



LAKWOOD VILLAGE TOWN HALL  
100 HIGHRIDGE DRIVE  
LAKWOOD VILLAGE, TEXAS

TOWN COUNCIL MEETING  
OCTOBER 17, 2018 7:00 P.M.

**REGULAR SESSION – AGENDA**

Call to Order and Announce a Quorum is Present

**A. PLEDGE TO THE FLAG:**

**B. 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.

**C. CONSENT AGENDA:** All of the items on the Consent Agenda are considered to be self-explanatory and will be enacted by one motion. There will be no separate discussion of these items unless a Council Member requests an item be removed from the Consent Agenda.

1. Minutes of September 13, 2018 Council Meeting (Asbell)
2. Minutes of September 21, 2018 Council Meeting (Asbell)

**D. REGULAR AGENDA:**

1. Consideration of Variance Request for Garage Door Set-Back at 655 Woodcrest Dr (Asbell)
2. Discussion of TCEQ Waste Water Plant Inspection Results (Vargus)
3. Discussion of Planned Drainage Improvements (Vargus)
4. Discussion of Current Critical Water Conditions (Vargus)
5. Consideration of Candidate Forum and Electioneering Ordinance (Vargus)
6. Discussion of Republic Services Rate Contract (Vargus)
7. Discussion of Financial Responsibility Ordinance (Vargus)
8. Discussion of Zoning Ordinance (Vargus)

**E. EXECUTIVE SESSION:** (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 regarding property damage claim involving Republic Services. (2) § 551.072 Texas Government Code to wit: deliberations about real property; (3) § 551.087 Texas Government Code to wit: Economic Development Negotiations; (4) § 551.076 Texas Government Code to wit: deliberations about Security Devices; and (5) § 551.074, Texas Government Code to wit: Personnel Matters, Evaluation of the Town Administrator/Town Secretary

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

**G. REPORTS:** Reports about items of community interest. No formal action may be taken on these items at this meeting.

**H. ADJOURNMENT**

I do hereby certify that the above notice of meeting was posted on the designated place for official notice at 5:00 p.m. on Friday, October 11, 2018.

Linda Asbell, TRMC, CMC, 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), 418.183 (Homeland Security)

This facility is wheelchair accessible and accessible parking spaces are available. Please contact the Town Secretary's office at 972-294-5555 or FAX 972-292-0812 for further information.

One or more board members of the LAKWOOD VILLAGE MUNICIPAL DEVELOPMENT DISTRICT may attend this meeting. No action will be taken by the MDD board.

**LAKWOOD VILLAGE TOWN COUNCIL**

**COUNCIL MEETING**

**SEPTEMBER 13, 2018**

**Council Members:**

Dr. Mark Vargus, Mayor  
Ed Reed – Mayor Pro-Tem  
Clint Bushong  
Elizabeth Shields – arrived at 7:13 p.m.  
Darrell West  
Serena Lepley – arrived at 7:23 p.m.

**Town Staff:**

Linda Asbell, TRMC, CMC – Town Secretary

**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 7:03 p.m. on Thursday, September 13, 2018, 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

**PRESENTATIONS:**

**(Agenda Item B)**

Mayor Vargus presented a proclamation designating September 17 – 23, 2018 as Constitution week. The presentation was received by Ms. Annette Goode of the Prestonwood Chapter of the Daughters of the American Revolution.

Mayor Vargus presented a proclamation designating October 2018 as Domestic Violence Awareness Month. The proclamation was received by Ms. Hillarye Hightower of Denton County Friends of the Family.

**PUBLIC HEARING:**

**(Agenda Item C)**

A public hearing was held to provide an opportunity for citizens to comment on the proposed combined property tax rate of \$0.30/\$100. Mayor Vargus opened the public hearing at 7:10 p.m.

No one requested to speak.

**MOTION:** Upon a motion made by Councilman Bushong and seconded by Mayor Pro-Tem Reed, council voted three (3) “ayes”, no (0) “nays” to close the public hearing at 7:11 pm. *The motion carried.*

**PUBLIC HEARING:** **(Agenda Item D)**

A public hearing was held to provide an opportunity for citizens to comment on the proposed ordinance changes in agenda items G.8 through G.15. Mayor Vargus opened the public hearing at 7:11

No one requested to speak.

**MOTION:** Upon a motion made by Councilman Bushong and seconded by Councilman West, council voted three (3) “ayes”, no (0) “nays” to close the public hearing at 7:11 pm. *The motion carried.*

**VISITOR/CITIZENS FORUM:** **(Agenda Item E)**

No one requested to speak

**CONSENT AGENDA:** **(Agenda Item F)**

1. Minutes of June 14, 2018 Council Meeting (Asbell)
2. Minutes of July 10, 2018 Council Meeting (Asbell)
3. Minutes of July 23, 2018 Council Meeting (Asbell)
4. Minutes of August 9, 2018 Council Meeting (Asbell)
5. Interlocal Agreement with Denton County for Tax Collection (Asbell)
6. Engagement of Nabors CPA Services for Town Annual Audit Services (Asbell)
7. Resolution Naming the Denton Record Chronicle as the Official Newspaper (Asbell)

**MOTION:** Upon a motion made by Councilman Bushong and seconded by Councilman West, council voted three (3) “ayes,” no (0) “nays” to approve consent items as presented. *The motion carried.*

Councilwoman Shields arrived at 7:13 and took her place on the dais.

**REGULAR AGENDA:** **(Agenda Item G)**

**Consideration of Variance Request for  
Flatwork Encroachment in Side Yard  
Setback for Driveway at 409 Peninsula  
(Asbell)**

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**(Agenda Item G.1)**

Mike Baalman reported he is requesting an extension to the driveway that will stay three feet off the property line and will not extend beyond the front of the house. Mayor Vargus reported that council has previously allowed extra stacking space for parking on an extended driveway. Mayor Vargus stated no concrete can be placed in the side yard. Councilman Bushong requested the property owner provide the impervious surface percentages to assure it is below 50% as required by the zoning ordinance.

**MOTION:** Upon a motion made by Councilman Bushong and seconded by Councilman West, council voted four (4) “ayes”, no (0) “nays” to approve the request for the driveway to encroach in the side yard provided it does not extend beyond the front of the house, less than 50% of the front yard is covered by the impervious surface, and allows a minimum of three feet open space to the property line. *The motion carried.*

**International Dark Sky Association  
Presentation (Reed)**

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**(Agenda Item G.2)**

Mayor Pro-Tem Reed introduced Mr. Gary Carter and reviewed his qualifications as a dark sky advocate. Mr. Carter presented information about light pollution and the impact on the environment. Mr. Carter provided examples of light trespass, glare, clutter, energy waste, and urban sky glow. The disruption of natural light and dark cycles negatively impact human health. Mr. Carter showed examples of good lighting choices that preserve dark skies and prevents light trespass. Mr. Carter reported that the Town of Lakewood Village can obtain the International Dark Sky Association designation without that designation being negatively impacted by light pollution from neighboring communities. There was some discussion about the IDA compliant street lights Lakewood Village recently installed.

Councilwoman Lepley arrived at 7:23 and took her place on the dais.

**Discussion of Municipal Development  
District sponsored Community Event on  
October 14, 2018 (Asbell)**

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**(Agenda Item G.3)**

Linda Loudon reviewed the activities planned for the event: fire department, sheriff's department, bounce house for the children, live band, and food. Ms. Loudon thanked council for completing the park in time for the event. Council thanked the MDD for coordinating the event.

**Discussion of Current Critical Water  
Conditions (Vargus)**

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**(Agenda Item G.4)**

Mayor Vargus reported that due to the recent rain he is lowering the water conservation level to level three. The root problem of drawdown of the aquifer has not changed and the town still needs to put in new well.

**Consideration of Adoption of Ordinance  
Adopting the 2018 Property Tax Rate of  
\$0.30/\$100 (Asbell)**

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**(Agenda Item G.5)**

**MOTION:** Upon a motion made by Councilman West and seconded by Councilman Bushong, council voted five (5) "ayes", and no (0) "nays" to approve the ordinance adopting the property tax rate of \$0.30/\$100. *The motion carried.*

**ROLL CALL VOTE**

**Town Secretary Asbell called the roll:**

Mayor Vargus – present and not voting  
Mayor Pro-Tem Reed - aye  
Councilman Bushong - aye  
Councilwoman Lepley - aye  
Councilwoman Shields - aye  
Councilman West - aye

**Consideration of Ratification of Ordinance  
18-02 Adopting Fiscal Year 2018-2019  
Budget (Asbell)**

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**(Agenda Item G.6)**

**MOTION:** Upon a motion made by Councilman Bushong and seconded by Mayor Pro-Tem Reed, council voted four (4) "ayes", and no (0) "nays", with one abstention

(Councilwoman Shields) to ratify the 2018-2019 Budget as adopted August 9, 2018. *The motion carried.*

**ROLLCALL VOTE**

**Town Secretary Asbell called the roll:**

Mayor Vargus – present and not voting  
Mayor Pro-Tem Reed - aye  
Councilman Bushong - aye  
Councilwoman Lepley - aye  
Councilwoman Shields - abstain  
Councilman West - aye

**Discussion of Republic Services Rate  
Proposal (Vargus)**

**(Agenda Item G.7)**

Mayor Vargus reported that since 2010 the rate has only increased five percent. Mayor Vargus stated he prefers a fixed rate that does not increase yearly. Mayor Vargus reported the recycling industry has dramatically changed from a profitable activity to a costly service to provide due to changes in the type of recycle waste other countries are willing to receive. Mayor Vargus reviewed the options for rate changes proposed by Republic Services. Mayor Vargus stated that he requested bulk be collected quarterly rather than every other month. Republic Services agreed to provide bulk quarterly and guaranteed the bulk would all be collected in one day. There was some discussion about the cost of providing a hazardous household waste collection. Council discussed option two or three being the most desirable. Mayor Vargus reported that council he would bring the full contract to council for consideration at a future meeting.

**Consideration of Contract with Sawko &  
Burroughs for Property Tax Collection  
(Vargus)**

**(Agenda Item G.8)**

Mayor Vargus stated that he prefers to adopt a policy that authorizes Sawko and Burroughs to take action to collect delinquent taxes without additional action from council.

