executive session

H. COUNCIL AND STAFF COMMENTS: Comments may be made by Council or Staff. No formal action may be taken on these items at this meeting.

I. ADJOURNMENT

I do hereby certify that the above notice of meeting was posted on the designated place for official notice before 5:00 p.m. on Friday, March 6, 2015.

Linda Asbell, TRMC, Town Secretary



The Town Council reserves the right to adjourn into closed session at any time during the course of this meeting to discuss any of the matters listed above, as authorized by Texas Government Code Section 551.071 (Consultation with Attorney), 551.072 (Deliberations about Real Property), 551.073 (Deliberations about Gifts and Donations), 551.074 (Personnel Matters), 551.076 (Deliberations about Security Devices) and 551.087 (Economic Development).

This facility is wheelchair accessible and accessible parking spaces are available. Requests for accommodations or interpretive services must be made 48 hours prior to this meeting. Please contact the Town Secretary's office at 972-294-5555 or FAX 972-292-0812 for further information.

One or more members of the LAKEWOOD VILLAGE ECONOMIC DEVELOPMENT CORPORATION and the LAKEWOOD VILLAGE MUNICIPAL DEVELOPMENT DISTRICT may attend this meeting. No action will be taken by either the EDC or MDD Boards during this meeting.

LAKEWOOD VILLAGE TOWN COUNCIL

COUNCIL MEETING

JANUARY 8, 2015

Council Members:

Dr. Mark. E. Vargus, Mayor - Absent
Carl Menckhoff, M.D., Mayor Pro-Tem
Dave Getka
Gary Newsome
Ed Reed
Clint Bushong

Town Staff:

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

REGULAR SESSION -7:00 P.M.

With a quorum of the Council Members present, Mayor Pro-Tem Menckhoff called the Regular Session of the Town Council to order at 7:01 p.m. on Thursday, January 8, 2015, in the Council Chambers of the Lakewood Village Town Hall, 100 Highridge Drive, Lakewood Village, Texas.

PLEDGE TO THE FLAG:

(Agenda Item A)

Mayor Pro-Tem Menckhoff led the pledge of allegiance.

VISITOR/CITIZENS FORUM:

(Agenda Item B)

No one spoke

EXECUTIVE SESSION:

(Agenda Item C)

At 7:02 p.m. Mayor Pro-Tem Menckhoff recessed into executive session in compliance with Section (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 wit: Economic Development Negotiations.

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REGULAR SESSION
JANUARY 8, 2015**

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RECONVENE:

(Agenda Item D)

Mayor Pro-Tem Menckhoff reconvened the regular session of the Lakewood Village Town Council at 8:06 PM.

REGULAR AGENDA:

(Agenda Item E)

**Consideration of Employment of Part-Time
Administrative Assistant (Asbell)**

(Agenda Item E.1)

Town Secretary, Linda Asbell, reported on the Internal Revenue Service guidelines for determining employment classifications of either contractor or employee. The guidelines classify Summer Paulsen as an employee. Town Secretary Asbell reported that this action would not change Ms. Paulsen's responsibilities or part-time status. Councilman Getka clarified that the part-time position is for 12 hours per week. Town Secretary Asbell confirmed that the position is scheduled for 12 hours per week unless water billing activities or authorized special projects require additional hours.

MOTION: Upon a motion made by Councilman Getka and seconded by Councilman Bushong the Council voted five (5) "ayes" and no (0) "nays" to classify the part-time administrative assistant as an employee of the Town. *The motion carried.*

Discussion on Status of Road Project (Reed)

(Agenda Item E.2)

Councilman Reed reported that the road construction is nearing completion and the final pour is expected to take place next week. The asphalt work will begin after the concrete work is completed. The final cost is expected to be very close to the amount that was budgeted. Councilman Reed reported that although the contract allows the town to assess daily fines against Jagoe for exceeding the contracted end date he does not believe it is necessary since Jagoe has worked very well with the Town and the extension was caused by weather and other issues outside of Jagoe's control.

**Consideration of Budget Amendment
FY2014-2015 (Vargus)**

(Agenda Item E.3)

Mayor Pro-Tem Menckhoff reviewed the proposed budget amendment.

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REGULAR SESSION
JANUARY 8, 2015**

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MOTION: Upon a motion made by Councilman Getka and seconded by Councilman Bushong the Council voted five (5) “ayes” and no (0) “nays” to amend the budget as presented. *The motion carried.*

**Consideration of Ordinance Calling a
General Election for May 2015 (Asbell)**

(Agenda Item E.4)

MOTION: Upon a motion made by Councilman Bushong and seconded by Councilman Newsome the Council voted five (5) “ayes” and no (0) “nays” to approve the ordinance calling a General and Special Election for May 2015. *The motion carried.*

**Consideration of Minutes of December 15,
2014 Council Meeting (Asbell)**

(Agenda Item E.5)

MOTION: Upon a motion made by Councilman Reed and seconded by Councilman Getka the Council voted five (5) “ayes” and no (0) “nays” to approve the minutes as presented. *The motion carried.*

COUNCIL AND STAFF COMMENTS:

(Agenda Item I)

Town Secretary reported on the status of the criminal case against Dawn Sendziak. A warrant was issued yesterday and an arrest is imminent.

ADJOURNMENT

(Agenda Item J)

MOTION: Upon a motion made by Councilman Reed and seconded by Councilman Bushong, council voted five (5) “ayes” and no (0) “nays” to adjourn the Regular Session of the Lakewood Village Town Council at 8:30 p.m. on Thursday, January 8, 2015. The motion carried.

These minutes approved by the Lakewood Village Town Council on the 12th day of March 2015.

APPROVED

Dr. Mark E. Vargus
MAYOR

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REGULAR SESSION
JANUARY 8, 2015**

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ATTEST:

Linda Asbell, TRMC
TOWN SECRETARY

LAKEWOOD VILLAGE TOWN COUNCIL

COUNCIL MEETING

JANUARY 22, 2015

Council Members:

Dr. Mark. E. Vargus, Mayor
Carl Menckhoff, M.D., Mayor Pro-Tem
Dave Getka
Gary Newsome
Ed Reed
Clint Bushong

Town Staff:

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

SESSION SESSION -6:00 P.M.

With a quorum of the Council Members present, Mayor Vargus called the Special Session of the Town Council to order at 6:01 p.m. on Thursday, January 22, 2015, 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 spoke

EXECUTIVE SESSION:

(Agenda Item C)

At 6:02 p.m. Mayor Vargus recessed into executive session in compliance with Section (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 wit: Economic Development Negotiations.

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SPECIAL SESSION
JANUARY 22, 2015**

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RECONVENE:

(Agenda Item D)

Mayor Vargus reconvened the special session of the Lakewood Village Town Council at 7:59 PM.

REGULAR AGENDA:

(Agenda Item E)

Discussion of Goals for 2015 (Vargus)

(Agenda Item E.1)

Mayor Vargus reported that at the next meeting he would like council to discuss some goals for the town for 2015. There was some discussion about moving to the 2012 building codes, creating a sewer master plan, creation of personnel policies, and establishing goals for planning.

COUNCIL AND STAFF COMMENTS:

(Agenda Item F)

Town Secretary, Linda Asbell, reported on the status of the criminal case against Dawn Sendziak. Dawn Sendziak was arrested in South Carolina and was held in jail for two days. At that time her family made payment for the full amount of the remaining restitution; \$27,007.00. Those funds were wired to Denton County and Ms. Sendziak was released. Ms. Sendziak will remain on probation until June 15 at which time all requirements of the criminal case will be met and the criminal case will be closed. There was no payment against the civil judgment. Denton County will process the funds through the Adult Probation Department and will issue a check to the town for the full amount. The town should receive the funds by mid-February. Council expressed appreciation to Town Secretary Asbell for pursuing recovery of these funds.

Mayor Vargus reported that Freese and Nichols has agreed to waive approximately \$7,500 in fees related to an engineering error on the concrete street project. The latest change order from Jagoe resulted in an approximate \$8,000 credit on the road project. Council thanked Mayor Vargus and Councilman Reed for completion of a successful project.

ADJOURNMENT

(Agenda Item G)

MOTION: Upon a motion made by Councilman Getka and seconded by Councilman Reed, council voted five (5) “ayes” and no (0) “nays” to adjourn the Special Session of the Lakewood Village Town Council at 8:14 p.m. on Thursday, January 22, 2015. The motion carried.

**LAKEWOOD VILLAGE TOWN COUNCIL
SPECIAL SESSION
JANUARY 22, 2015**

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These minutes approved by the Lakewood Village Town Council on the 12th day of March 2015.

APPROVED

Dr. Mark E. Vargus
MAYOR

ATTEST:

Linda Asbell, TRMC
TOWN SECRETARY

LAKEWOOD VILLAGE TOWN COUNCIL

COUNCIL MEETING

FEBRUARY 5, 2015

Council Members:

Dr. Mark Vargus, Mayor
Carl Menckhoff, M.D., Mayor Pro-Tem
Clint Bushong
Dave Getka
Gary Newsome
Ed Reed

Town Staff:

Linda Asbell, TRMC, Town Secretary
W. Andy Messer, Town Attorney

SPECIAL SESSION - 5:30 P.M.

With a quorum of the Council Members present, Mayor Vargus called the Town Council to order at 5:46 p.m. on Thursday, February 5, 2015, in the third Floor Conference Room at 6351 Preston Road, Frisco, TX 75034.

