

LAKWOOD VILLAGE TOWN COUNCIL

COUNCIL MEETING

JULY 9, 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 – ABSENT
Summer Paulsen, Administrative Assistant

REGULAR SESSION - 7:00 P.M.

With a quorum of the Council Members present, Mayor Vargus called the Regular Session of the Town Council to order at 7:00 p.m. on Thursday, July 9, 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 requested to speak.

CONSENT AGENDA:

(Agenda Item C)

1. Minutes of the June 11, 2015 Council Meeting (Asbell)
2. Engagement of Nabors CPA Services, P.C. for Fiscal Year 2014-2015 Audit (Asbell)

MOTION: Upon a motion made by Councilman Getka and seconded by Councilman Bushong the Council voted four (4) “ayes” and no (0) “nays” with Mayor Pro-Tem Menckhoff abstaining, to approve the minutes of the June 11, 2015 Council Meeting. *The motion carried.*

**LAKWOOD VILLAGE TOWN COUNCIL
REGULAR SESSION
JULY 9, 2015**

Page 2

MOTION: Upon a motion made by Councilman Getka and seconded by Councilman Bushong the Council voted five (5) “ayes” and no (0) “nays” to approve the engagement of Nabors CPA Services, PC for Fiscal Year 201-2015 Audit. *The motion carried.*

REGULAR AGENDA

(Agenda Item D)

**Discussion of Impact Fee Implementation,
Town Engineer Kimley Horn (Vargus)**

(Agenda Item D.1)

Mayor Vargus introduced Town Engineers Todd and Anthony from Kimley Horn. Mayor Vargus explained importance of impact fees. Anthony reviewed his impact fee presentation. There was some discussion on calculating fees and setting a plan. Mayor Vargus stated the town will provide answers to the questions and verified the Engineers will help the town work through Texas Commission on Environmental Quality regulations. Kimley Horn will calculate the maximum allowable impact fee. The law has provided for credit allowances by way of either credit calculation a percentage. Anthony reported that impact fees are well worth the effort it takes to set them if community wants to be able to fund future. Mayor Vargus clarified the funds would be segregated. Anthony will assist setting up required segregation dependent upon the type of impact fee charged. He also explained the time frames and responsible parties for paying the fees. There was some discussion on timeline and scope of the impact fee implementation. There was some discussion on the ability of council to negotiated impact fees with developers based on infrastructure or other dedications to the town. Council thanked the engineers for their time.

**Consideration of Appointments to the
Economic Development Corporation (Asbell)**

(Agenda Item D.2)

Mayor Vargus explained the law recently passed by the Texas Legislature. The Governor signed the law two weeks ago permitting cities to abolish Economic Development Corporations and move the sales tax collected to the town. There was some discussion of an ordinance to abolish EDC because it is no longer needed. The Municipal Development District will remain in place because the law did not include abolishing Municipal Development Districts. Bill Schoknecht expressed disappointment about not being notified prior to the meeting. Mayor Vargus reported this was new information and an ordinance will be on the agenda for the council to consider next month. Councilman Getka Dave asked about the possibility of placing House Bill 157 on the website.

MOTION: *No motion was made*

**Consideration of Appointments to the
Municipal Development District (Asbell)**

(Agenda Item D.3)

Mayor Vargus reported that the terms of some of the members expire this year. There was some discussion about the focus and goals of the Municipal Development District. There was some discussion on considering members from the Economic Development Corporation, which will be dissolved, for membership on the Municipal Development District Board.

MOTION: *No motion was made.*

**Consideration of Amending Fee Ordinance
Related to Utility Rates (Vargus)**

(Agenda Item D.4)

Mayor Vargus reviewed the fee ordinance and the proposed changes. There was some discussion about new water rates and the impact on billing. There was some discussion on the water rates of surrounding municipalities being 40% higher than Lakewood Village rates. Mayor Vargus and Dan Tantalo reported that the Rocky Point Water System would not be changing its water rates. There was some discussion about a \$1.00 increase in the sewer rate and the cost of repairs to the lift stations. Mayor Vargus stated that the town needs to plan for additional ground storage for water and the possibility of a developer contributing to that cost. There was some discussion on the small increase for garbage collection. This is the first increase since 2011.