**MOTION:** Upon a motion made by Councilman West and seconded by Councilwoman Lepley, council voted five (5) “ayes”, and no (0) “nays” to authorize Mayor Vargus to execute the contract with Sawko & Burroughs for property tax collection. *The motion carried.*

**Consideration of Certificate of Occupancy  
Ordinance (Vargus)**

**(Agenda Item G.9)**

Mayor Vargus reported the Certificate of Occupancy ordinance has been very successful in identifying dangerous situations in properties. The ordinance needs to allow some flexibility to permit temporary certificates of occupancy but also prevent unauthorized extended occupancy of houses. There was some discussion about the requirement to deposit \$1,000 if the repairs of the structure will take longer than seven days. Councilman Bushong stated he likes that the proposed ordinance allows a property owner to appeal the Building Official's decision to council.

**MOTION:** Upon a motion made by Councilman Bushong and seconded by Councilwoman Lepley, council voted five (5) "ayes", and no (0) "nays" to approve the certificate of occupancy ordinance as presented. *The motion carried.*

**Consideration of Junked Vehicles and  
Parking Ordinance (Vargus)**

**(Agenda Item G.10)**

Mayor Vargus reported the junked vehicle portion of the ordinance is straight from State law. The only proposed changes are to the approved surfaces sections. Mayor Vargus reviewed the history of the approved surface requirement in the ordinance. There was some discussion about allowing paving stones as a concrete equivalent or requiring those to come to council as to request a variance.

**MOTION:** Upon a motion made by Councilman Bushong and seconded by Councilwoman Shields, council voted five (5) "ayes", and no (0) "nays" to approve the junked vehicles and parking ordinance as discussed. *The motion carried.*

**Consideration of Consideration of Candidate  
Forum and Electioneering Ordinance  
(Vargus)**

**(Agenda Item G.11)**

Mayor Vargus reported that the previous candidate forums have been very well attended. Mayor Vargus stated the Town Secretary Asbell verified the process for candidate forums through the Secretary of State and the Texas Ethics Commission. The purpose of the proposed changes to the ordinance is to provide clarification on guidelines and minimize controversy when scheduling candidate forums. There was some discussion on the possibility of establishing set dates if no agreement between candidates can be reached. There was some discussion about the discussed changes being incorporated into the ordinance and council considering the changes at the next council meeting.

**MOTION:** *No Motion was made.*

Councilwoman Shields left the dais at 9:01 p.m.

**Consideration of Financial Responsibility  
Ordinance (Vargus)**

**(Agenda Item G.12)**

Mayor Vargus reported that the town has several ordinances governing finance responsibility, investments, reporting, and related controls. Mayor Vargus reviewed the elements of the ordinance he will provide for council consideration at a future meeting.

**MOTION:** *No motion was made.*

**Consideration of Water & Waste Water  
Ordinance (Vargus)**

**(Agenda Item G.13)**

Mayor Vargus reported the \$200 deposit for a water account was established in 1997. In the last two years the town has written off \$3,249.03, after the deposit was applied, on water accounts that were not paid after account holders left town. Mayor Vargus stated he is recommending a water deposit of \$300 that would not be retroactive to current water accounts.

Mayor Vargus reviewed the proposed language specifying regulations on pumping of water from the lake for irrigation purposes. A Customer Service Inspection is required of every lake pump upon installation. There was some discussion about requiring an inspection of the pump upon permit renewal every five years.

**MOTION:** Upon a motion made by Mayor Pro-Tem Reed and seconded by Councilwoman Lepley, council voted four (4) “ayes”, and no (0) “nays” to approve the water and waste water ordinance as discussed. *The motion carried.*

**Consideration of Consolidated Fee  
Ordinance (Vargus)**

**(Agenda Item G.14)**

Councilman Bushong reviewed proposed changes to the ordinance. There was some discussion about flatwork permits. The Town Secretary will perform a desk review of the flatwork permit and the building inspector will perform a pre-pour inspection. The permit fee will be lowered to \$100 to reflect the removal of a post-pour inspection.

Councilwoman Shields returned to the dais at 9:23 p.m.

There was some discussion about contraction registration fees. Mayor Vargus reviewed the proposed changes to the water rates. There was some discussion about the proposed water rates. Councilman Bushong reviewed the proposed changes to the water leak adjustment policy and the exclusion of leaks in irrigation systems. A plumbing inspection will be required prior to a leak adjustment being approved.

There was some discussion about updating the meter set fee for larger than ¾” meters at a future meeting. There was some discussion about updating the permit fee for pools at a future meeting.

There was some discussion about the rates selected for the tiers of water usage. Mayor Vargus stated the rates were selected based on input from the Town Engineers about the cost of installing new wells. Mayor Vargus reported he also discussed options with the Town’s financial advisors for financing drilling of new wells. The information received from the Town Engineer and the Town Financial required review of the rates. Councilman Bushong stated the town was not experiencing the current problems with the aquifer when council first began discussing new water rates. There was some discussion about the reserve funds and the cost of an emergency interconnect for water. There was some discussion about the cost savings at the sewer plant as a result of Mayor Pro-Tem Reed’s efforts.

**MOTION:** Upon a motion made by Councilman Bushong and seconded by Councilman West, council voted five (5) “ayes”, and no (0) “nays” to approve the consolidated fee ordinance as discussed. *The motion carried.*

**Discussion of Zoning Ordinance (Vargus)**

**(Agenda Item G.15)**

Mayor Vargus reported that Town Secretary Asbell did an analysis of all variances granted in the last five years. Mayor Vargus stated approximately 17 variances were approved and council should consider changes to the ordinance to allow items that would be approved in a standard variance request. No land use or lot size changes are being considered. Councilman Bushong reviewed the process for amending the zoning ordinance.

**EXECUTIVE SESSION:**

**(Agenda Item H)**

No executive session was held.

**RECONVENE:**

**(Agenda Item I)**

**REPORTS**

**(Agenda Item J)**

Town Secretary Asbell reminded Council members the Texas Municipal League conference is being held in October in Fort Worth.

**ADJOURNMENT**

**(Agenda Item K)**

**MOTION:** Upon a motion made by Councilwoman Lepley and seconded by Councilman Bushong council voted five (5) “ayes” and no (0) “nays” to adjourn the Regular Meeting of the Lakewood Village Town Council at 9:57 p.m. on Thursday, September 13, 2018. The motion carried.

These minutes approved by the Lakewood Village Town Council on the 17th day of October 2018.

**APPROVED**

\_\_\_\_\_  
Ed Reed  
MAYOR PRO-TEM

**ATTEST:**

\_\_\_\_\_  
Linda Asbell, TRMC, CMC  
TOWN SECRETARY

**LAKWOOD VILLAGE TOWN COUNCIL**

**COUNCIL MEETING**

**SEPTEMBER 21, 2018**

**Council Members:**

Dr. Mark Vargus, Mayor  
Ed Reed – Mayor Pro-Tem  
Clint Bushong  
Elizabeth Shields – ABSENT  
Darrell West  
Serena Lepley

**Town Staff:**

Linda Asbell, TRMC, CMC – Town Secretary

**SPECIAL 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 6:00 p.m. on Friday, September 21, 2018, 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 6:00 p.m. Mayor Vargus recessed into executive session in accordance with Texas Government Code, (1) §551.071(2) Texas Government Code to wit: Consultation with 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 regarding real property, (2) §551.072 Texas Government Code to wit: deliberations about real property.

**RECONVENE:**

**(Agenda Item C)**

Mayor Vargus reconvened the regular session of the Lakewood Village Town Council at 6:40 p.m. No action was taken.

**REPORTS**

**(Agenda Item D)**

**LAKWOOD VILLAGE TOWN COUNCIL  
SPECIAL SESSION  
SEPTEMBER 21, 2019**

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No Reports

**ADJOURNMENT**

**(Agenda Item E)**

**MOTION:** Upon a motion made by Councilman Bushong and seconded by Councilwoman Lepley council voted four (4) “ayes” and no (0) “nays” to adjourn the Special Meeting of the Lakewood Village Town Council at 6:41 p.m. on Friday, September 21, 2018. The motion carried.

These minutes approved by the Lakewood Village Town Council on the 17th day of October 2018.

APPROVED

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Ed Reed  
MAYOR PRO-TEM

ATTEST:

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Linda Asbell, TRMC, CMC  
TOWN SECRETARY



# VARIANCE REQUEST

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

## BUILDING DEPARTMENT

REVISED: 10/09/2014

APPLICANT / OWNER	
Applicant Name <i>Brittany Bissonnette</i>	Address <i>655 Woodcrest Ln</i>
Day Time Telephone <i>(214) 832-0264</i>	Lakewood Village, TX 75068
Email <i>Brittany.Bissonnette4@gmail.com</i>	
Owner Name Same as Applicant? <input checked="" type="checkbox"/> Yes	Address
Day Time Telephone	
Email	
PROPERTY	
Address or General Location <i>655 Woodcrest Ln. Lakewood Village, TX 75068</i>	
Legal Description (If Platted) <i>LAKEWOOD VILLAGE SEC 3 BLK R LOT 3</i>	
Lot Size <input type="checkbox"/> Square Feet OR <input checked="" type="checkbox"/> Acres <i>0.248</i>	Zoning Classification <i>Single Family Residential - District 3</i>
Existing Use of Land and/or Building(s) <i>Vacant Lot</i>	
REQUESTED VARIANCE	
Variance to Section(s) of the Ordinance <i><del>4.3.4</del> 4.3.4. Side Yard Setbacks C. Garage Door Side Yard Setback</i>	
Current Ordinance Requirement(s) <i>1. The face (meaning garage door) of a garage that faces a side yard (a swing-in garage) must be setback a minimum of twenty-eight (28) feet from the side property line.</i>	
Requested Variance(s) <i>Twenty-six and 1/2 (26.5) feet from the side property line.</i>	



# VARIANCE REQUEST

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

## BUILDING DEPARTMENT

REVISED: 10/09/2014

### SUBMITTAL REQUIREMENTS

If the applicant is not the owner, a letter signed and dated by the owner certifying their ownership of the property and the authorizing the applicant to represent the person, organization, or business that owns the property.

If not platted, a metes and bounds legal description of the property.

A written statement documenting the reason for the variance(s), including evidence that the request complies with the following criteria as required for approval of a variance.