PLEDGE TO THE FLAG:

(Agenda Item A)

Mayor Vargus led the pledge of allegiance

EXECUTIVE SESSION:

(Agenda Item B)

At 5:46 p.m. Mayor Vargus recessed into executive session in compliance with § 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; § 551.072, Texas Government Code to wit: deliberations about real property; and (3) § 551.087 Texas Government Code to wit: Economic Development Negotiations.

RECONVENE:

(Agenda Item C)

Mayor Vargus reconvened into the special session at 9:39 p.m.

No action was taken.

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SPECIAL SESSION
FEBRUARY 5, 2015**

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ADJOURNMENT

(Agenda Item D)

MOTION: Upon a motion made by Councilman Getka and seconded by Councilman Reed, council voted five (5) “ayes” and no (0) “nays” to adjourn the Special Session of the Lakewood Village Town Council at 9:39 p.m. on Thursday, February 5, 2015. The motion carried.

These minutes approved by the Lakewood Village Town Council on the 12th day of March 2015.

APPROVED

Dr. Mark E. Vargus
MAYOR

ATTEST:

Linda Asbell, TRMC
TOWN SECRETARY

LAKEWOOD VILLAGE TOWN COUNCIL

COUNCIL MEETING

FEBRUARY 12, 2015

Council Members:

Dr. Mark Vargus, Mayor
Carl Menckhoff, M.D., Mayor Pro-Tem
Clint Bushong
Dave Getka
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 7:01 p.m. on Thursday, February 12, 2015, 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

SPECIAL PRESENTATION

(Agenda Item B)

State Representative Pat Fallon was unable to attend due to an emergency that required him to be in Austin. Representative Fallon expressed his regrets for missing the meeting and requested Council allow him to make the presentation to the Guthrie family at the council meeting on March 12, 2015.

VISITOR/CITIZENS FORUM:

(Agenda Item C)

Mike Crow, 1234 Garza Lane, lives in the Lakewood Village extra territorial jurisdiction. Mr. Crow reported that he wants to build a pre-fabricated metal storage building with a gravel base. Mr. Crow was advised that he will need to request two variances (80% masonry requirement, and front facing garage prohibition) and will need to be placed on a future agenda so council can take action on his request. Mr. Crow advised that he is available to provide building inspection services. Mr. Crow is currently a building inspector for the Town of Little Elm.

REGULAR AGENDA

(Agenda Item D)

**Consideration of cancellation of Contract
with Southwest Securities as Financial
Advisor (Vargus)**

(Agenda Item D.1)

Mayor Vargus reviewed the responsibilities of the financial advisor and reported that the town's primary contact, Mark McLiney, is no longer affiliated with Southwest Securities.

MOTION: Upon a motion made by Councilman Getka and seconded by Councilman Bushong, council voted five (5) "ayes" and no (0) "nays" to terminate the contract with Southwest Securities as Financial Advisor. The motion carried.

**Consideration of Appointment of SAMCO as
Financial Advisor (Vargus)**

(Agenda Item D.2)

Mayor Vargus reported Mr. McLiney has joined SAMCO and would continue to serve as the Town's financial advisor.

MOTION: Upon a motion made by Councilman Getka and seconded by Councilman Bushong, council voted five (5) "ayes" and no (0) "nays" to appoint SAMCO as Financial Advisor.

**Consideration of Resolution in Support of
Amendment to the Definition of
"Municipality" in the Local Government
Code (Asbell)**

(Agenda Item D.3)

Mayor Vargus reviewed the need for support of the amendment and Resolution.

MOTION: Upon a motion made by Mayor Pro-Tem Menckhoff and seconded by Councilman Reed, council voted five (5) "ayes" and no (0) "nays" to approve the resolution in support of the amendment to the definition of "Municipality" in the Local Government Code. The motion carried.

**LAKEWOOD VILLAGE TOWN COUNCIL
REGULAR SESSION
FEBRUARY 12, 2015**

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**Consideration of Adoption of Energy
Efficiency Goal for Town Operations
(Vargus)**

(Agenda Item D.4)

Mayor Vargus discussed the need to have a goal for energy efficiency. Mayor Vargus reviewed some of the energy saving measures already adopted, e.g., shutting down the large well during the winter months, and adjusting blower motor operating timing at the sewer plant. Mayor Vargus asked council to consider adopting a goal of reducing energy consumption by 25% over the next 3 years. The town has had an unstated operating goal to reduce energy use and Mayor Vargus reported he would like to have a stated goal to target. There was some discussion about using recycled water from the sewer plant for irrigation. Council discussed the difficulty of tracking the success of meeting the goal. Councilman Reed volunteered to write an energy efficiency/sustainability policy and present it to the council for consideration at a future meeting.

MOTION: No motion made.

Discussion of Financial Update (Vargus)

(Agenda Item D.5)

Mayor Vargus reviewed the final totals for the cost of the concrete road project. The project was completed approximately \$23,000 under budget. Some of the cost of the change orders was due to the Lakecrest waterline project. Mayor Vargus reported the construction costs will be broken down and the portion of the cost directly related to the waterline project will be paid by the Utility Fund. Mayor Vargus will provide those numbers to council. There was some discussion on the change orders required during the construction project. Mayor Vargus reviewed the reserve funds balances. Mayor Vargus reported that standard reserve funds should cover approximately 3 months of expenses. Every January the town makes a bond payment, in August the town pays interest on the bonds. General fund reserve balance \$210,000, Utility Fund reserve balance \$213,000.

**Discussion of Current Residential
Construction Progress (Vargus)**

(Agenda Item D.6)

Mayor Vargus reported that a few houses are under construction and a few more are expected to begin in the next several months. Mayor Vargus reported on some concerns with the construction of a property on Hillside. There was some discussion regarding drainage concerns on the property. Mayor Vargus showed a video to council showing that the current drainage on the property is directed onto the neighboring properties. There was some discussion on the width of the driveway and the difficulty the owner will have getting into the driveway. There was some discussion about a self-imposed hardship not qualifying for a variance.

Discussion of New Town Engineer (Vargus)

(Agenda Item D.7)

Mayor Vargus reported that he met with the principal engineer for Kimley Horn. They toured the town and discussed the engineering needs for the town. Mayor Vargus stated that Kimley Horn was very receptive to providing engineering services to the town. Kimley Horn will provide a fee schedule and will be at the March council meeting. Councilman Menckhoff requested the fee schedule for Freese & Nichols to compare to Kimley Horn's schedule

Discussion on Status of Concrete Road Project (Reed)

(Agenda Item D.8)

Councilman Reed reported that concrete road is complete. The construction staging area has been cleared with the exception of a water truck and one other piece of equipment. Councilman Reed reported that Jagoe would come back twice a week to water the sod. Jagoe has placed grass seed on the construction area and the Parkwood lots where the fill dirt was distributed. There is a two-year warranty on the sod. There was some discussion about the individual property owners being responsible for any damage or rutting to the sodded areas. There was some discussion about road repairs and maintenance.

Discussion of Goals and Objectives for 2015 (Vargus)

(Agenda Item D.9)

Mayor Vargus stated he has a few goals he would like council to consider. Mayor Vargus would like to explore impact fees when the new engineers begin; move to the 2012 building codes, and construction of a public works storage building for inventory and equipment. There was some discussion of the mowing costs and the cost savings of owning mowing equipment. There was some discussion about the need to store and track inventory and provide workspace for repairs. Mayor Vargus reported the location of the public works building would be on the town hall side of the pump house, the small pressure tank would be moved to the Rocky Point water system, and the small storage shed will be moved to the sewer plant. Mayor Vargus would like council to consider a new ground storage tank, which is consistent with the water master plan. Mayor Vargus would also like council to consider continuation of the fire hydrant plan by adding hydrants on Hillside. There was some discussion about painting fire hydrants and running a flow test on the hydrants with the fire department. Councilman Menckhoff stated he would like to see some focus on parks and recreation space. Councilman Bushong reported the town would benefit from having a parks master plan. Councilman Getka stated the EDC previously had responsibility for parks improvements and perhaps the EDC should begin focusing on that again.

**LAKEWOOD VILLAGE TOWN COUNCIL
REGULAR SESSION
FEBRUARY 12, 2015**

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COUNCIL AND STAFF COMMENTS

(Agenda Item E)

Town Secretary, Linda Asbell, reported that she has received confirmation from Denton County that participation in the joint election contract would mean there would not be a polling location in Lakewood Village. The polling location would most likely be at Oak Point Town Hall. Town Secretary Asbell reviewed the costs of lease of election equipment and running an election independent of Denton County.

ADJOURNMENT

(Agenda Item F)

MOTION: Upon a motion made by Mayor Pro-Tem Menckhoff and seconded by Councilman Bushong, council voted five (5) “ayes” and no (0) “nays” to adjourn the Regular Session of the Lakewood Village Town Council at 9:08 p.m. on Thursday, February 12, 2015. The motion carried.

These minutes approved by the Lakewood Village Town Council on the 12th day of March 2015.

APPROVED

Dr. Mark E. Vargus
MAYOR

ATTEST:

Linda Asbell, TRMC
TOWN SECRETARY

TOWN OF LAKEWOOD VILLAGE

ORDINANCE NO: 15-03

AN ORDINANCE CANCELLING THE TOWN OF LAKEWOOD VILLAGE GENERAL ELECTION CURRENTLY SCHEDULED FOR MAY 9, 2015, DECLARING UNOPPOSED CANDIDATES, AND SETTING AN EFFECTIVE DATE.

WHEREAS, a General Election is currently scheduled for Saturday, May 9, 2015 for the purpose of electing three Councilmembers,; and

WHEREAS, the Town Secretary has given certification in accordance with Texas Election Code, that no candidate in the general election is opposed on the ballot, EC §2.052, or by a declared write-in candidate, EC §146.052, and no proposition is to appear on the ballot; and

WHEREAS, the Election Code provides for the cancellation of an election and the declaration of the unopposed candidates as elected to office; and

WHEREAS, the Council does not desire to incur public expense by conducting an unopposed election.