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

**Consideration of Parking & Oversized
Vehicle Ordinance (Vargus)**

(Agenda Item D.5)

Mayor Vargus reported on the State laws restricting parking in and around intersections. There was some discussion on oversized vehicles parked on Peninsula Drive. There was some discussion about safety at the intersection of Highridge Drive and Melody Lane. Trucks and other vehicles often park at that intersection and block the fire hydrant and a portion of the driving lane. Mayor Vargus reported that an ordinance can restrict parking in specific areas. There was some discussion about required signage. Councilman Bushong reported that street parking on Shoreline Drive is also a concern. Mayor Vargus stated that he will propose a new ordinance which defines no-parking areas. Mayor Pro-Tem Menckhoff reported concern with the application and enforcement of parking restrictions. Mayor Vargus reported that towing

vehicles is a challenge but he will look into proposing some procedures for council to consider. Councilman Reed reported a problem with parking around construction of new homes.

MOTION: *No motion was made*

**Discussion of Ordinance Adopting 2011
Electric Code (Bushong)**

(Agenda Item D.6)

Councilman Bushong reported that each code is being updated to the same standard as area municipalities. The ordinance will adopt the national code, and specifically includes arc fault protection for residential structures.

**Consideration of Municipal Development
District Fiscal Year 2015-2016 Budget**

(Agenda Item D.7)

Dan Tantalo, Municipal Development District President, reviewed the financial report and proposed budget for the Municipal Development District and reported that the debt to the Lakewood Village Utility Fund will be paid off this month. He reported that the board is anticipating updating the system. There was some discussion on potential upgrades to infrastructure and the possibility of amending the budget as specific projects are identified. There was some discussion about the Municipal Development District now having the ability to obtain a bank loan. Mr. Tantalo reported that he would set up a meeting with Sam Morgan and Mark Patterson to discuss the infrastructure improvements that are needed.

MOTION: *No motion was made.*

**Consideration of Fiscal Year 2015-2016
Budget**

(Agenda Item D.8)

Mayor Vargus reviewed the proposed budget. There was some discussion about street repair and bond payments. Mayor Vargus reported to council that the budget for travel has increased to make funds available for council to attend the Texas Municipal Conference. There was some discussion about the cost of elections. Mayor Vargus stated that all restitution money has been collected from Dawn Sendziak so that income line has now been removed. There was some discussion about Utility Fund expenses. There was some discussion about capital improvements for next year. There was some discussion about repairs needed for the GIS laptop. There was some discussion about the sewer plant renewal. Council discussed the Road Maintenance Fund and repairs to Melody Lane. There was some discussion about the need for a Public Works

service building. Council thanked Mayor Vargus for all his time and effort in preparing the budget.

MOTION: Upon a motion made by Councilman Reed and seconded by Councilman Newsome, council voted five (5) “ayes” and no (0) “nays” to approve the Fiscal Year 2015-2016 Budget as discussed. *The motion carried.*

**Discussion of Construction Issues Related to
829 Carrie and 635 Melody (Vargus)**

(Agenda Item D.9)

Mayor Vargus reported that workers at 635 Melody Lane excavated into the neighbor’s yard. It appears the construction company is doing minimal work and delaying actually fixing the situation with the neighbors.