- 1) A unique physical condition exists within or adjacent to the subject tract or structure(s) located thereon which distinguishes it from other similarly situated, and which creates an exceptional hardship, difficulty, or inequity that would result from literal enforcement of the ordinance;
- 2) The condition or characteristic noted above is not caused by an action of the property owner, occupant, or applicant;
- 3) The variance is the minimum amount necessary to allow a reasonable use of the property;
- 4) The sole reason for the variance is not a desire of the owner, occupant, or applicant for increased financial gain or reduced financial hardship;
- 5) The variance will not adversely affect public health or safety, and will not substantially or permanently interfere with the appropriate use of adjacent conforming property in the same district; and,
- 6) The variance will not alter the essential character of the zoning district within which the subject property is located, and is in harmony with the intent and purposes of the zoning ordinance.

Site plan, submitted on drawing sheet size 11" X 17", showing:

- 1) Scale and north arrow;
- 2) Location of site with respect to streets and adjacent properties;
- 3) Property lines and dimensions;
- 4) Location and dimensions of buildings;
- 5) Building setback distances from property lines;
- 6) Location, dimensions, and surface type of off-street parking spaces and loading areas; and
- 7) Any other proposed features of the site which are applicable to the requested variance.

### NOTICE

To the best of my knowledge, this application and associated documents are complete and correct, and it is understood that I or another representative should be present at all public meetings concerning this application.

Applicant Signature

*Brittany Bissonette*

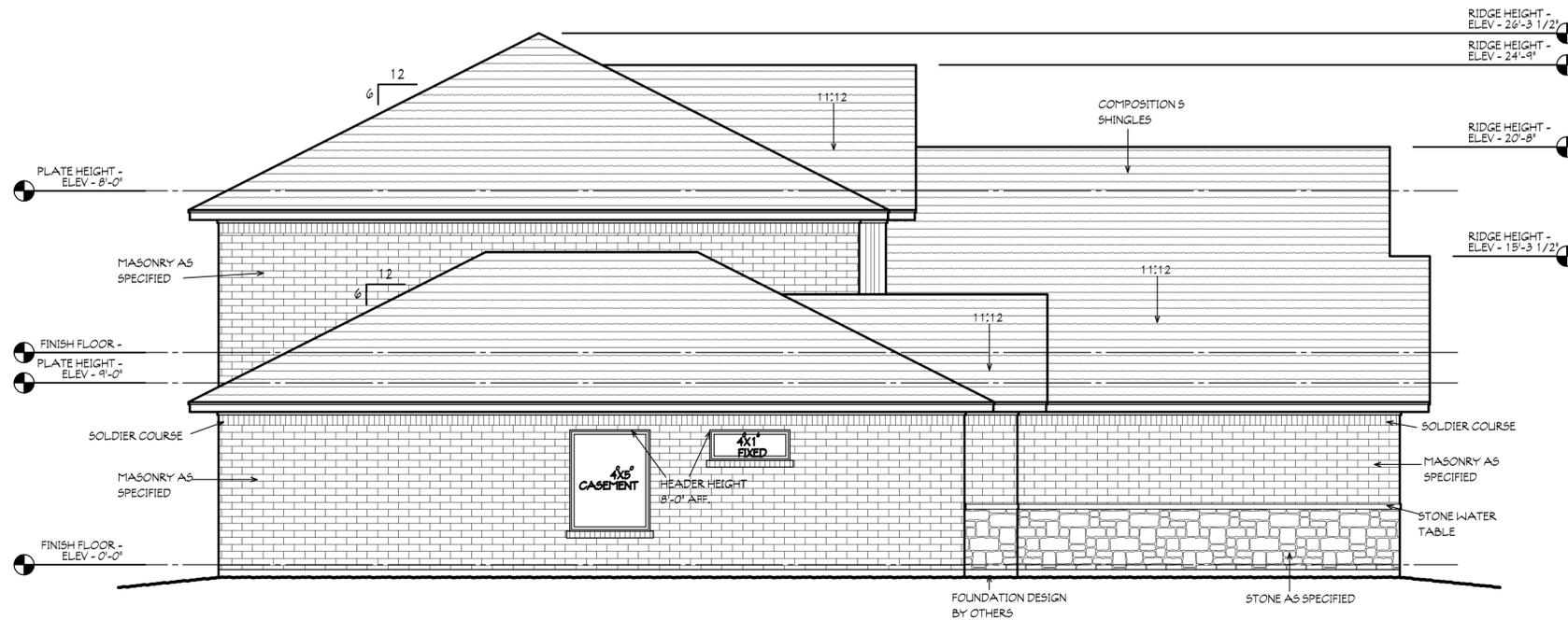
Date

*10/12/18*

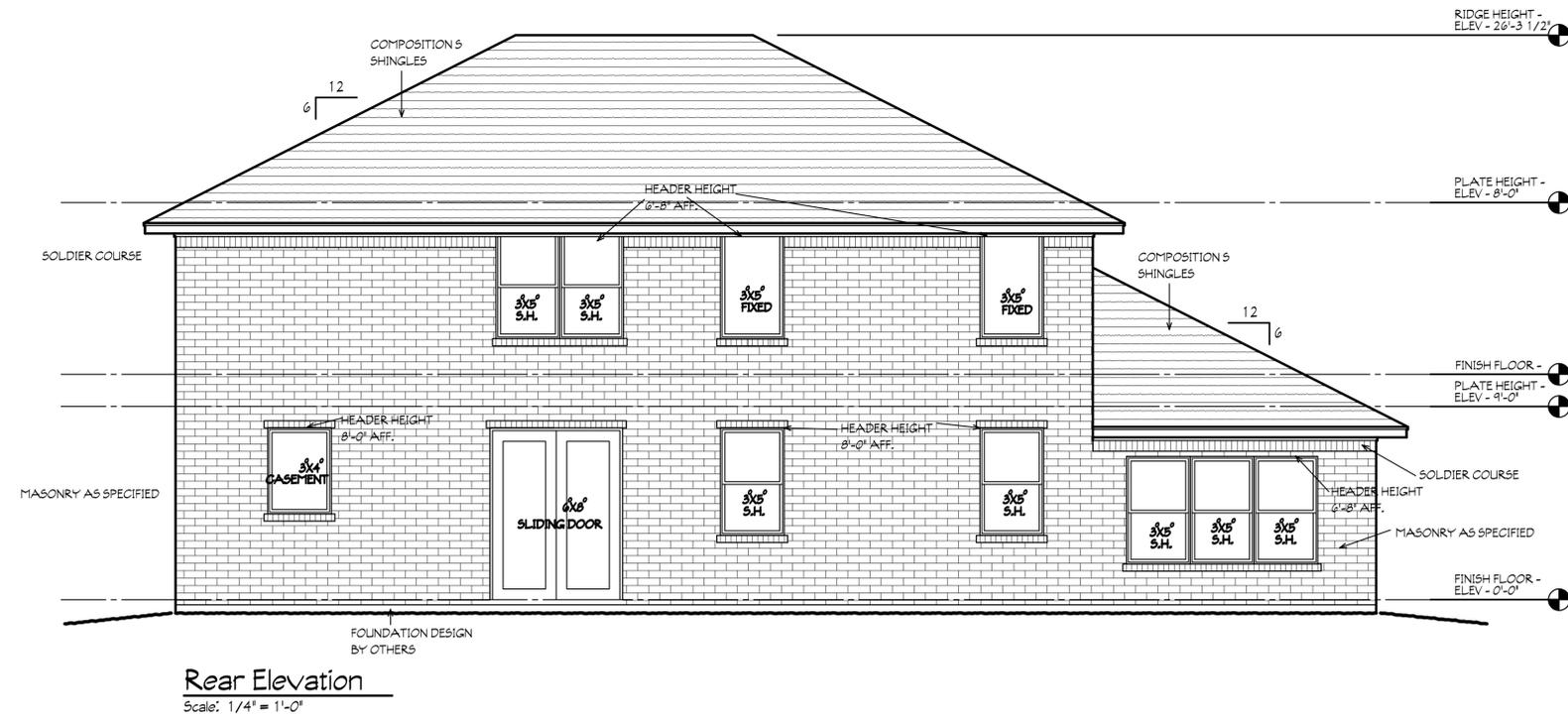


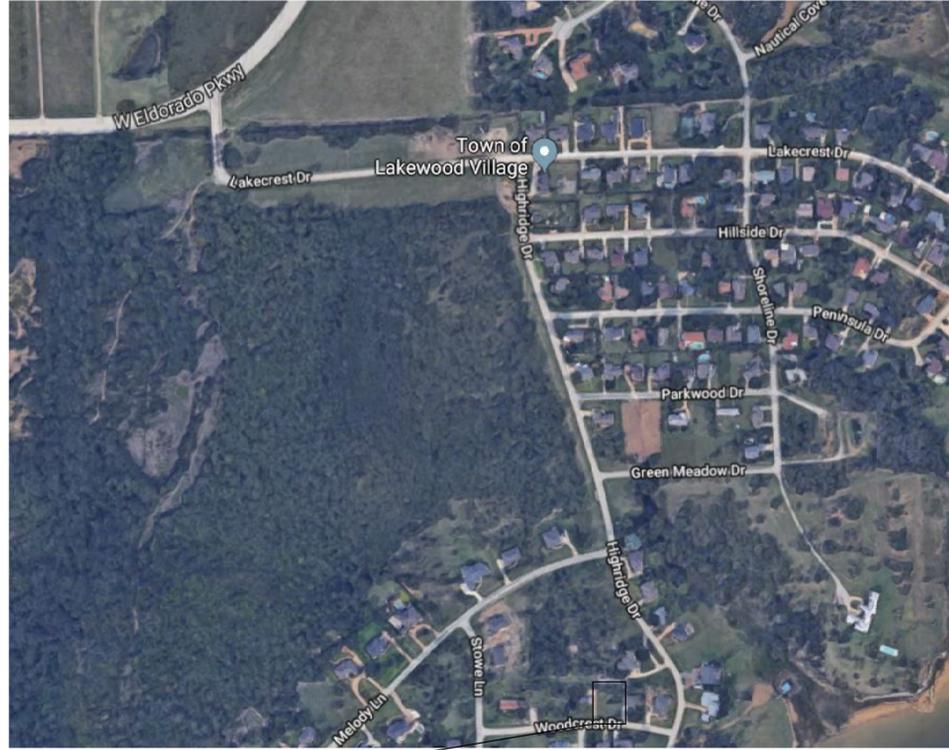
**Front Elevation**  
Scale: 1/4" = 1'-0"