NOW, THEREFORE BE IT ORDAINED BY THE TOWN COUNCIL OF THE TOWN OF LAKEWOOD VILLAGE, TEXAS:

The General Election scheduled for Saturday, May 9, 2015 is hereby cancelled and that Dave Getka, Ed Reed, and Clint Bushong are declared to be elected to their respective offices with the terms to begin in the same manner as if an election had taken place.

DULY PASSED AND APPROVED BY THE TOWN COUNCIL OF THE TOWN OF LAKEWOOD VILLAGE, TEXAS, on this 12th day of March, 2015.

APPROVED:

Dr. Mark E. Vargus,
Mayor

ATTEST:

Linda Asbell, TRMC,
Town Secretary

**TOWN OF LAKEWOOD VILLAGE
FINANCIAL RESPONSIBILITY
ORDINANCE 14-06**

AN ORDINANCE OF THE TOWN COUNCIL OF THE TOWN OF LAKEWOOD VILLAGE, TEXAS, ESTABLISHING THE DUTIES OF TOWN OFFICIALS, AUTHORIZING THE MAYOR TO ENTER INTO AGREEMENTS AND EXECUTE DOCUMENTS, AGREEMENTS, AND CONTRACTS NOT EXCEEDING \$10,000 ON BEHALF OF THE TOWN; GRANTING AUTHORITY OVER NON-MUNICIPAL OFFICER EMPLOYEES; PROVIDING REPEAL, SUPERCEDING, AND SEVERABILITY CLAUSES; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, Chapter 101.002 of the Local Government Code authorizes the governing body of the municipality to manage and control the finances of the municipality;

WHEREAS, Chapter 22.072 of the Local Government Code authorizes the governing body of the municipality to delegate powers and responsibilities to municipal officers;

WHEREAS, Chapter 51.012 of the Local Government Code authorizes municipalities to adopt ordinances that are necessary for the good order of the municipality and the Town Council has determined that it would be advantageous and beneficial to the citizens of Lakewood Village, Texas to authorize the Mayor as provided herein;

WHEREAS, the Town Council desires the Mayor to execute documents without necessitating a Resolution or other authorization, subject to the Town Council's sole discretion to designate the Mayor to execute such documents;

NOW, THEREFORE, BE IT ORDAINED BY THE TOWN COUNCIL OF THE TOWN OF LAKEWOOD VILLAGE, TEXAS:

SECTION 1: Findings

The findings set forth above are incorporated into the body of this Ordinance as if fully set forth herein

SECTION 2: Savings / Repeal

All ordinances that are in conflict with the provisions of this ordinance, and the same are hereby repealed and all other ordinances of the town not in conflict with the provisions of this ordinance shall remain in full force and effect.

Financial Responsibility Ordinance 08-10 and Salary for Office of Mayor 99-01 are hereby repealed in their entirety.

SECTION 3: Adoption

The Financial Responsibility Ordinance attached hereto as Exhibit A is hereby adopted as the financial responsibility ordinance for the Town.

SECTION 4: Superseding Regulation or Statute

Whenever any applicable statute, regulation, or permit of any state, federal, or other agency, having jurisdiction over the subject matter of this Ordinance, is in conflict herewith, the stricter requirement shall apply, unless mandated otherwise.

SECTION 5: Severability

A. Unconstitutional or Invalid Section

Should any section, subsection, sentence, clause or phrase of this Ordinance be declared unconstitutional or invalid by a court of competent jurisdiction, it is expressly provided that any and all remaining portions of this Ordinance shall remain in full force and effect.

B. Independent Sections

The Town hereby declares that it would have passed this Ordinance, and each section, subsection, clause or phrase thereof irrespective of the fact that any one or more sections, subsections, sentences, clauses and/or phrases be declared unconstitutional or invalid.

SECTION 6: Effective Date

The amendments to this Ordinance shall become effective from and after its date of passage and publication as provided by law.

PASSED AND APPROVED by the Town Council of the Town of Lakewood Village, Texas this the 12th day of June, 2014.

Mike Schnittker
Mayor

ATTEST:

Linda Asbell, TRMC
Town Secretary

Exhibit A



FINANCIAL CONTROLS

Adopted: June 12, 2014

SECTION 1: MAYOR**1.1. CONTRACTS****1.1.1. Authority**

The Mayor is hereby authorized, without further requirements or authorization, to execute any and all documents, agreements, and contracts that:

- 1) Have been approved by the Town Council; or
- 2) Are related to expenditures not exceeding \$10,000, which have been approved by the Town Council through the adoption of the annual budget, or
- 3) Are related to a capital expenditure exceeding \$10,000 that:
 - i. Has been approved by the Town Council on an individual, project specific vote, and
 - ii. Is a council-approved written contract specifying a firm-fixed price, project scope, task completion time-line, and penalty provisions for non-performance.

The preceding provisions do not authorize the Mayor to execute contracts that may have no monetary value unless approved by Council (e.g. developer agreements, inter-local agreements, legal settlements).

1.2. PERSONNEL

In order to maintain the operations of the Town and preserve public health and safety, the Mayor shall have the authority to hire temporary workers and contract laborers. This power shall not extend to the hiring or removal of Lakewood Village Municipal Officers, specifically the Town Secretary, Municipal Court Judge, Town Attorney, Town Engineer, and Town Building Official or any other municipal officers the Town designates under Chapter 22.071 of the Local Government Code.

Temporary workers can be employed without council approval under the following conditions:

- 1) The period of employment is less than 60 days; and
- 2) The related personnel expense is less than \$10,000; and
- 3) There are sufficient funds in the budget (e.g., contingency, contract labor).

1.3. SUNSET PROVISION

Unless extended by an affirmative vote of the Town Council, the authorizations under the preceding section shall expire after a change in the officeholder of Mayor.

SECTION 2: CHIEF INVESTMENT OFFICER (CIO)

The Chief Investment Officer is responsible for the following:

- 1) Investing municipal funds according to the Town's approved investment policy;
- 2) Ensuring the Town's compliance with the Public Funds Investment Act;
- 3) Maintaining sufficient liquidity to fund the Town's operations; and
- 4) Ensuring the Town meets its debt servicing obligations.

The CIO also has the fiduciary duty to operate the Lakewood Village 403 (b) retirement account for the benefit of Town employees. The CIO is the plan administrator with the legal authority to operate the plan in compliance with ERISA and all applicable IRS regulations.

SECTION 3: BANKING

3.1. BANK ACCOUNTS AND AUTHORIZED SIGNATORIES

The Council shall approve the opening and closing of all Town, EDC, and MDD bank accounts. The Town Council shall approve all signatories for the Town, EDC, and MDD checking accounts.

3.2. LIMITATIONS OF CHECK-WRITING

All checks and EFT's are subject to the following conditions:

- 1) All checks and EFT's require two signatures;
- 2) A person cannot sign a check payable to themselves or a family member;
- 3) Checks in the amount of \$10,000 or greater shall not be signed unless
 - a. The payment relates to a contractual obligation approved by the Town Council; or
 - b. The payment is for legal services provided by the Town attorney; or
 - c. Has been specifically authorized by the Town Council.

3.3. FUND TRANSFERS

The Town's banking and financial accounting system physically segregates funds into operating and reserve accounts. Operating accounts are maintained at the minimum level sufficient for current expenditures, while the bulk of the Town's funds are in reserve accounts. To limit access and minimize potential at-risk funds, reserve accounts have no check-writing privileges, are not eligible for direct deposit/debit, or electronic bill pay. The Funds are only accessible through electronic transfers to existing accounts.

To ensure adequate liquidity and efficient investment allocations, all fund transfers in excess of \$5,000 must be approved by the Chief Investment Officer.

3.4. CASH MANAGEMENT

It is the policy of the Town that cash-on-hand shall be minimized. The petty-cash drawer shall be maintained at \$200 or less and be reconciled as needed. It is the goal of the Town to deposit all cash receipts within 48 hours. Cash payments of expenditures exceeding \$200 are prohibited.

SECTION 4: REIMBURSEMENTS AND COMPENSATION

4.1. REIMBURSEMENTS

Reimbursements for personal expenditures that are directly related to Town business shall be promptly paid subject to:

- 1) Submittal of receipts or official documentation of the expense;
- 2) Reimbursement maximum of \$1,000, unless pre-authorized by the Mayor;

- 3) Travel less than 100 miles round-trip is not eligible for mileage reimbursement;
- 4) Expenses for spouses or traveling companions are ineligible.

Subject to the aforementioned, reimbursements for personal automobile travel shall be at the current Internal Revenue Service standard mileage rate. Actual lodging expenses shall be reimbursed with receipts. Meals and Incidentals shall be reimbursed according to the official U.S. General Services Administration M&I rate. No receipts for meals and incidentals are required.

4.2. COMPENSATION

Councilmembers shall not receive any compensation for their service. Councilmembers shall not receive any financial allowances or emolument of any kind.

SECTION 5: DEFINITIONS

5.1. GENERAL

Terms which are used in this Ordinance and are not specifically defined shall be given their ordinary meaning, unless the context requires or suggests otherwise. In the case of ambiguity or uncertainty concerning the meaning of a particular term, whether or not defined, the town staff shall have the authority to assign an interpretation which is consistent with the intent and purpose of this Ordinance, or an interpretation which is consistent with previous usage or interpretation.

