



## *Mayor's Letter*

May 15, 2016

**ELECTIONS.** In our May 7th election voters overwhelmingly approved our sales tax changes, which followed the dissolution of the Lakewood Village EDC. Thank you to everyone who voted. This will significantly reduce our administration burdens while still allowing us to continue to expend our funds for the benefit of the town. The legislature got it right, EDC's are great for large cities, but they were overly complicated for small towns who needed flexibility to efficiently spend the funds. For me, the extra good news is that now I only have to reconcile eleven bank accounts each month instead of 12!

Wait, we're not done. The Republican Party runoff election (sorry, no Democrats allowed) will be at LWV Town Hall on Tuesday May 24 for one-day only from 7am – 7pm. Please be extra careful as you get your mail and use the driveway.

**PUBLIC HEARING.** At our May 12th regular council meeting, we had a standing-room-only audience for our public hearing on the LandPlan development. The open forum lasted 45 minutes and gave residents the



opportunity to ask a wide range of questions of the LandPlan representative, our Town Engineer, and the Council. Although a public hearing is not required when a preliminary plat is submitted, any development in LWV will affect us all, so we believe it's important to provide everyone current, accurate, and timely information. For those who couldn't attend, let me provide you with some additional information. **A preliminary plat** is simply a document that the

developer creates that shows the layout of the individual properties, streets, parks, easements, and land dedications to the Town – it shows how the land will be “cut-up”. Once it is submitted, the first legal step requires the Town engineer to review the document and evaluate whether it meets the specifics of our zoning, subdivision, thoroughfare plan, and park dedication ordinances, as well our infrastructure construction standards. **The engineer does not evaluate the developer's “design choices” such as lot geometry or cul-de-sac locations.** So for example, if LandPlan believes that prospective buyers find cul-de-sacs attractive, they are free to put in as many as they like – that is their choice. However, our engineer will verify that each cul-de-sac must meet the standards for emergency vehicle access (i.e. 100 ft. diameter). Similarly, as long as they meet the zoning requirements; lots are one acre or greater and the width is at least 90 feet at the build line; they can make the individual lots any size or geometry (square, rectangle, trapezoid, or rhombus) they wish. The review is a legal one – if they meet our requirements, the plan must be approved.

**Based on the engineers report, the Town Council unanimously approved the plan.** The next step in the process is the detail work leading to a final plat. First, we will continue our collaboration on the best approach for the water and sewer utilities, the location of the lines and lift stations, and their sizing. Our biggest complication in the infrastructure design is that we have to “oversize” the utilities for the future growth in the undeveloped properties to the west. As part of this, we are also evaluating various options for a new well.

We will be spending several months working on the other issues such as landscaping, screening walls along Highridge and Lakecrest, the new town entrance and intersection realignment, mailboxes, street signage and monuments, parks, the nature trail, etc. In addition, I will be working with LP and our financial advisors to begin the process of creating and overlaying a PID (Public Improvement District) on the project.

For our internal planning purposes, I am hopeful that we can approve the final plat and LP can start pushing dirt by the end of the year. I hope that we will see lots available for sale by late Summer 2017.

**ROADS.** The Town council discussed the various possibilities for the rehabilitation of Melody Lane. The consensus from our engineers and the Denton County Road and Bridge personnel is that significant portions of Melody Lane need to be rebuilt; the base has failed, the road has disintegrated, and there is little to be gained by a chip and seal patch. Rebuilding the various sections would be in the neighborhood of \$150,000 to \$200,000, and that's impossible to justify for a temporary fix. As an alternative, I believe it would be possible to piggyback on the LandPlan road construction and go ahead and concrete Melody Lane. Melody has several advantages: (1) Lakewood Village Drive will extend to Stowe Lane and thus the LP concrete construction will tie into Melody Lane already; (2) Melody Lane is in the worst shape, as it handles traffic from Carrie Lane as well; and (3) Melody is relatively short, has few culvert crossings, and contains the least driveway approaches.

How do we pay for it? Well first, you can't make a developer pay for a road that isn't inside their development, so no, we can't tell LP to build it. This one is on us. Thinking out of the box, after we extend Lakewood Village Drive through our lot on Melody Lane, we will have approximately 1 acre left, which we can sell as a buildable lot. For the rest, as part of our financial operations, we maintain a separate dedicated Road Maintenance Fund (RMF) that receives a portion of the EDC and MDD sales taxes, and franchise fees and taxes on those blue roll-off trash containers. The revenues from the RMF should be sufficient to finance the remaining costs of construction. **Importantly, there would be no increase in taxes. No tax increase.**

**A NATURAL QUESTION** is "what about the rest of town?". Certainly, it makes sense to do as much concrete as possible at a time as there are economies of scale such as buying in bulk and saving on mobilization costs. So how much would it take to finish the town? We have just under three miles of non-concrete roads. Based on our construction costs from 2014/2015, I estimate that the cost to do it all would be \$3.6 million. With current interest rates and assuming we issue ten year notes, the debt servicing would add \$0.49 to our tax rate. In other words, if we wanted to do it all, it's simple, just raise the tax rate from \$0.30 to \$0.79. **Just to be clear, that is an option that I would never support.** And, in case you were wondering, if we issued 20 year bonds instead of 10 year then the tax rate would only go up to \$0.61. For 20 years. No thanks.

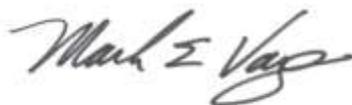
But, it's not as bad as it seems. When we grow, we will be able to afford to refinance and pick off the roads as our tax base increases. It's just that we aren't going to borrow money today based on the hope that future houses will materialize to bail us out. Growth and development will happen on our terms, we aren't going to put ourselves in the position where we have relaxed our standards and compromise our quality of life because we are financially desperate. That's our philosophy in Lakewood Village.

**WILDLIFE BIOLOGISTS** have been trekking through the woods surveying the flora and fauna in the village in anticipation of our nature trail and preserve. Biologists Rachel Richter and Sam Kieschnick with Texas Parks and Wildlife will be presenting their findings and recommendations at our June meeting. If you have questions about coyotes, foxes, snakes or any other critters we will have an open forum at the meeting. I have certainly learned a lot in our discussions, I urge you to attend if you have any concerns about our wildlife.

**SPECIAL JUNE COUNCIL MEETING.** Our June meeting has been moved up one day to Wednesday June 8th. We will be swearing in our newly elected council members and recognizing the contributions of Mayor Pro-tem Menckhoff who will be stepping down.

We've got a lot in front of us, it's a great time to be in Lakewood Village

**Dr. Mark E. Vargus**  
Mayor



(cell) 214-558-6947  
Mark@lakewoodvillagetx.us