HOUSE ELEVATION MATERIAL TOTALS	
BRICK	2076 SQFT 92%
SIDING	187 SQFT 8%

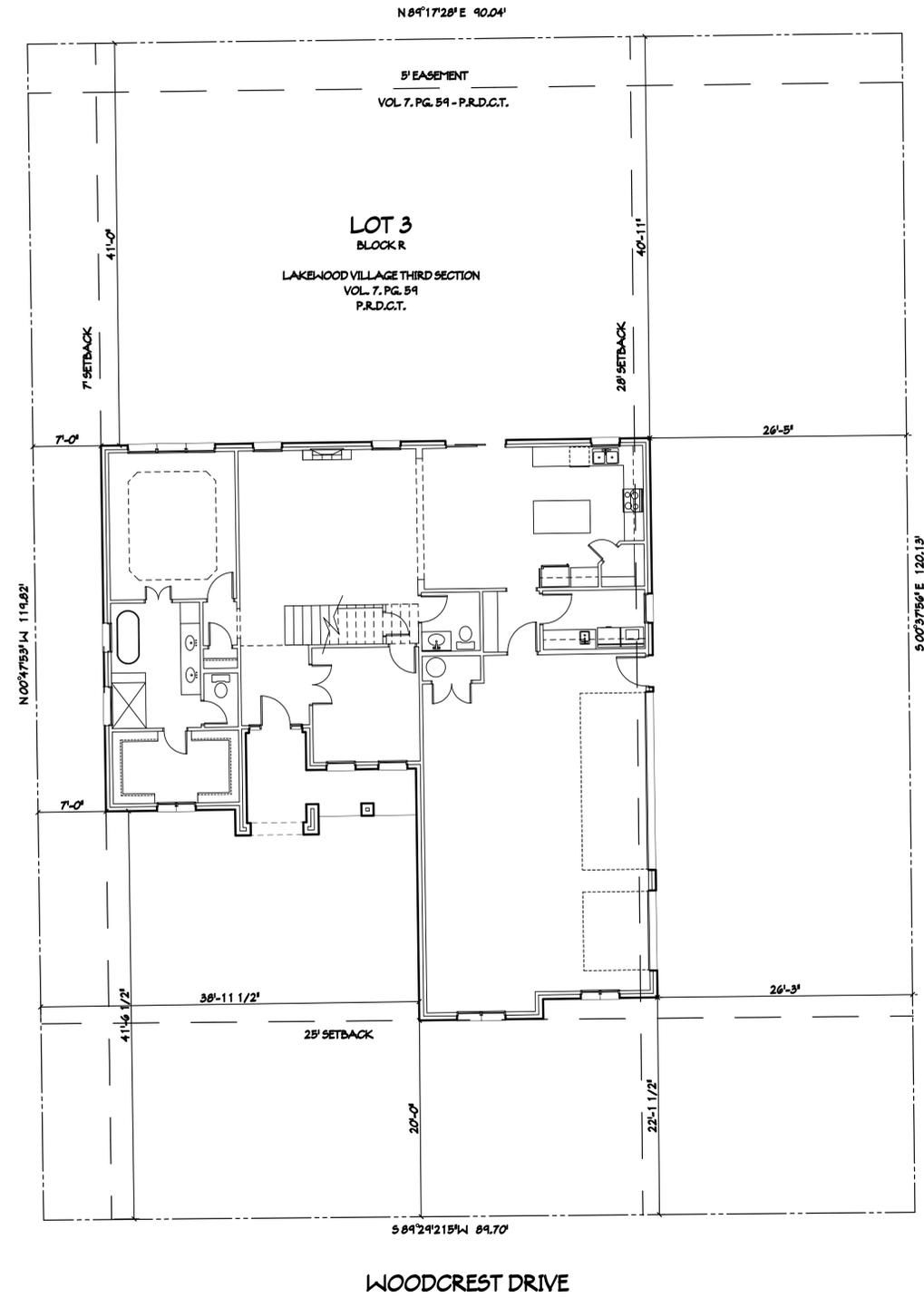


**Right Elevation**  
Scale: 1/4" = 1'-0"





PROJECT LOCATION



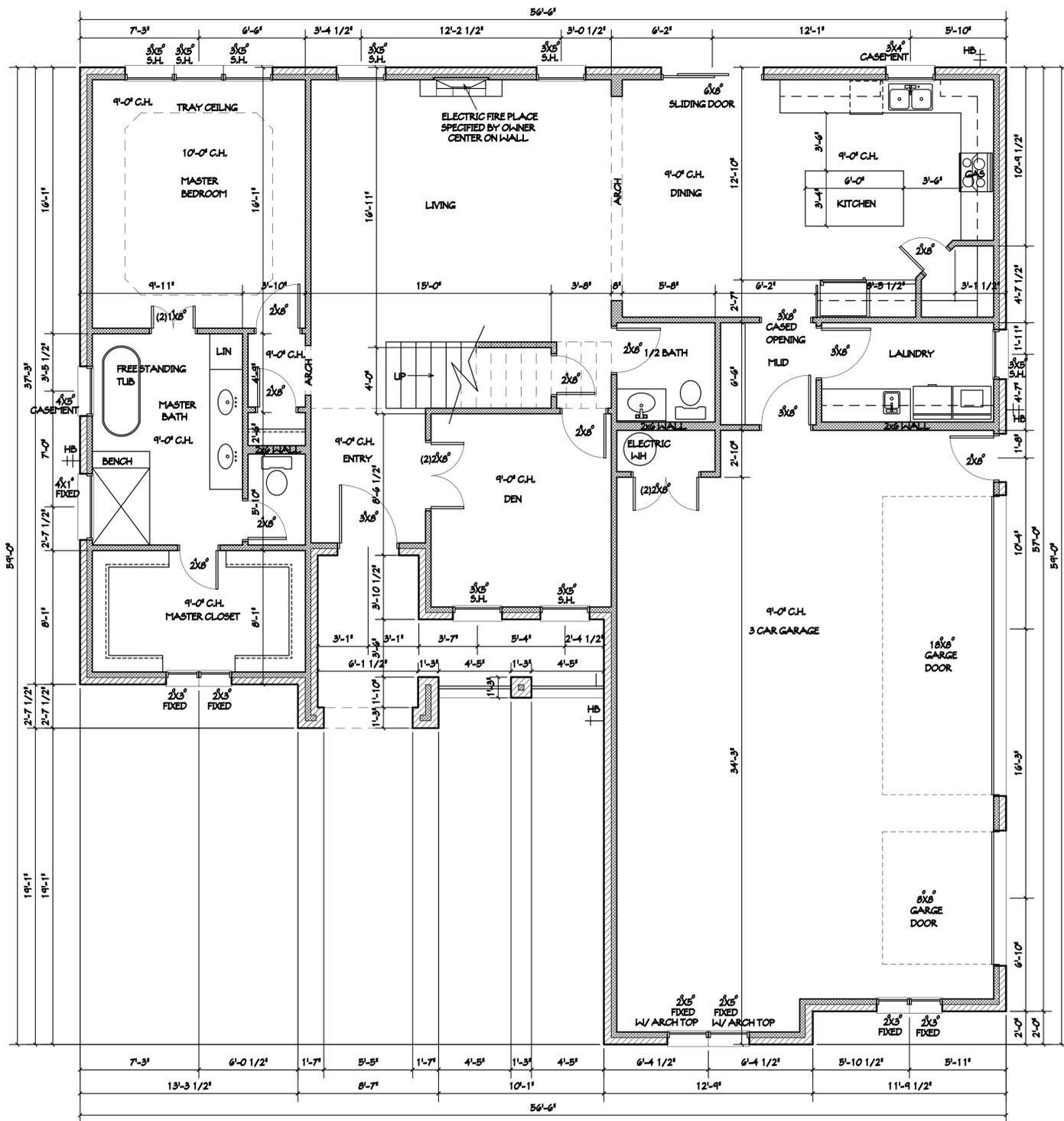
**SITE PLAN**  
SCALE: 1/8"=1'-0"