5.2. WORDS OR TERMS DEFINED

Mayor: shall include those persons designated Acting Mayor if the mayor position is vacant.

End of Exhibit A

Adoption and Summary of Amendments

Ordinance Number	Date	Summary
14-06	June 12, 2014	<ul style="list-style-type: none">• Defined contractual authority• Imposed controls on financial activities
08-10	Nov 13, 2008	REPEALED
99-01	Feb 4, 1999	REPEALED



BUILDING DEPARTMENT

Approved 2-26-15 (Pending Council Approval on 3/18/15)
Sta View

PROJECT PERMIT

100 Highridge Drive
Lakewood Village, TX 75068
(972) 294-5555 Office (972) 292-0812 Fax
linda@lakewoodvillagetx.us

BUILDER COPY

REVISED: 10/09/2014

PERMIT TYPE

☐ MECHANICAL ☐ ELECTRICAL ☐ PLUMBING ☐ IRRIGATION ☐ FLATWORK ☐ FENCE ☐ STRUCTURE ☒

PROPERTY OWNER INFORMATION

Property Owner

Mike Crow

Property Owner Address

1234 Garza Ln.
Little Elm Tx. 75068

Notes

50'x40' Metal Frame building.
1" Rock Floor - NO Plumbing -
NO Electrical - NO A/C

CONTRACTOR INFORMATION

Contact Name

Mike Crow

Business Address

Business Name

Registered with Town? ☐ Yes

Na -

Office Number

Mobile Number

4692478073

DESCRIPTION OF WORK

Class of Work: ☐ New ☐ Addition ☐ Alteration ☐ Repair ☒ Re-Assemble Used Storage Bldg.

Metal Frame - Front Painted Galv Alum Panels - Sides
Corr. Alum Panels - Back Same as Sides

NOTICE

This permit shall become null and void if work or construction authorized is not commenced within 180 days, or if work or construction is suspended or abandoned for a period of one hundred eighty (180) days at any time work is commenced.

I hereby certify that I have read and examined this application and know the same to be true and correct. All provisions and laws and ordinances governing this type of work will be complied with whether specified herein or not the granting of a permit does not presume to give authority to violate or cancel the provision of any other state or local law regulating construction or performance of construction.

Signature

[Signature]

Date

2-5-15

TOWN USE ONLY

Permit Expiration

Date Paid

☐ Check # ☐ Money Order

Fee

Reg'd Inspect - Footer, Frame/Final

NO MEP or Plumb &

All Installations Subject
To Field Inspections And
Inspector Approval

Storage Building

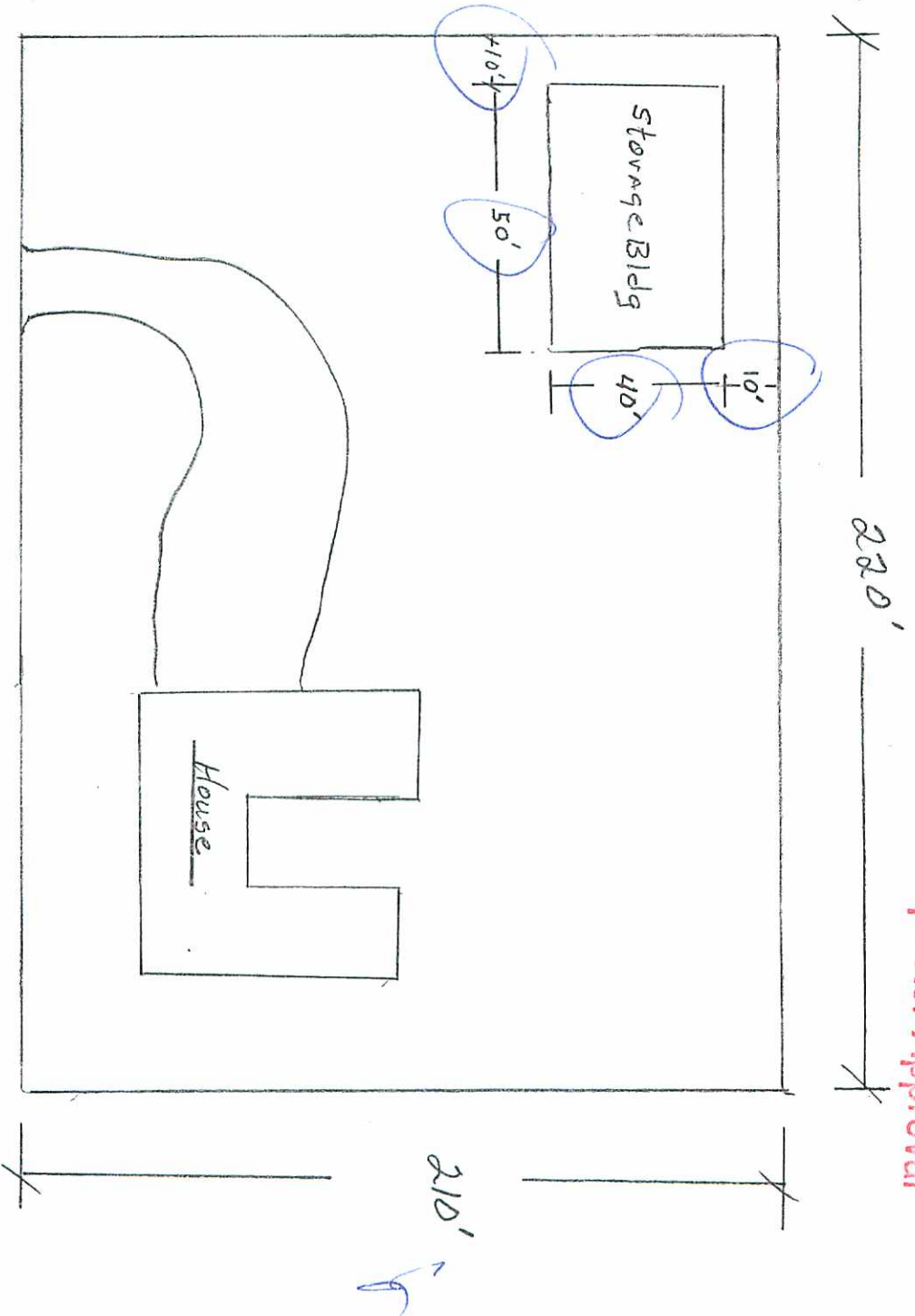
1234 Garsden Little Elm, Tx 75068

Mike Crow - Builder - Owner

All Installations Subject
To Field Inspections And
Inspector Approval

Site Plan

All Installations Subject
To Field Inspections And
Inspector Approval



Storage Bldg

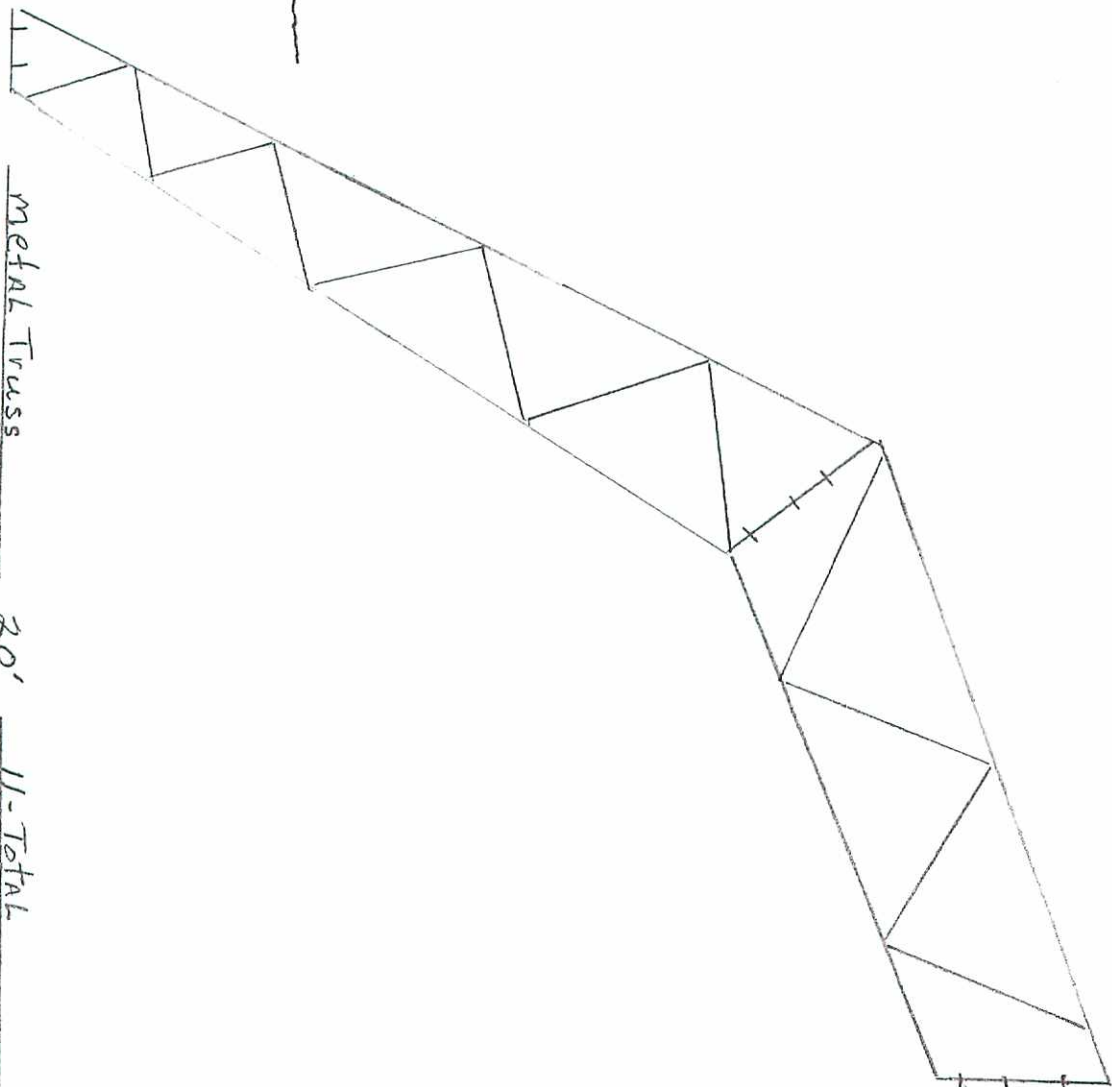
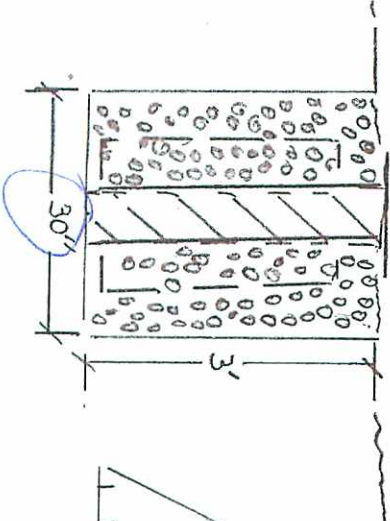
12346AR2A L.N.