Mayor Vargus reported that Brent Ashton, owner of 829 Carrie Lane is in the audience. Mayor Vargus stated the goal is to get the house finished and to meet the zoning requirements. There is a current issue with garage and the town wants to prevent future problems. Council reviewed the timeline of the construction. There was some discussion on points during the review of the timeline. There was some discussion on the submittal of plans and the need to have the detached garage approved. There was some discussion on the building calling in inspections out of order, requesting partial inspections, and the multiple failed inspections. Mr. Ashton disagreed with the electric meter being pulled rather than power being discontinued at the pole during a time when the electrical wiring was underwater from the flooding rains. Mr. Ashton stated that he appreciated that the Building Inspector found that the builder used the wrong size wiring. Mr. Ashton stated that he believes the only current issue is the drainage. Mayor Vargus reported that the builder seems “stuck” on passing the Housing Second inspections and has failed multiple times. There was discussion on the need for approval of a new set of plans that show the detached garage and identifying the basketball court within the house plans. Mr. Ashton reported that the detached garage is expected to be completed at the same time as the house but the weather has caused a delay. Mayor Pro-Tem Menckhoff stated that he would like to move on and find a solution for the issues on this property. Mr. Ashton requested that Mayor Vargus and himself along with another member of the Town Council meet with a representative from the United States Army Corps of Engineers to discuss drainage. Mr. Ashton would like that meeting to take place as soon as possible.

**Consideration of Variance Request for
Garage Set-Back at 428 Hillside (Vargus)**

(Agenda Item D.10)

Mayor Vargus reported that the construction on this home is completed and the Building Inspector has issued a certificate of occupancy. This variance is requested as a housekeeping

**LAKWOOD VILLAGE TOWN COUNCIL
REGULAR SESSION
JULY 9, 2015**

Page 6

matter to close this construction file. The garage and driveway on the finished house is slightly inside the setback but causes no issues with adjacent properties.

MOTION: Upon a motion made by Councilman Bushong and seconded by Councilman Getka, council voted five (5) “ayes” and no (0) “nays” to approve variance as requested at 428 Hillside Drive. *The motion carried.*

EXECUTIVE SESSION:

(Agenda Item E)

At 9:35 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; (3) § 551.087 Texas Government Code to wit: Economic Development Negotiations; and (4) § 551.076 Texas Government Code to wit: deliberations about security devices.

RECONVENE:

(Agenda Item F)

Mayor Vargus reconvened the regular session of the Lakewood Village Town Council at 10:14 PM.

MOTION: Upon a motion made by Councilman Menckhoff and seconded by Councilman Getka, council voted five (5) “ayes” and no (0) “nays” to authorize Mayor Vargus to engage Attorney Jim Matthews for legal services for an amount not exceeding \$10,000. *The motion carried.*

COUNCIL AND STAFF COMMENTS

(Agenda Item G)

Mayor Vargus reported that a new law allows a municipality to annex a county road adjacent to a property being annexed

Councilman Reed reported that he will be meeting with County Commissioner Hugh Coleman and his staff sometime during the month of July.

Councilman Newsome reported that his church recently installed a two-sided electronic sign at his church. It has good resolution and he would like the town to consider replacing the marquee with an electronic sign.

**LAKWOOD VILLAGE TOWN COUNCIL
REGULAR SESSION
JULY 9, 2015**

Page 7

Administrative Assistant, Summer Paulsen, distributed a handout with the Texas Municipal League Conference schedule and reminded Councilmembers to pick up their mail from their mailboxes.

Mayor Vargus and Mayor Pro-Tem Menckhoff both reported their schedules might conflict with the August council meeting date.

ADJOURNMENT

(Agenda Item H)

MOTION: Upon a motion made by Mayor Pro-Tem Menckhoff and seconded by Councilman Getka, council voted five (5) “ayes” and no (0) “nays” to adjourn the Regular Session of the Lakewood Village Town Council at 10:31 p.m. on Thursday, July 9, 2015. The motion carried.

These minutes approved by the Lakewood Village Town Council on the 10th day of September 2015.

APPROVED

Dr. Mark E. Vargus
MAYOR

ATTEST:

Linda Asbell, TRMC
TOWN SECRETARY