DRAWINGS FOR:  
**BISSONNETTE RESIDENCE**  
LAKEWOOD VILLAGE, TEXAS

**BARXIDESIGN**  
Marianne Reed - Designer  
903-624-0296 www.barxidesign.com

DATE: 10/14/2018  
SITE PLAN

**A0**

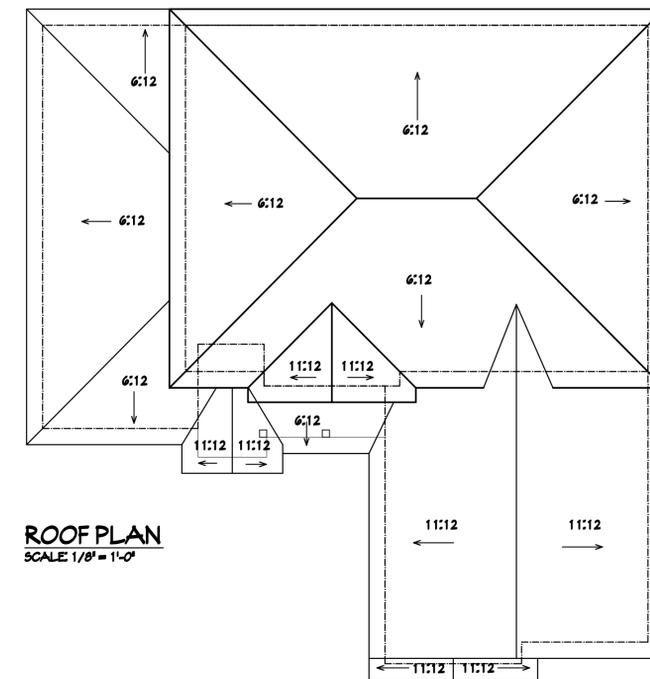
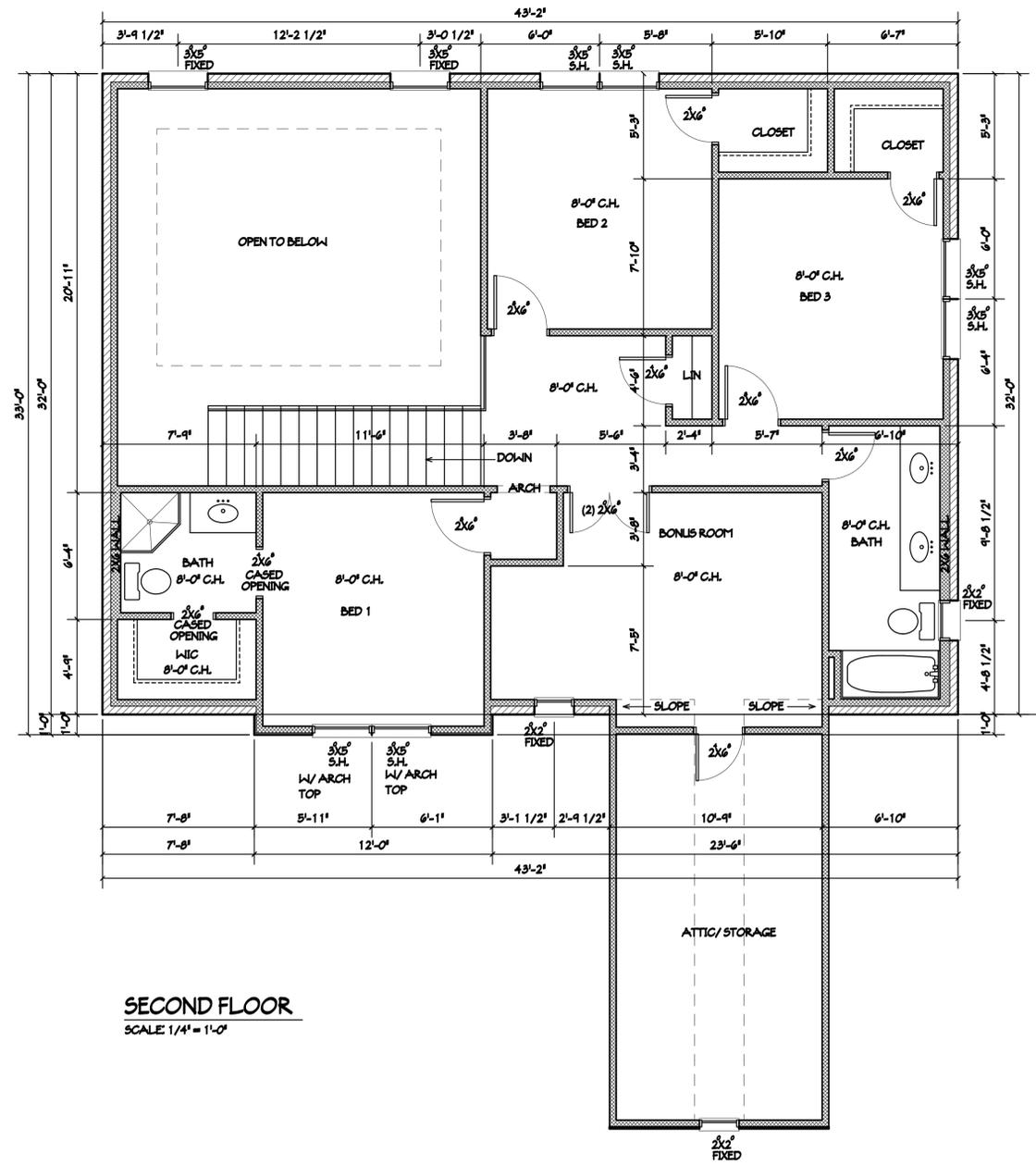


**FIRST FLOOR**

SCALE 1/4" = 1'-0"

FIRST FLOOR 1,637 SQFT  
 SECOND FLOOR 1,014 SQFT  
 3 CAR GARAGE 885 SQFT  
 PORCH 118 SQFT  
**TOTAL 3,654 SQFT**

DOOR SCHEDULE			WINDOW SCHEDULE		
QTY	SIZE	TYPE	QTY	SIZE	TYPE
1	3'-6"x8'-0"	EXTERIOR FRONT DOOR	12	3'-0"x5'-0"	SINGLE HUNG
1	3'-0"x8'-0"	EXTERIOR	4	3'-0"x5'-0"	SINGLE HUNG W/ ARCH TOP
1	2'-8"x8'-0"	EXTERIOR	1	4'-0"x5'-0"	PICTURE CASEMENT
1	6'-0"x8'-0"	EXTERIOR SLIDING	1	3'-0"x4'-0"	PICTURE CASEMENT
1	3'-0"x8'-0"	INTERIOR SOLID CORE	2	1'-0"x8'-0"	SIDE LITE FIXED (FRONT DOOR)
1	2'-0"x8'-0"	INTERIOR SOLID CORE	3	2'-0"x2'-0"	FIXED
4	2'-4"x8'-0"	INTERIOR SOLID CORE	1	4'-0"x1'-8"	FIXED
3	2'-8"x8'-0"	INTERIOR SOLID CORE	4	2'-0"x3'-0"	FIXED
1	(2) 1'-4"x8'-0"	INTERIOR SOLID CORE	2	2'-0"x5'-0"	FIXED W/ ARCH TOP
2	(2) 2'-0"x8'-0"	INTERIOR SOLID CORE	2	3'-0"x5'-0"	FIXED
5	2'-4"x8'-8"	INTERIOR SOLID CORE			
3	2'-8"x8'-8"	INTERIOR SOLID CORE			
1	(2) 2'-0"x8'-8"	INTERIOR SOLID CORE			
1	8'-0"x8'-0"	GARAGE DOOR			
1	18'-0"x8'-0"	GARAGE DOOR			



Bryan W. Shaw, Ph.D., P.E., *Chairman*  
Toby Baker, *Commissioner*  
Jon Niermann, *Commissioner*  
Stephanie Bergeron Perdue, *Interim Executive Director*



## TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

*Protecting Texas by Reducing and Preventing Pollution*

August 30, 2018

E-SIGNATURE CONFIRMATION Signature Confirmation # 9134 9690 0935 0020 5559 20

The Honorable Dr. Mark Vargus, Mayor of Lakewood Village  
Town of Lakewood Village  
100 Highridge Drive  
Lakewood Village, Texas 75068-4300

Re: Notice of Violation for Comprehensive Compliance Investigation at:  
Lakewood Village Wastewater Treatment Facility, 407 Parkwood Court, Lakewood Village  
(Denton County), Texas  
Regulated Entity No.: RN101917706, TCEQ ID No.: WQ0010903-001, EPA ID No.:  
TX0026565

Dear Dr. Vargus:

On August 14, 2018, Ms. Jenna West of the Texas Commission on Environmental Quality (TCEQ) Dallas/Fort Worth (DFW) Region Office conducted an investigation of the above-referenced regulated entity to evaluate compliance with applicable requirements for wastewater treatment. Enclosed is a summary which lists the investigation findings. During the investigation, a concern was noted which was an alleged noncompliance that has been resolved as an Area of Concern based on subsequent corrective action. In addition, certain outstanding alleged violations were identified for which compliance documentation is required. Please submit to this office by **October 1, 2018** a written description of corrective action taken and the required documentation demonstrating that compliance has been achieved for each of the outstanding alleged violations.

In the listing of the alleged violations, we have cited applicable requirements, including TCEQ rules. Please note that both the rules themselves and the agency brochure entitled *Obtaining TCEQ Rules* (GI 032) are located on our agency website at <http://www.tceq.state.tx.us> for your reference. If you would like a hard copy of this brochure mailed to you, you may call and request one from either the DFW Region Office at 817-588-5800 or the Central Office Publications Ordering Team at 512-239-0028.

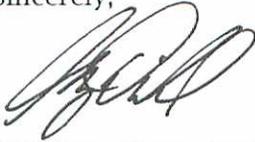
The TCEQ appreciates your assistance in this matter. Please note that the Legislature has granted TCEQ enforcement powers which we may exercise to ensure compliance with environmental regulatory requirements. We anticipate that you will resolve the alleged violations as required in order to protect the State's environment. If you have additional information that we are unaware of, you have the opportunity to contest the violations documented in this notice. Should you choose to do so, you must notify the DFW Region Office within 10 days from the date of this letter. At that time, Mr. Jeff Tate will schedule a violation review meeting to be conducted *within 21 days from the date of this letter*. However, please be advised that if you decide to participate in the violation review process, the TCEQ may still require you to adhere to the compliance schedule included in the enclosed Summary of

Dr. Mark Vargus  
Page 2  
August 30, 2018

Investigation Findings until an official decision is made regarding the status of any or all of the contested violations.

If you or members of your staff have any questions, please feel free to contact Ms. West in the DFW Region Office at 817-588-5874.

Sincerely,

A handwritten signature in black ink, appearing to read "Jeff Tate", written in a cursive style.

Jeff Tate, Water Section Manager  
DFW Region Office  
Texas Commission on Environmental Quality

JT/jw

Enclosure: Summary of Investigation Findings No. 1507600

## Summary of Investigation Findings

TOWN OF LAKEWOOD VILLAGE WWTP  
100 HIGHRIDGE DR  
LAKEWOOD VILLAGE, DENTON COUNTY, TX 75068

Investigation #  
**1507600**  
Investigation Date: 08/14/2018

Additional ID(s): WQ0010903001  
TX0026565  
WQ0010903001

### OUTSTANDING ALLEGED VIOLATION(S) ASSOCIATED TO A NOTICE OF VIOLATION

Track No: 689010      Compliance Due Date: 10/01/2018  
30 TAC Chapter 305.125(5)

**Alleged Violation:**

Investigation: 1507600

Comment Date: 08/28/2018

Failure to properly operate and maintain the facility. Specifically, the weir ring of the clarifier was rusted through in many places allowing flow under the weirs and potential short circuiting.

**Recommended Corrective Action:** Submit documentation that the clarifier weir ring is adequately repaired.

### ALLEGED VIOLATION(S) NOTED AND RESOLVED ASSOCIATED TO A NOTICE OF VIOLATION

Track No: 689017  
30 TAC Chapter 305.125(1)

PERMIT WQ0010903-001  
Monitoring and Reporting Requirements, No. 5, Page 6.

**Alleged Violation:**

Investigation: 1507600

Comment Date: 08/28/2018

Failure to ensure flow measurement accuracy. Specifically, the flow measurement accuracy check performed during the investigation revealed that the staff gauge measured 0.375 feet (0.1392 MGD) and the flow meter measured 72 gpm (0.1037 MGD).

**Recommended Corrective Action:** The flow meter shall be accurately calibrated by a trained person at plant start-up and as often thereafter as necessary to ensure accuracy, but not less often than annually. Submit documentation indicating that the flow meter has been accurately calibrated.

**Resolution:** On August 27, 2018, the DFW Region Office received a flow calibration conducted on August 20, 2018 exhibiting a margin of error within 10%.