Truss Assembly

All Installations Subject
To Field Inspections And
Inspector Approval

Footings

2 3/8" Pipe OD
3/8 Plate welded
Set in Concrete



Metal Truss

20'

11'-Total

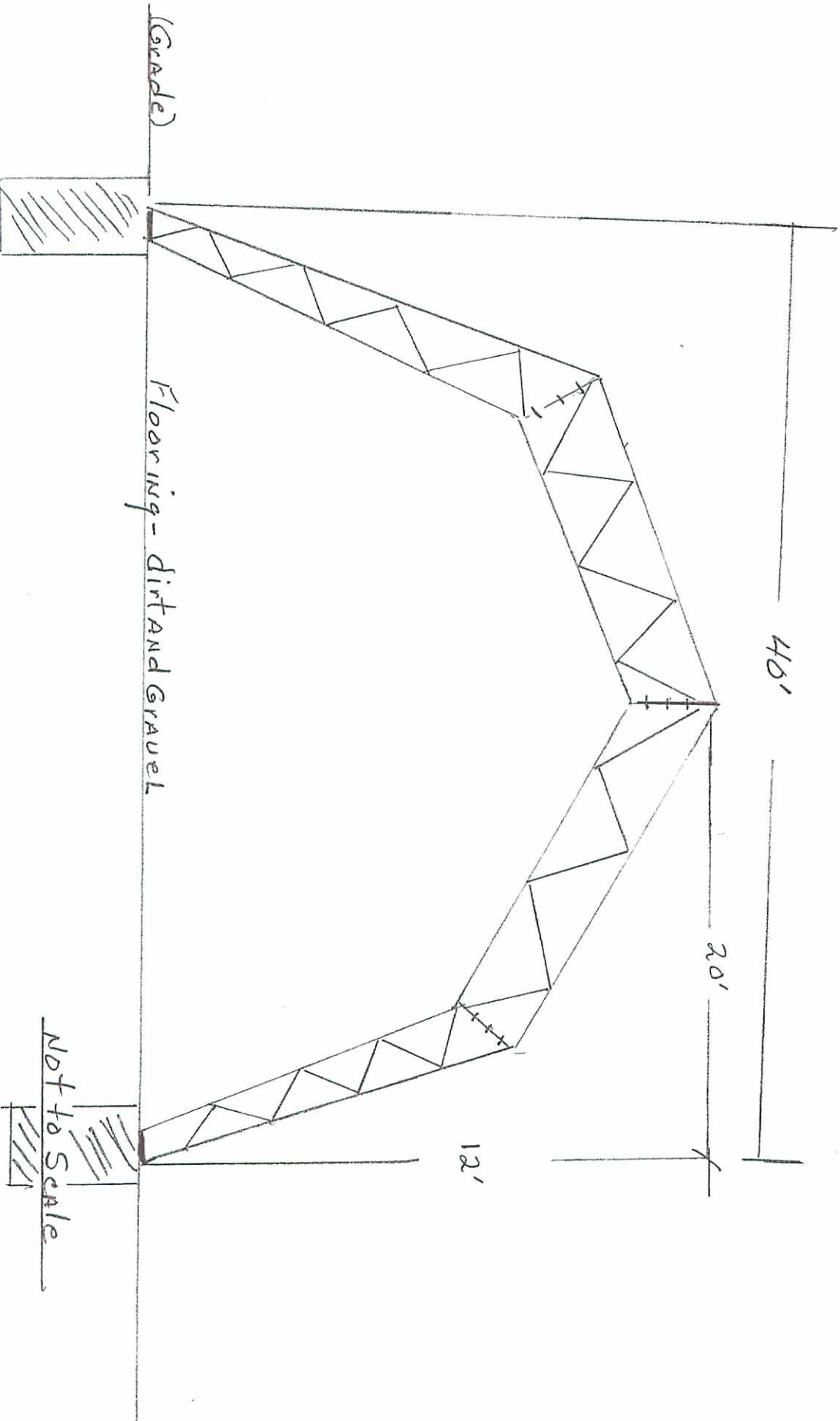
12'

Not to Scale

Mike Crowe - Builder - owner

1234 Garza Ln - Little Elm, Tx. 75068

All Installations Subject
To Field Inspections And
Inspector Approval



1234 GARZA LN. Storage building - Mike Crow-builder

(4)

① Metal GALVALUM Cor. PANELS For Covering Sides-ROOF-PAINTED

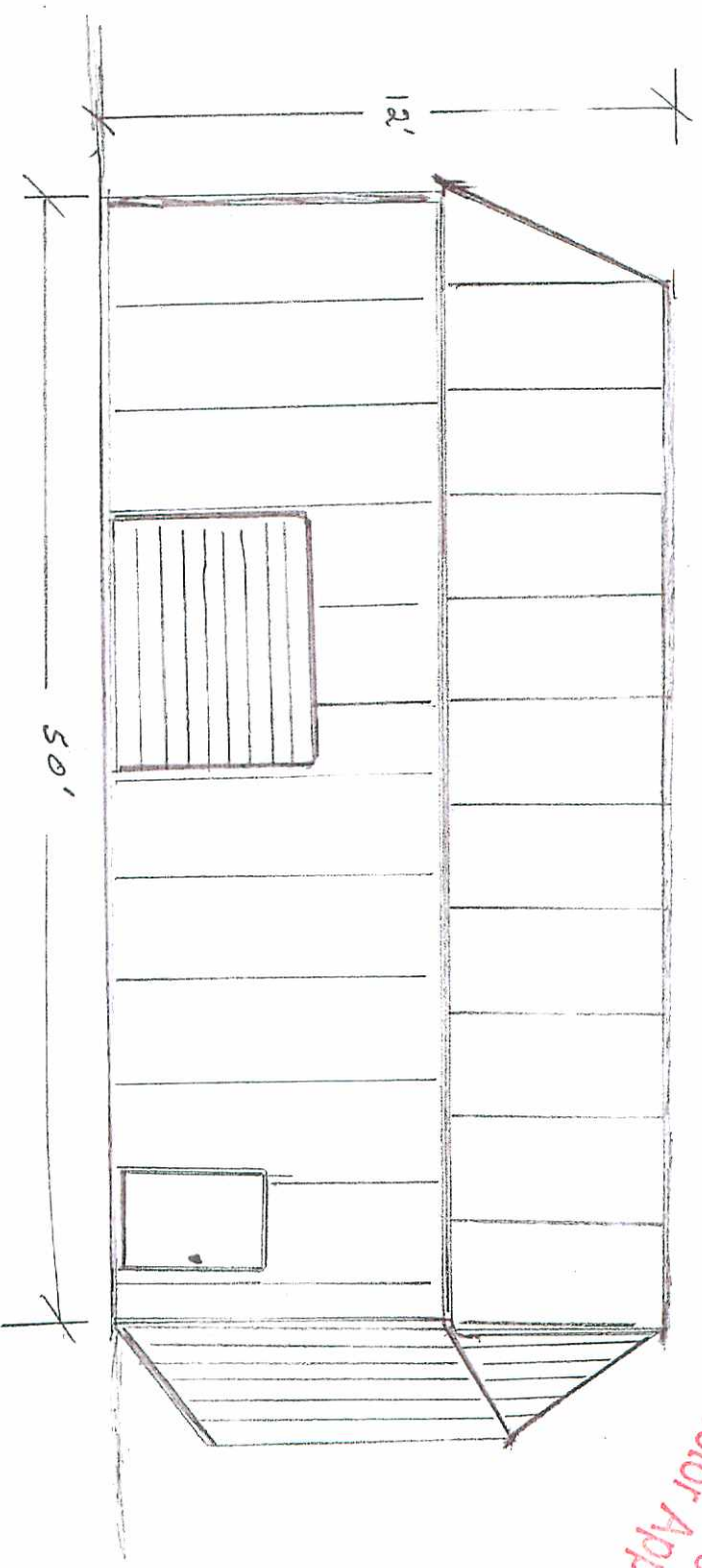
② 1-Pull Up 8' Door - 1-3-0 Door ON Right side - 1-20" window ON back.

③ Floor - Part GRAVEL - Part DIRT

④ NO ELECTRICAL - NO PLUMBING - NO A/C

All Installations Subject
To Field Inspections And
Inspector Approval

Mike Crowl-Owner-builder
1234 GARZA LN.
LITTLE ELMO, TX 75068



Front View-Facing East
Not To Scale

All Installations Subject
To Field Inspections And
Inspector Approval

[illegible]

THEIR PLANTING TO DISSEMINATE 15 SEEDS IN 15 SECONDS AND WITH THE EFFECT OF A 100-POUND FORCE. THE PLANTING OF 15 SEEDS IN 15 SECONDS AND WITH THE EFFECT OF A 100-POUND FORCE IS THE BASIS OF THE PLANTING OF 15 SEEDS IN 15 SECONDS AND WITH THE EFFECT OF A 100-POUND FORCE. THE PLANTING OF 15 SEEDS IN 15 SECONDS AND WITH THE EFFECT OF A 100-POUND FORCE IS THE BASIS OF THE PLANTING OF 15 SEEDS IN 15 SECONDS AND WITH THE EFFECT OF A 100-POUND FORCE.

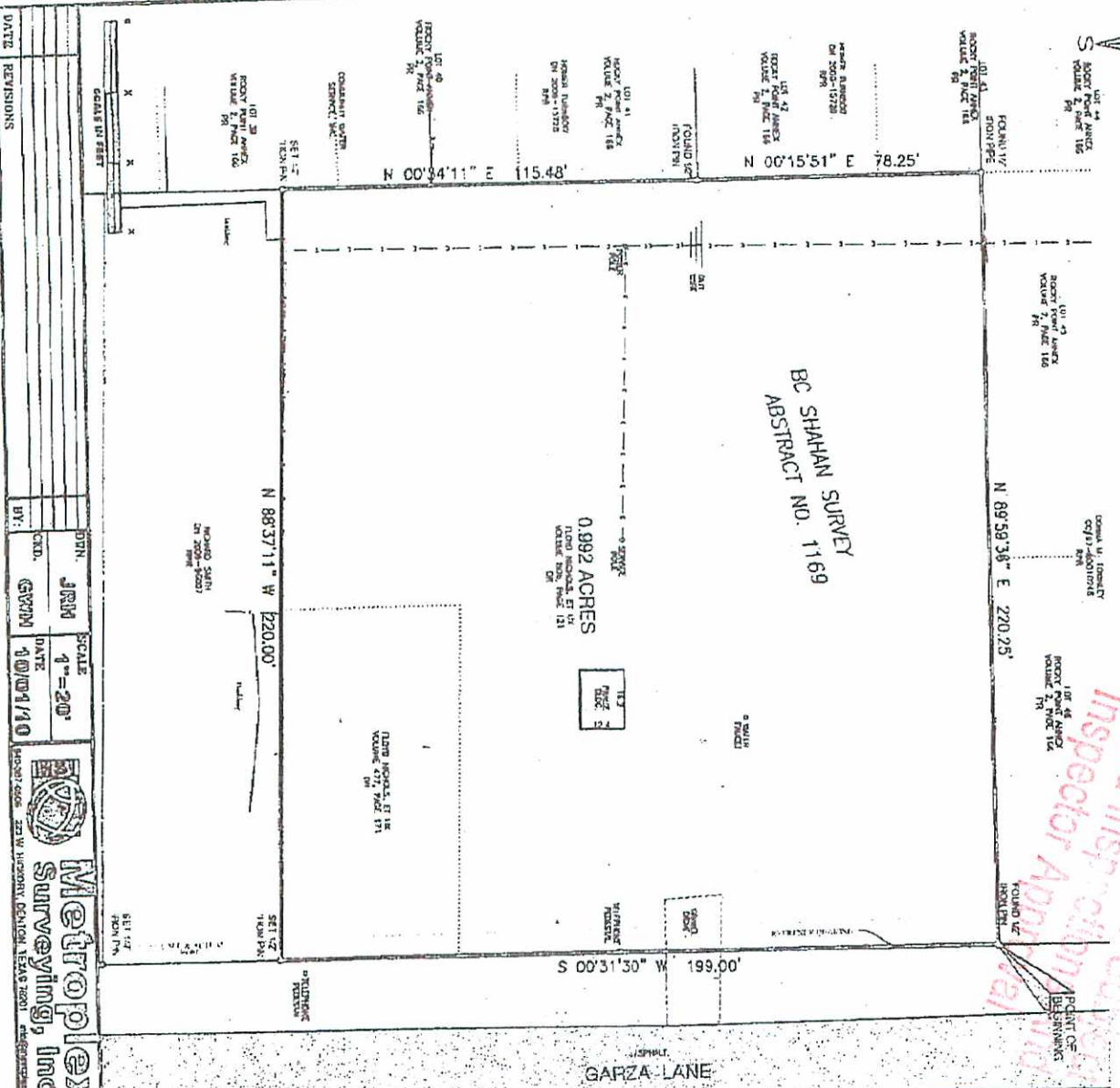
THIS SURVEY WAS MADE WITHOUT THE BENEFIT OF A TITLE COMMITMENT. THERE MAY BE ENCUMBRANCES OR EASEMENTS AFFECTING THE SUBJECT PROPERTY NOT SHOWN HEREON.

HYDRAULIC PLOTTING ONLY. THE PROPERTY IS WITHIN ZONE "X" AREAS, DETERMINED TO BE OUTSIDE OF A DESIGNATED 100 YEAR OR 500 YEAR FLOOD PLANE. AS SHOWN BY FEMA MAP CONSECUTIVE PANEL NUMBER 46121C-01S, DATED APRIL 1997. NO SURVEYING WAS PERFORMED TO DETERMINE THE FLOOD ZONE.

1. GARY W. LAMBERT, DO, RELIEVED CLERK THAT A SURVEY WAS MADE ON THE GROUND THIS 14 DAY OF OCTOBER 2010 OF THE PROPERTY DESCRIBED HEREIN AND THERE ARE NO RESULTS ENCROACHMENTS, PROTRUSIONS, OR OVERLAYS OF ADJACENT LOTS EXCEPT AS SHOWN HEREON.

345561	9
Job No.	1

Metroplex
Surveying, Inc.
222 W. HUNTERY, DENVER, TEXAS 80201



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acts as the roof.

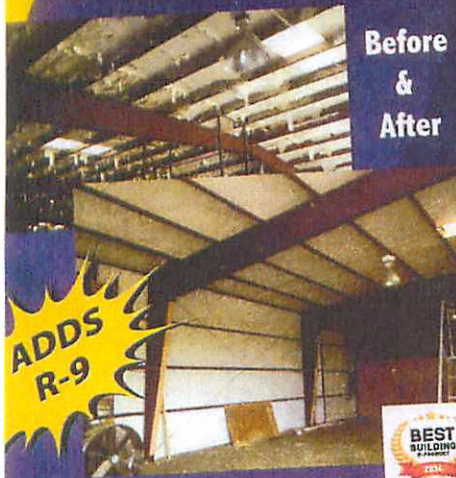
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in large part on the materials
you use. Build a reputation for
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to most construction materials, including
galvanized steel, coated metal, wood, masonry, PVC, and
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and it's clean.

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offering and add to your profits.



REPLICATIONS UNLIMITED

Booth 149/Circle 209

The Urestone Professional Series from Replications Unlimited represents the latest technology in interlocking faux stone and brick panels. Replications Unlimited has developed a unique line of high quality large 4-foot x 8-foot panels and an accompanying wainscot series that measures 42 inches high x 8 feet that includes a built-in 4-inch top trim. Both series are extremely realistic in appearance, durable, lightweight, provide energy savings and are easier to install than other stone and panel systems.

RICHLAND LAMINATED COLUMNS

Booth 218/Circle 210

Laminated columns are an industry standard and Richland Laminated Columns continues to offer post-frame builders an increasing range of products. In 2010, it acquired the rights to manufacture and distribute Perma-Column. Combined with Sturdi-Wall brackets, Footing Pad by Ag-Co and the Post Protector, the customer now has access to a full range of post protection products.



RIGIDPLY RAFTERS

Booth 236/Circle 211

Rigidply Rafters has improved the quality of post-frame buildings by manufacturing and distributing the original 100 percent glue-laminated post. By specifying Rigidply Posts, you guarantee the labor saving and quality advantages of true glulam posts. Not only are glulam posts lighter, straighter and stronger than solid sawn posts, but

INITIAL DRAFT PROPOSAL

2015 Cost Savings Plan for Town of Lakewood Village, TX

2/23/2015

The Town Council (here and after the “Council”) for the Town of Lakewood Village is strongly committed to being a good steward of the Town’s resources and is focused on ensuring the best use of its available resources.

The Council places a high priority on improving operational efficiencies and promoting sustainable energy conservation that reduce costs.

The Council has taken a proactive role by implementing various projects in the past when funding, if required, permitted and has also often sought expert assistance and leveraged available resources whenever possible to accomplish efficiencies.

The Council fully supports the utilization of a cost saving plan that improves efficiencies and reduces costs because it can have a very positive effect on the Town’s financial sustainability.

The Council will ensure that town residents are aware of their goals and related progress by sharing information via utility bill inserts, monthly meetings and the Town’s web site.

The Council will formalize an annual cost saving plan for the City and its EDJ through the development, implementation and results tracking of cost saving goals that focus on minimizing costs and optimizing operations.