Track No: 689022  
30 TAC Chapter 317.3(e)(5)

**Alleged Violation:**

Investigation: 1507600

Comment Date: 08/22/2018

Failure to provide the required alarm system. Specifically, the 3 offsite lift stations were not equipped with audio alarms.

**Recommended Corrective Action:** An audiovisual alarm system (red flashing light and horn) shall be provided for all lift stations. The alarm system shall be activated in case of power outage, pump failure, or a specified high-water level. Submit documentation indicating that an appropriate alarm system has been installed at the three offsite lift stations.

**Resolution:** On August 27, 2018, the DFW Region Office received photographs indicating audio alarms have been installed on all 3 off-site lift stations.

## AREA OF CONCERN

**Track No:** 689020

**30 TAC Chapter 305.125(1)**

**PERMIT WQ0010903-001**

Monitoring and Reporting Requirements, No. 7.c, Page 7.

**Alleged Violation:**

Investigation: 1507600

Comment Date: 08/28/2018

Failure to provide notification of any effluent violation which deviates from the permitted effluent limitation by more than 40%. Specifically, during the record review period of October 2013 to August 2018, three violations which exceeded the permitted limit by more than 40% were noted. These include: October 2013 TSS, and June 2017 (Daily Average) and August 2017 (Single Grab) E. coli. However, the only required noncompliance notification received by the DFW Region Office was for the October 2013 TSS violation.

**Recommended Corrective Action:** Noncompliance notification shall be reported by the permittee in writing to the DFW Region Office and the Enforcement Division (MC 224) within five working days of becoming aware of the noncompliance. Submit the noncompliance notifications for the June and August 2017 E. coli violations to the DFW Region Office and the Enforcement Division (MC 224).

**Resolution:** On August 16, 2018, the DFW Region Office received the required noncompliance notifications.

## ADDITIONAL ISSUES

**Description**

Were there any design issues noted with regard to treatment units and appurtenances? (collection system, wastewater units, sludge processing, generator, signage, SCBA, fence, etc.) If noncompliant, select the appropriate citation from TAC 217 or TAC 317

**Additional Comments**

It was noted that the bars of the bar screen are widely spaced, allowing floating solids to accumulate in the digester and mixing tank. According to the onsite representative, the permittee plans to add an automatic fine screen after the bar screen to reduce floating solids. Please ensure that the TCEQ is notified before any plant modifications are conducted.

Was the permittee compliant with the self-monitored effluent limits?

In the past 18 months, there have been 3 effluent violations: TSS daily average in February 2018, E. coli single grab in August 2017, and E. coli daily average in June 2017.

Are process control and operations and maintenance records maintained?

During the investigation it was discussed with the onsite representative that Other Requirements, No. 6 of the permit requires that "a certified operator shall inspect the facility five days per week and maintain at the plant site a record of these inspections". The facility has not been keeping facility inspection logs; however, a certified operator has been onsite five days per week to perform total chlorine residual sampling. On August 16, 2018, the Region Office received a revised maintenance/sampling log that the operator will use from now on that includes a general facility inspection.

Were the analytical results consistent with the data reported on the DMRs and /or MERs?

Maximum pH as well as TSS (lbs/day) and NH3N (lbs/day) were reported incorrectly during the month of February 2018 due to typos. All effluent data must be accurately reported on all DMRs. On August 15, 2018, the DFW Region Office received documentation that the February 2018 DMR was revised.

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**TOWN OF LAKEWOOD VILLAGE, TEXAS**

**ORDINANCE NO. 18-xx16-04REVISED**

**AN ORDINANCE OF THE TOWN OF LAKEWOOD VILLAGE, TEXAS, ADOPTING REGULATIONS GOVERNING ELECTIONEERING ON PUBLIC PROPERTY; ESTABLISHING RULES FOR CANDIDATE FORUMS; PROVIDING FOR A PENALTY FINE NOT TO EXCEED ONE-HUNDRED DOLLARS; PROVIDING A SAVINGS CLAUSE AND AN EFFECTIVE DATE.**

**WHEREAS**, The 83rd Texas Legislature passed House Bill 259 which modified Texas Elections Code Section 61.003 and Section 85.036 which requires that the Town of Lakewood Village allow electioneering on Town Hall property when polling is underway; and

**WHEREAS**, Texas Elections Code §61.003(a-1) and §85.036(b) authorizes a municipality to enact reasonable regulations concerning the time, place, and manner of electioneering on property used as a polling place; and

**WHEREAS**, the Town Council of Lakewood Village has determined that electioneering as public speech is beneficial to the free-flowing exchange of ideas, and provides opportunities for candidates and citizens to become better informed; and

**WHEREAS**, in order to facilitate and encourage candidate / voter forums the Town Council of Lakewood Village finds that the adoption of rules are necessary to insure fair and equal access and meet the conditions expressed by the Texas Ethics Advisory Board;

**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. Purpose and Intent**

This ordinance is adopted to provide regulations governing electioneering on public property ~~outside the one hundred foot exclusion zone during the voting period. Regulations herein are adopted governing electioneering on public property outside of the voting period and outside of the exclusion zone.~~ Regulations herein are adopted to ensure fair and equal candidate access to candidate forums meet Texas Ethics Board standards.

### **Section 3. Definitions**

The following definitions shall apply unless the context clearly indicates or requires a different meaning. Unless defined otherwise, all terms shall be defined as in the Texas Elections Code.

*Voting Period:* Unless the election has been cancelled, the voting period shall commence on the poll opening on the first day of early voting and end when polls close on election day.

*Campaign Period:* The campaign period shall commence on the first day when candidates may file to run for office in Lakewood Village and ends when polls open on the first day of early voting or upon cancellation of the election.

### **Section 4. Restrictions on Electioneering**

(a) At All Times

The following prohibitions are in addition to those contained in the Texas Elections Code:

- (1) the placement or distribution of campaign literature inside Town Hall or placement in or attached to any of the Town's bulletin boards or the marquee;
- (2) the placement or attaching of any political sign to any ~~publically~~publicly owned buildings (Town Hall, etc.), town equipment, town fences, street signs, utility poles, benches, fire hydrants, or other public improvements.

(b) During the Campaign Period

The purpose of this ordinance is not to curtail political speech or discourage candidates seeking to interact with citizens. Due to the lack of public meeting places and location of likely meeting places (park, mailbox locations) on public property ~~within the 100-foot exclusion zone~~, as a practical matter it is desirable to allow some electioneering therein, therefore the following regulations apply during campaign periods:

- (1) handouts, distribution of political advertising and solicitations to voters is permitted on Town property as long as it is done in a manner which does not harass voters, impede traffic, or cause potential safety hazards (e.g. standing in an intersection handing out flyers, blocking the sidewalk).
- (2) with the exception of a town authorized candidate/voter forum, Town Hall cannot be rented and can only be used for official town business during the Campaign and Election periods.
- (3) the placement of signs on town property within 100 feet of the polling place is prohibited.

### **Section 5. Candidate / Voter Forums**

Facilitating and encouraging candidates and voter interaction is beneficial to all parties and allows citizens to make informed governance choices. ~~Under Texas Elections Code § 255~~ generally prohibits the expenditure of government resources in advocacy of an issue or candidate. However, in various opinions the Texas Ethics Advisory Board has found that at times when ~~as~~ all candidates have equal notice and equal access to an event, then the event will not be considered advocacy for or against any candidate regardless of whether or not all candidates choose to attend.

~~In determining the rules and procedures of the forum, deference to mutual agreements between the candidates shall govern, so long as they are not contrary to Code or Ethics Advisory Opinions. In lieu of any agreements,~~ The following rules shall govern the Forum/s:

**(a) Requestor**

1. A voter citizen forum shall be held at the request of any candidate who has filed to run for office in a contested election. All opposing candidates for the seat must be invited. All candidates must be treated with equal dignity and must have equal opportunity to participate in the process.
2. The forum can only be cancelled by the requestor. Non-participation by a candidate will not subject the forum to cancellation.

**(b) Schedule**

Candidates for each seat will be given an opportunity to mutually agree on forum ~~dates~~ and starting time. ~~If agreement cannot be met, then each candidate shall select one date and time during the campaign period, subject to:~~

~~–Opposing candidates must adhere to the following schedule:~~

March 10th - Candidates for a particular seat must reach agreement on forum date and time by this date. If there is no agreement at this time then the following schedule shall apply:

- Seats 1 or 2 - the forum shall be held on the last Saturday in March at 6pm;
- Seats 3 or 4 - the forum shall be held on the first Saturday in April at 6pm;
- Seats 5 or 6 - the forum shall be held on the second Saturday in April at 6pm.

March 15th - The Town must post the time and date of the forum on the Town website and include information in the March water bill mailer.

In addition:

1. A forum may not be held on the day of a meeting of the Town Council;
2. The starting time of the forum may not be earlier than 6pm on a weekday.
3. The forum cannot be held anytime after early voting has started
4. Only one forum will be held for each contested seat

**(c) Format**

~~In the absence of a mutual agreement,~~ The following format shall apply:

1. To insure confidentiality, citizens will be ~~required~~allowed to submit written questions and each candidate will have three minutes, with equal time to respond. ~~Under the direction of the moderator, citizens may also publically ask questions.~~
2. The moderator will be chosen by the three ~~not be a~~ council members who are not ~~is a~~ candidates in the current election. The moderator must be finalized at least 72 hours prior to the forum.
3. The opportunity for opening and/or closing statements not to exceed 5 minutes will be made to all candidates. The speaking order of the closing statements shall be the reverse of the opening statements.
4. The forum shall be 90 minutes in length.

#### **Section 6. 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 7. Estoppel / Waiver**

The failure of the Town to enforce any term or condition of this Ordinance shall not constitute a waiver or estoppel or any subsequent violation of this Ordinance.

#### **Section 8. Penalties**

Any person violating any provisions or terms of this ordinance shall be subject to a penalty of up to one-hundred dollars upon conviction. Each day the violation continues shall be considered a separate offence. **First-time violators shall be given notice and 48 hours to cure the violation without penalty.**

#### **Section 9. Savings / Repealing Clause**

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.

Electioneering Ordinance 16-04 is hereby repealed in its entirety.