The Council will support the achievement of its cost saving plan through the following formalized mechanisms:

- Town ordinances
- Annual revenue/expense budgets
- Capital improvement plans

The Council will consider the following when developing annual cost saving plans:

- All areas of Town operations (not inclusive or in priority order); potential areas include:
 - Administrative
 - Marketing and Professional Services
 - Equipment
 - Billing
 - Telecommunications Services
 - Electricity Power Usage
 - Water Plant Operations
 - Sewer Plant Operations
 - Maintenance
 - Vendors
- Utilization of financial and breakeven analyses to evaluate and prioritize projects
- Identification and prioritization of policies and actions that support goal achievement

The Council will document and present cost saving plan results twice annually at its July and January meetings.

The Council's 2015 Cost Savings Plan includes the following three proposed goals:

- 1) Reduce energy consumption (KWH Usage) by X%
- 2) Improve water and sewer efficiency by X%
- 3) Save \$XXK expenses through implementation of additional projects related to town operations

General Law Annexation

H.B. 1418 by Bell

Background

General law cities are small in population (less than 5,000), have no city charter, and have very limited authority operating under the powers that are specifically granted or implied by state statute.

Current law prohibits general law cities from annexing a property unless the property is contiguous to (touching) the current city limits. These restrictions are designed in law to prohibit smaller cities from unilateral annexing of properties whose owners do not want to be in the city.

H.B. 1418 does not change the voluntary annexation requirement.

Need

General law cities and rural communities need water and sewer infrastructure to attract new jobs and build tax base. A property owner within a city's ETJ requesting *voluntary* annexation needs to be able to work with the city together to provide the extension of city services like water and sewer utilities. Bottom line—small cities need to be able to partner with developers to fund infrastructure with limited burden to taxpayers.

Solution

H.B. 1418 provides statutory authority for general law cities to:

- Annex a property in its ETJ if:
 - the owner of a noncontiguous area *voluntarily* petitions the city to be annexed;
 - a public road exists that would make the area contiguous to the city; and
 - the city also annexes the road.

H.B. 1418:

- Must be voluntary and can only be triggered by request of the property owner
- Only applies to general law cities
- Creates a mutually beneficial relationship between the city and a property owner
- Allows for greater economic development of a city
- Allows an owner to enter into an agreement with the city for the owner/developer to pay for the cost of constructing additional utilities
- Is an additional way Texas can provide aid to its cities at no cost to the state

Support

H.B. 1418 is supported by:

- Texas Municipal League
- City of Waller
- City of Hallettsville
- City of Flatonia
- City of Shiner

THE TOWN OF LAKEWOOD VILLAGE, TEXAS

RESOLUTION NO. 15-02

A RESOLUTION SUPPORTING AN AMENDMENT TO CHAPTER 43 OF THE TEXAS LOCAL GOVERNMENT CODE, "MUNICIPAL ANNEXATION", TO GRANT AUTHORITY TO GENERAL LAW CITIES TO ESTABLISH A PROPERTY'S CONTIGUITY WITH THE CITY'S BOUNDARIES THROUGH ANNEXATION OF ADJACENT ROAD RIGHT-OF-WAY; AUTHORIZING AND DIRECTING THE MAYOR OR HIS DESIGNEE TO TAKE SUCH ACTION AS REASONABLY NECESSARY TO SEEK LEGISLATIVE APPROVAL FOR SUCH AN AMENDMENT TO THE TEXAS LOCAL GOVERNMENT CODE; AND MAKING FINDINGS AND PROVISIONS RELATIVE TO THE SUBJECT..

WHEREAS, the Town of Lakewood Village ("Town") is a general law city whose authority to provide for the health, safety and general welfare of its residents is governed by the Texas Local Government Code; and

WHEREAS, Chapter 43 of the Texas Local Government Code provides for the annexation of property by general law cities; and

WHEREAS, a city generally cannot annex property unless such property abuts or is contiguous to the city's boundaries; and

WHEREAS, property owners have expressed desire for the Town of Lakewood Village to annex their land that currently does not abut the city's boundaries but shares with the city certain adjacent road right-of-way; and

WHEREAS, the Town Council of the Town of Lakewood Village believes that an additional method of determining a property's contiguity with a city's boundary should be established that would permit the annexation of property made contiguous by the annexation of road right-of-way; and

WHEREAS, the Town Council of the Town of Lakewood Village believes that it is appropriate that a property's contiguity with a city's boundary be established by the annexation of road right-of way from the city's boundaries to the land petitioned for annexation at its closest point to such a city boundary, so long as the land is within the city's extra territorial jurisdiction; and

WHEREAS, annexation of road right-of-way to establish continuity will allow cities to annex tracts of land previously considered non-contiguous without interfering with the rights of intermediate landowners

NOW, THEREFORE, BE IT RESOLVED BY THE TOWN COUNCIL OF THE TOWN OF LAKEWOOD VILLAGE, TEXAS, THAT:

The Town of Lakewood Village hereby lends its support for an amendment to Chapter 43 of the Texas Local Government Code, "Municipal Annexation" to grant authority to cities to establish a property's contiguity with a city's boundaries through annexation of adjacent public road right-of-way without petition from the entity in whose jurisdiction the right-of-way lies, so long as the property is within the city's extra territorial jurisdiction.

BE IT FURTHER RESOLVED that the Mayor and Town Secretary are hereby authorized to take such action as reasonably necessary to seek legislative approval for such an amendment to Chapter 43 of the Texas Local Government Code.

BE IT FURTHER RESOLVED that this Resolution is effective immediately upon passage

PASSED, APPROVED, AND RESOLVED this 12th day of March 2015.

APPROVED:

Dr. Mark E. Vargus,
Mayor

ATTEST:

Linda Asbell, TRMC
Town Secretary

By: Bell

H.B. No. 1418

A BILL TO BE ENTITLED

AN ACT

relating to the annexation of certain territory by general law municipalities.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Section 43.028, Local Government Code, is amended by adding Subsections (g) and (h) to read as follows:

(g) An area of land that would be eligible for annexation under this section except that the area does not meet the contiguity requirement of Subsection (a)(2) may be annexed under this section if a public right-of-way of a road or highway designated by the municipality exists that:

(1) is located entirely in the extraterritorial jurisdiction of the municipality; and

(2) when added to the area would cause the area to be contiguous to the municipality.

(h) Notwithstanding Section 43.054, on annexation of an area described by Subsection (g), the public right-of-way that makes the area eligible for annexation under Subsection (g) is included in the annexation to the municipality without regard to whether the owners of the public right-of-way sought annexation under this section. The ordinance providing for annexation must provide a metes and bounds description of the public right-of-way annexed under this subsection.

SECTION 2. This Act takes effect immediately if it receives

H.B. No. 1418

1 a vote of two-thirds of all the members elected to each house, as
2 provided by Section 39, Article III, Texas Constitution. If this
3 Act does not receive the vote necessary for immediate effect, this
4 Act takes effect September 1, 2015.

By: Bettencourt

A BILL TO BE ENTITLED
AN ACT

relating to the calculation of the ad valorem rollback tax rates of certain taxing units.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Section 26.04, Tax Code, is amended by amending Subsection (c) and adding Subsections (c-1) and (c-2) to read as follows:

(c) An officer or employee designated by the governing body shall calculate the effective tax rate and the rollback tax rate for the unit, where:

(1) "Effective tax rate" means a rate expressed in dollars per \$100 of taxable value calculated according to the following formula:

EFFECTIVE TAX RATE = (LAST YEAR'S LEVY - LOST PROPERTY LEVY) / (CURRENT TOTAL VALUE - NEW PROPERTY VALUE)
; and

(2) "Rollback tax rate" means a rate expressed in dollars per \$100 of taxable value calculated according to the following formula:

ROLLBACK TAX RATE = (EFFECTIVE MAINTENANCE AND OPERATIONS RATE x 1.04 [~~1.08~~]) + CURRENT DEBT RATE

(c-1) Notwithstanding any other provision of this section, the designated officer or employee may substitute "1.08" for "1.04" in the calculation of the rollback tax rate if:

(1) any part of the taxing unit is located in an area declared a disaster area by the governor or the president of the United States during the current tax year.

SECTION 2. Section 26.041, Tax Code, is amended by amending Subsections (a), (b), and (c) and adding Subsections (c-1) and (c-2) to read as follows:

(a) In the first year in which an additional sales and use tax is required to be collected, the effective tax rate and rollback tax rate for the unit are calculated according to the following formulas:

EFFECTIVE TAX RATE = [(LAST YEAR'S LEVY - LOST PROPERTY LEVY) / (CURRENT TOTAL VALUE - NEW PROPERTY VALUE)] - SALES TAX GAIN RATE

and

ROLLBACK TAX RATE = (EFFECTIVE MAINTENANCE AND OPERATIONS RATE x 1.04 [~~1.08~~]) + CURRENT DEBT RATE - SALES TAX GAIN RATE

where "sales tax gain rate" means a number expressed in dollars per \$100 of taxable value, calculated by dividing the revenue that will be generated by the additional sales and use tax in the following year as calculated under Subsection (d) [~~of this section~~] by the current total value.

(b) Except as provided by Subsections (a) and (c) [~~of this section~~], in a year in which a taxing unit imposes an additional sales and use tax the rollback tax rate for the unit is calculated according to the following formula, regardless of whether the unit levied a property tax in the preceding year:

ROLLBACK TAX RATE = [(LAST YEAR'S MAINTENANCE AND OPERATIONS EXPENSE x 1.04 [~~1.08~~]) / ([~~TOTAL~~] CURRENT TOTAL VALUE - NEW PROPERTY VALUE)] + (CURRENT DEBT RATE - SALES TAX REVENUE RATE)

where "last year's maintenance and operations expense" means the amount spent for maintenance and operations from property tax and additional sales and use tax revenues in the preceding year, and "sales tax revenue rate" means a number expressed in dollars per \$100 of taxable value, calculated by dividing the revenue that will be generated by the additional sales and use tax in the current year as calculated under Subsection (d) [~~of this section~~] by the current total value.

(c) In a year in which a taxing unit that has been imposing an additional sales and use tax ceases to impose an additional sales and use tax the effective tax rate and rollback tax rate for the unit are calculated according to the following formulas:

EFFECTIVE TAX RATE = [(LAST YEAR'S LEVY - LOST PROPERTY LEVY) / (CURRENT TOTAL VALUE - NEW PROPERTY VALUE)] + SALES TAX LOSS RATE

and

ROLLBACK TAX RATE = [(LAST YEAR'S MAINTENANCE AND OPERATIONS EXPENSE x 1.04 [~~1.08~~]) / (~~TOTAL~~ CURRENT TOTAL VALUE - NEW PROPERTY VALUE)] + CURRENT DEBT RATE

where "sales tax loss rate" means a number expressed in dollars per \$100 of taxable value, calculated by dividing the amount of sales and use tax revenue generated in the last four quarters for which the information is available by the current total value and "last year's maintenance and operations expense" means the amount spent for maintenance and operations from property tax and additional sales and use tax revenues in the preceding year.

(c-1) Notwithstanding any other provision of this section, the designated officer or employee may substitute "1.08" for "1.04" in the calculation of the rollback tax rate if:

(1) any part of the taxing unit is located in an area declared a disaster area by the governor or the president of the United States during the current tax year.

SECTION 3. Section 26.08, Tax Code, is amended by amending Subsections (a), (b), (d), (d-1) and (d-2) to read as follows:

Sec. 26.08. ELECTION TO RATIFY [~~SCHOOL~~] TAXES. (a) If the governing body of a taxing unit [~~school district~~] adopts a tax rate that exceeds the taxing unit's [~~district's~~] rollback tax rate, the registered voters of the taxing unit [~~district~~] at an election held for that purpose must determine whether to approve the adopted tax rate. When increased expenditure of money by a taxing unit [~~school district~~] is necessary to respond to a disaster, including a tornado, hurricane, flood, or other calamity, but not including a drought, that has impacted a taxing unit [~~school district~~] and the governor has requested federal disaster assistance for the area in which the taxing unit [~~school district~~] is located, an election is not required under this section to approve the tax rate adopted by the governing body for the year following the year in which the disaster occurs.

(b) The governing body shall order that the election be held in the taxing unit [~~school district~~] on a date not less than 30 or more than 90 days after the day on which it adopted the tax rate. Section 41.001, Election Code, does not apply to the election unless a date specified by that section falls within the time permitted by this section. At the election, the ballots shall be prepared to permit voting for or against the proposition: "Approving the ad valorem tax rate of \$_____ per \$100 valuation in (name of taxing unit [~~school district~~]) for the current year, a rate that is \$_____ higher per \$100 valuation than the school district rollback tax rate." The ballot proposition must include the adopted tax rate and the difference between that rate and the rollback tax rate in the appropriate places.

(d) If the proposition is not approved as provided by Subsection (c), the governing body may not adopt a tax rate for the

taxing unit [~~school district~~] for the current year that exceeds the taxing unit's [~~school district's~~] rollback tax rate.

(d-1) If, after tax bills for the taxing unit [~~school district~~] have been mailed, a proposition to approve the taxing unit's [~~school district's~~] adopted tax rate is not approved by the voters of the taxing unit [~~district~~] at an election held under this section, on subsequent adoption of a new tax rate by the governing body of the taxing unit [~~district~~], the assessor for the taxing unit [~~school~~] shall prepare and mail corrected tax bills. The assessor shall include with each bill a brief explanation of the reason for and effect of the corrected bill. The date on which the taxes become delinquent for the year is extended by a number of days equal to the number of days between the date the first tax bills were sent and the date the corrected tax bills were sent.

(d-2) If a property owner pays taxes calculated using the originally adopted tax rate of the taxing unit [~~school district~~] and the proposition to approve the adopted tax rate is not approved by voters, the taxing unit [~~school district~~] shall refund the difference between the amount of taxes paid and the amount due under the subsequently adopted rate if the difference between the amount of taxes paid and the amount due under the subsequent rate is \$1 or more. If the difference between the amount of taxes paid and the amount due under the subsequent rate is less than \$1, the taxing unit [~~school district~~] shall refund the difference on request of the taxpayer. An application for a refund of less than \$1 must be made within 90 days after the date the refund becomes due or the taxpayer forfeits the right to the refund.

SECTION 4. Section 49.236, Water Code, as added by Chapters 248 (H.B. 1541) and 335 (S.B. 392), Acts of the 78th Legislature, Regular Session, 2003, is reenacted and amended to read as follows:

Sec. 49.236. NOTICE OF TAX HEARING. (a) Before the board adopts an ad valorem tax rate for the district for debt service, operation and maintenance purposes, or contract purposes, the board shall give notice of each meeting of the board at which the adoption of a tax rate will be considered. The notice must:

(1) contain a statement in substantially the following form:

"NOTICE OF PUBLIC HEARING ON TAX RATE

"The (name of the district) will hold a public hearing on a proposed tax rate for the tax year (year of tax levy) on (date and time) at (meeting place). Your individual taxes may increase or decrease, depending on the change in the taxable value of your property in relation to the change in taxable value of all other property and the tax rate that is adopted.

"(Names of all board members and, if a vote was taken, an indication of how each voted on the proposed tax rate and an indication of any absences.)";

(2) contain the following information:

(A) the district's total adopted tax rate for the preceding year and the proposed tax rate, expressed as an amount per \$100;

(B) the difference, expressed as an amount per \$100 and as a percent increase or decrease, as applicable, in the proposed tax rate compared to the adopted tax rate for the preceding year;

(C) the average appraised value of a residence homestead in the district in the preceding year and in the current year; the district's total homestead exemption, other than an exemption available only to disabled persons or persons 65 years of age or older, applicable to that appraised value in each of those years; and the average taxable value of a residence homestead in the district in each of those years, disregarding any homestead exemption available only to disabled persons or persons 65 years of

age or older;

(D) the amount of tax that would have been imposed by the district in the preceding year on a residence homestead appraised at the average appraised value of a residence homestead in that year, disregarding any homestead exemption available only to disabled persons or persons 65 years of age or older;

(E) the amount of tax that would be imposed by the district in the current year on a residence homestead appraised at the average appraised value of a residence homestead in that year, disregarding any homestead exemption available only to disabled persons or persons 65 years of age or older, if the proposed tax rate is adopted; and

(F) the difference between the amounts of tax calculated under Paragraphs (D) and (E), expressed in dollars and cents and described as the annual percentage increase or decrease, as applicable, in the tax to be imposed by the district on the average residence homestead in the district in the current year if the proposed tax rate is adopted; and

(3) contain a statement in substantially the following form:

"NOTICE OF TAXPAYERS' RIGHT TO ROLLBACK ELECTION

"If taxes on the average residence homestead increase by more than four ~~eight~~ percent, the qualified voters of the district by petition may require that an election be held to determine whether to reduce the operation and maintenance tax rate to the rollback tax rate under Section 49.236(d), Water Code."

(b) Notice of the hearing shall be:

(1) published at least once in a newspaper having general circulation in the district at least seven days before the date of the hearing; or

(2) mailed to each owner of taxable property in the district, at the address for notice shown on the most recently certified tax roll of the district, at least 10 days before the date of the hearing.

(c) The notice provided under this section may not be smaller than one-quarter page of a standard-size or tabloid-size newspaper of general circulation, and the headline on the notice must be in 18-point or larger type.

(d) If the governing body of a district adopts a combined debt service, operation and maintenance, and contract tax rate that would impose more than 1.04 ~~1.08~~ times the amount of tax imposed by the district in the preceding year on a residence homestead appraised at the average appraised value of a residence homestead in the district in that year, disregarding any homestead exemption available only to disabled persons or persons 65 years of age or older, the qualified voters of the district by petition may require that an election be held to determine whether ~~or not~~ to reduce the tax rate adopted for the current year to the rollback tax rate in accordance with the procedures provided by Sections 26.07(b)-(g) and 26.081, Tax Code. For purposes of Sections 26.07(b)-(g) and this subsection, the rollback tax rate is the current year's debt service and contract tax rates plus the operation and maintenance tax rate that would impose 1.04 ~~1.08~~ times the amount of the operation and maintenance tax imposed by the district in the preceding year on a residence homestead appraised at the average appraised value of a residence homestead in the district in that year, disregarding any homestead exemption available only to disabled persons or persons 65 years of age or older.

(e) Notwithstanding any other provision of this section, the board may substitute "eight percent" for "four percent" in Subsection (a) and "1.08" for "1.04" in Subsection (d) if:

(1) any part of the district is located in an area

declared a disaster area by the governor or the president of the United States during the current tax year.

SECTION 5. Section 26.07, Tax Code is repealed.

SECTION 6. (a) The change in law made by this Act applies to the ad valorem tax rate of a taxing unit beginning with the 2015 tax year, except as provided by Subsection (b) of this section.

(b) If the governing body of a taxing unit adopted an ad valorem tax rate for the taxing unit for the 2015 tax year before the effective date of this Act, the change in law made by this Act applies to the ad valorem tax rate of that taxing unit beginning with the 2016 tax year, and the law in effect when the tax rate was adopted applies to the 2015 tax year with respect to that taxing unit.

SECTION 7. This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect on the 91st day after the last day of the legislative session.