#### **Section 109. Effective Date**

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 ~~13~~4th day of ~~September~~January, ~~2018~~2016

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Dr. Mark E Vargus  
Mayor

**ATTEST:**

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Linda Asbell, TRMC, CMC  
Town Secretary

**From:** Linda Asbell <linda@lakewoodvillagetx.us>  
**Sent:** Friday, September 28, 2018 11:43 AM  
**To:** Bernas, Rick <RBernas@republicservices.com>  
**Subject:** Lakewood Village Contract

The council will discuss the contract on the council agenda for October 17<sup>th</sup>. We need to have the full contract before October 10<sup>th</sup>.

- \*Contract starts 01/01/2020 for five years
- \*Rate fixed for the first three full years
- \*1<sup>st</sup> rate increase 01/01/2023
- \*Republic may request a rate adjustment for any new or State or Federally mandated fee increases
- \*Quarterly bulk – Lakewood Village will coordinate the dates
- Franchise fee – Lakewood Village will edit current language (PILOT)
- \*Sludge hauls – Republic must perform within 72 hours of haul request. If haul is not performed within 72 hours of request, then Lakewood Village will receive a credit for ½ the charge for the sludge haul.

Please let me know if you have any questions.

Linda Asbell, TRMC, CMC  
Town Administrator/Town Secretary  
972-294-5555 (direct)  
[www.lakewoodvillagetx.us](http://www.lakewoodvillagetx.us)



**ATTENTION PUBLIC OFFICIALS: A "REPLY ALL" TO THIS EMAIL COULD LEAD TO VIOLATIONS OF THE TEXAS OPEN MEETINGS ACT. PLEASE REPLY ONLY TO THE SENDER.**

**From:** Bernas, Rick <RBernas@republicservices.com>  
**Sent:** Friday, September 28, 2018 2:49 PM  
**To:** Linda Asbell <linda@lakewoodvillagetx.us>  
**Subject:** Re: Lakewood Village Contract

Thanks I will get that out into a contract form

Sent from my iPhone

On Sep 28, 2018, at 2:24 PM, Linda Asbell <[linda@lakewoodvillagetx.us](mailto:linda@lakewoodvillagetx.us)> wrote:

Note that ([linda@lakewoodvillagetx.us](mailto:linda@lakewoodvillagetx.us)) is an external email. Forward unfamiliar emails to [infosec.phishing@republicservices.com](mailto:infosec.phishing@republicservices.com)

We can do increase at beginning of year 3 and beginning of year 5.

Linda Asbell, TRMC, CMC  
Town Administrator/Town Secretary  
972-294-5555 (direct)  
[www.lakewoodvillagetx.us](http://www.lakewoodvillagetx.us)



**ATTENTION PUBLIC OFFICIALS: A "REPLY ALL" TO THIS EMAIL COULD LEAD TO VIOLATIONS OF THE TEXAS OPEN MEETINGS ACT. PLEASE REPLY ONLY TO THE SENDER.**

**TOWN OF LAKEWOOD VILLAGE  
ORDINANCE 18-xx**

**AN ORDINANCE OF THE TOWN COUNCIL OF THE TOWN OF LAKEWOOD VILLAGE, TEXAS, ESTABLISHING POLICIES AND PROCEDURES FOR THE DISCLOSURE OF MONTHLY FINANCIAL INFORMATION; POSTING REQUIREMENTS OF VENDOR CONFLICTS-OF-INTEREST STATEMENTS; PROVIDING FOR DEFINITIONS; 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; ADOPTING AN INVESTMENT POLICY AND DEFINING SUITABLE INVESTMENTS; ADOPTING A FUND BALANCE POLICY; PROVIDING FOR PERIODIC REPORTS ON FINANCIAL PERFORMANCE; PROVIDING REPEAL, ~~SUPERCEDING~~SUPERSEDING, AND SEVERABILITY CLAUSES; AND PROVIDING AN EFFECTIVE DATE.**

**WHEREAS**, the Town of Lakewood Village, Texas is a Type B General Law Municipality located in Denton County, Texas created in accordance with provisions of the Texas Local Government Code and operating pursuant to the enabling legislation of the state of Texas; and

**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; and

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

**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; and

**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; and

**WHEREAS**, the Town Council of Lakewood Village, Texas has a fiduciary obligation to invest its citizens' funds prudently; and

**WHEREAS**, the Town of Lakewood Village, Texas is vested with full investment powers under the authority of Local Government Code Section 105.072 and the Texas Government Code Chapter 2256 ("The Public Funds Investment Act" as amended); and

**WHEREAS**, Texas Government Code Chapter 2256.005 requires municipalities to adopt

and maintain a written investment policy and describes specific conditions that the policy must satisfy; and

**WHEREAS**, the Town of Lakewood Village, collects fees and levies taxes upon its citizens in order to collect monies for the administration of the Town; and the Town Council exercises discretion over the investment of said monies for the future betterment of the Town; and

**WHEREAS**, promoting financial transparency through increased disclosures is desirable as a means of maintaining the public trust and confidence in the Town Council's financial stewardship; and

**WHEREAS**, the Town Council of Lakewood Village has the responsibility to select vendors to provide essential services and products, and the Texas Legislature has recently enacted laws governing the filing of vendor conflict-of-interest questionnaires;

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

**Section 1: Findings**

The findings attached hereto as Exhibit A is hereby adopted as the Comprehensive Financials Control Ordinance for the Town.

**Section 2: Repeal**

Financial Controls 14-06, Investment Policy 17-04 and Financial Disclosures 07-09 are hereby repealed in their entirety.

**Section 3: 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 4: Estoppel / Waiver**

The failure of the Town to enforce any term or condition of this Ordinance shall not constitute a waiver or estoppel or any subsequent violation of this Ordinance.

**Section 5: 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 **xxth** day of Month, 2018.

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Dr. Mark Vargus  
Mayor

ATTEST:

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Linda Asbell, TRMC, CMC  
Town Secretary

# **Exhibit A**



# COMPREHENSIVE FINANCIAL CONTROLS

Adopted: Month xxth, 2018

## SECTION 1: FINANCIAL CONTROLS

### 1.1. MAYOR

#### 1.1.1. Contracts

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, orand
  - ii. Is a council-approved written contact 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.

### 1.4. 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.

### **1.5. AUTHORITY TO TASK THE TOWN ATTORNEY**

**As a important part of cost controls, it is necessary to adopt limitations on the ability to inadvertently incur legal bills for tasking the Town Attorney. All Councilmembers are permitted to contact and discuss items with the Attorney. However, the authority to task the attorney to engage in higher expenditure actions such as performing research, providing an official opinion, or to review ordinances is limited to the following rules:**

**1. The attorney may not be asked to provide input on any proposed ordinance until after it has been presented to the Council.**

**2. Any tasking of the attorney requires the approval of the Mayor, or given their increased fiduciary duties, the approval of any two authorized check signers.**

### **1.5.1.6. BANKING**

#### **1.5.1.1.6.1. 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.

#### **1.5.2.1.6.2. 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.

#### **1.5.3.1.6.3. 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.

#### **1.5.4.1.6.4. 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.

#### **1.6.1.7. REIMBURSEMENTS AND COMPENSATION**

##### **1.6.1.1.7.1. 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.

##### **1.6.2.1.7.2. COMPENSATION**

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

## **SECTION 2: INVESTMENT POLICY**

It is the policy of the Town of Lakewood Village ("Town") to invest public funds in a manner which will provide the highest investment return with maximum security while meeting the daily cash flow demands of the Town of Lakewood Village and conforming to the "Public Funds Investment Act". The receipt of a market rate of return will be secondary to the requirement for safety and liquidity.

### **2.1. SCOPE**

This Investment Policy applies to all financial assets of the Town. The Town commingles its funds into one pooled investment fund for efficiency and maximum investment opportunity. These funds are defined in the Town's Comprehensive Annual Financial Report and include the general fund and the water/wastewater enterprise fund as well as any new funds created by the Town unless specifically exempted from this policy by the Town Council.

## **2.2. STRATEGY**

The Town employs an overall investment strategy which provides for the safety of principle and liquidity, while segregating funds to allow for better monitoring and oversight, as well as control. The strategy has the following attributes:

- a) The use of local financial institutions for demand deposits and operating accounts. These accounts generate the highest transaction volumes and are the source of the Town's daily working capital needs. Liquidity and fund availability are the primary requirements, while the relatively low balances minimize the effect on lower yields.
- b) The use of regulated investment pools to invest reserve funds and capital improvement funds which by their nature have longer investment cycles and less frequent transactions. Because these funds are not needed on a daily basis, the use of pools allows the Town to gain higher yields by lengthening the portfolio's maturity.
- c) The strategy does not allow for the Town to hold individual securities except for CD's which must be fully insured by the FDIC.

## **2.3. PRUDENCE**

Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment considering the probable safety of their capital as well as the probable income to be derived.

The standard of prudence to be used by the Investment Officer shall be the "prudent person" standard and shall be applied in the context of managing an overall portfolio. Investment Officers acting in accordance with written procedures of the Investment Policy and exercising due diligence shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided deviations from expectations are reported in a timely fashion and appropriate action is taken to control adverse developments.

## **2.4. OBJECTIVE**

It is the policy of the Town that all funds shall be managed and invested with three primary objectives, listed in the order of their priority: safety, liquidity, and yield (return). These objectives encompass:

### **2.4.1. Safety of Principal**

Safety of Principal is the foremost objective of the Town. Investments of the Town shall be undertaken in a manner that seeks to insure the preservation of capital in the overall portfolio. A diversification strategy is a key element of the Town's investment policy in that it reduces the likelihood of large capital losses attributable to individual securities leading to an overall reduction in the Town's assets. Diversification will be accomplished through the investment in eligible mutual funds which hold a portfolio of individual securities backed by numerous issuers. All mutual fund investments must be insured by the Securities Investor Protection Corporation (SIPC), a nonprofit corporation established by the U.S. Congress.

### **2.4.2. Liquidity**

The Town's investment portfolio must remain sufficiently liquid to enable the Town to meet all operating requirements which might be reasonably anticipated. Mutual fund investments must allow for electronic transfer of funds on a next-business-day basis and be accessible via the internet.

### **2.4.3. Return on Investment**

The Town's investment portfolio shall be designed with the objective of attaining a rate of return throughout the budgeting and economic cycles, commensurate with the Town's investment risk constraints and the cash flow characteristics of the portfolio.

## **2.5. CONTROLS AND DELEGATION OF AUTHORITY**

The Town Council, shall designate by resolution or ordinance the Investment Officer of the Town who is responsible for investment management decisions and activities. The Investment Officer shall develop and maintain written administrative procedures for the operation of the investment program which are consistent with this Investment Policy. The Investment Officer shall be responsible for all transactions undertaken and shall establish a system of controls to regulate the activities of subordinate officials and staff.

Controls:

- a) The Town Council shall adopt maximum investment limits (either in dollar terms of as a percentage of the towns cash) on the value of each investment type (pool, cd, money-market mutual fund).
- b) Any new investment transaction exceeding \$10,000, either to a new investment or to an existing investment one shall be reported to the council at the next subsequent meeting.

## **2.6. ETHICS AND CONFLICTS OF INTEREST**

Officers and employees involved in the investment process shall refrain from personal business activities that could conflict with proper execution of the investment program or which could impair their ability to make impartial investment decisions. Employees and Investment Officials shall disclose to the Town Council any material financial interest in financial institutions that conduct business within this jurisdiction and they shall further disclose any large personal financial/investment positions that could be related to the performance of the Town, particularly with regards to the time of purchases and sales.

## **2.7. AUTHORIZED FINANCIAL DEALERS AND BROKERS**

The Town will not hold individual securities; therefore, it is anticipated that there will not be a need for broker / dealers to execute buy and sell orders.

## **2.8. ACCEPTABLE INVESTMENT INSTRUMENTS:**

The Town of Lakewood Village is permitted to invest only in the following subset of eligible investments empowered under The Public Funds Investment Act:

- a) Mutual funds or investment pools consisting of Obligations of the United States Government or its agencies and instrumentalities;
- b) Mutual funds or investment pools holding direct obligations of the State of Texas or its agencies;

- c) Mutual funds or investment pools holding other obligations, the principal of and interest on which are unconditionally guaranteed or insured by, or backed by the full faith and credit of, the State of Texas or the United States or their respective agencies and instrumentalities;
- d) Certificate deposits issued by State and National banks domiciled in the State of Texas fully insured by FDIC;
- e) SEC registered, no-load money market mutual funds with a dollar weighted average portfolio maturity of 90 days or less whose assets consist exclusively of the US Government securities and whose investment objectives include seeking to maintain a stable net asset value of \$1 per share.
- f) Texas Local Government investment pools as defined by the Public Funds Investment Act.

The following investments are specifically not authorized: (1) individual securities (CD's excepted), (2) any investment with either a weighted average maturity of 3 years or a duration greater than three years

If additional types of securities are approved for investment under the PFIA, they will not be eligible for investment by the Town until this policy has been amended and approved by the Town Council.

## 2.9. INVESTMENTS IN REAL PROPERTY

Nothing in this policy is to be construed as limiting the Town's rights to acquire real property as authorized under the Local Government Code, Section 271 or through eminent domain or other authorized methods.

## 2.10. INVESTMENT REPORTING

Each quarter, the Investment Officer and any employees designated by the Investment Officer shall prepare and submit to the Town Council a written report of all investment transactions, balances, and changes in position.

The report must

1. Describe in full detail the investment position of the town on the date of the report; in addition for non-money market accounts where applicable the report shall include:
  - ~~Must contain~~ the beginning market value ending market value and fully accrued interest for the reporting period,
  - ~~State~~ the book value and market values of each ~~separately invested~~ asset
  - ~~Clearly state~~ the maturity date of each ~~separately invested~~ asset
- 4.2. Clearly state the town account or fund in which the individual investment was acquired and state the compliance of the investment's portfolio to the Towns investment strategy

If the Town invests in other than money market mutual funds, investment pools or accounts offered by its depository bank in the form of certificates of deposit, or money market accounts or similar accounts, the reports prepared by the investment officers under this section shall be formally reviewed annually by an independent auditor, and the result of the review shall be reported to the governing body and

then posted on the town website for at least 7 years.

### **2.11. ACCEPTABLE INVESTMENT INSTRUMENTS**

The Town of Lakewood Village is permitted to invest only in the following subset of eligible investments empowered under The Public Funds Investment Act:

- a) Obligations of the United States Government or its agencies and instrumentalities;
- b) Direct obligations of the State of Texas or its agencies;
- c) Other obligations, the principal of and interest on which are unconditionally guaranteed or insured by, or backed by the full faith and credit of, the State of Texas or the United States or their respective agencies and instrumentalities;
- d) Certificate deposits issued by State and National banks domiciled in the State of Texas and collateralized or fully insured by FDIC or US Government Securities;
- e) SEC registered, no-load money market mutual funds with a dollar weighted average portfolio maturity of 90 days or less whose assets consist exclusively of the US Government securities and whose investment objectives include seeking to maintain a stable net asset value of \$1 per share.

Texas Local Government investment pools as defined by the Public Funds Investment Act.

If additional types of securities are approved for investment by public fund by State statutes, they will not be eligible for investment by the Town until this policy has been amended and the amended version approved by the Town Council.

### **2.12. INVESTMENTS IN REAL PROPERTY**

Nothing in this policy is to be construed as limiting the Town's rights to acquire real property as authorized under the Local Government Code, Section 271 or through eminent domain or other authorized methods.

## **SECTION 3: FUND BALANCE POLICY**

### **3.1 Purpose and Overview**

The purpose of this policy is to establish guidelines for the governmental (general) fund balance levels. It is essential that the Town maintain adequate levels of fund balance to mitigate financial risk that can occur from unforeseen revenue fluctuations, unanticipated expenditures, or adverse circumstances. The fund balance level is also designed to provide an appropriate amount of working capital for the town's general operations. It is expected that the Town will operate with a balanced budget with operating expenditures fully funded by current revenues. In cases where the fund balance will be drawn down for projects, the budget approval process should identify the time and financial trajectory to re-establish the appropriate fund balance.

### **3.2 Definitions and Categories**

*Fund Balance* – Defined as the difference between a governmental fund's assets and liabilities.

According to the **Governmental Accounting Standards Board (GASB) Statement 54**, fund balance must be allocated into one the following five categories:

1. *Non-spendable Fund Balance* – includes amounts that are not in a spendable form or are legally or contractually required to be maintained intact. Examples include inventory or endowments.
2. *Restricted Fund Balance* – includes amounts that can be spent only for the specific purposes stipulated by external resource providers either constitutionally or through enabling legislation. Examples include grants and hotel occupancy taxes.
3. *Committed Fund Balance* – includes amounts that can be used only for the specific purposes determined by a formal action of the government’s highest level of decision-making authority. Commitments may be changed or lifted only by the government taking the same formal action that imposed the constraint originally.
4. *Assigned Fund Balance* – comprises amounts intended to be used by the government for specific purposes. Intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority. In governmental funds other than the general fund, assigned fund balance represents the amount that is not restricted or committed. This indicates that resources in other governmental funds are, at a minimum, intended to be used for the purpose of that fund.
5. *Unassigned Fund Balance* – includes all amounts not contained in the other classifications. Unassigned amounts are available for any purpose.

### **3.3 Fund Balance Policy**

#### *Minimum Unassigned Fund Balance*

Given the primary revenue source is residential property taxes, it is the goal of the Town to achieve and maintain an unassigned fund balance in the general fund equal to 33% of budgeted expenditures for unanticipated expenditures, unforeseen revenue fluctuations, or other adverse circumstances.

If the fund balance drops below 25%, the Town will implement necessary corrective action within a two-year plan to restore the unassigned fund balance to 33 percent of budgeted expenditures. These corrective actions may include the following: reducing conference travel expenditures; reducing discretionary expenditures for parks and recreation; deferring town maintenance; limiting merit raises to COLA.

#### *Non-governmental fund balances*

The fund balance categories discussed above do not apply to proprietary funds according to GASB 54; therefore, the Town will not implement a fund balance policy for non-governmental fund balances.

## SECTION 4: ~~FINANCIAL DISCLOSURES~~DISCLOSURES

### 4.1. PURPOSE

This ordinance sets forth disclosure requirements for financial transactions that the Town consummates, including disclosure frequency, manner of disclosure, and assigns compliance responsibility to the Town Financial Officer. This ordinance also requires public disclosure of State mandated vendor conflict-of-interest questionnaires (Form CIQ) upon receipt by the Town.

### 4.2. REQUIRED FINANCIAL ~~DISCLOSURES~~DISCLOSURES

- a) Concurrent with the agenda posting of the regularly scheduled monthly Council meeting, the Town shall post in a public manner a monthly financial report containing the following information:

~~i. The Check register for the General Fund and Utility Fund from the Town's accounting system. A list of all disbursement transactions from the preceding calendar month, which includes the following detailed information:~~

~~i. The date and amount of the transaction,~~

~~i. The identity of the recipient,~~

~~i. A brief description or account classification of the transaction~~

~~ii. A categorized summary of revenues for the preceding month. The summary should be disaggregated to allow for the general source of the revenue such as "monthly water billing receipts" but is not intended to require disclosure of receipts from individual persons.~~

~~iii.i. The aggregate approximate cash balances in the Town depository and checking accounts.~~

~~b) Upon request, a copy of the financial report shall be provided free of charge to any citizen subsequent to posting and prior to the regular council meeting. Citizens will not be required to submit a Public Information Act request to obtain a copy.~~

~~e)b)~~ Decisions relating to the report style, formatting, additional content, and manner of posting shall be determined by the Mayor or his designate.

### 4.3. POSTING OF FORM CIQ

Chapter 176 of the Texas Local Government Code requires certain vendors and parties doing business with municipalities to file conflict-of-interest Form CIQ annually. The law also requires vendors to file updated forms when necessary and mandates that respondents to bid and proposal requests also file form CIQ. Upon receipt of a Form CIQ, the Town shall:

a) in a timely manner, publicly post the notice online for a period of at least 5 business days.

~~b) Upon request, the Town shall provide, free of charge, a copy of the form to any citizen without requiring the citizen to file a Public Information Act request.~~

#### 4.4. RESPONSIBILITY

~~As the Chief Financial Officer for the Town,~~ compliance with this ordinance shall be the responsibility of the ~~Town's Chief Financial Officer~~Mayor.

### 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.

Transaction: shall mean any bank draft or electronic funds transfer from any Town financial account to a third party or person.

## End of Exhibit A

### Adoption and Summary of Amendments

Ordinance Number	Date	Summary
18-xx	, 2018	<ul style="list-style-type: none"><li>• Initial Adoption</li><li>• Consolidated 17-04, 14-06 and 07-09</li><li>• Added Section <u>34</u></li></ul>