

LAKEWOOD VILLAGE TOWN COUNCIL

COUNCIL MEETING

JUNE 11, 2020

Council Members:

Dr. Mark Vargus, Mayor
Darrell West – Mayor Pro-Tem
Clint Bushong
Serena Lepley
Matt Bissonnette
Eric Farage

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 7:00 p.m. on Thursday, June 11, 2020 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 April 23, 2020 Council Meeting (Asbell)
2. Minutes of May 14, 2020 Council Meeting (Asbell)
3. Resolution Naming the Denton Record Chronicle as the Official Newspaper (Asbell)
4. Renewal of the “380” Interlocal Agreement between Town of Lakewood Village and the Lakewood Village Municipal Development District (Asbell)
5. Interlocal Cooperative Purchasing Agreement with Denton County (Asbell)

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MOTION: Upon a motion made by Councilwoman Lepley and seconded by Mayor Pro-Tem West, council voted five (5) “ayes”, no (0) “nays” to approve the consent agenda items as presented. *The motion carried.*

REGULAR AGENDA:

(Agenda Item D)

**Consideration of Election of Mayor Pro-Tem
(Asbell)**

(Agenda Item D.1)

Mayor Vargus stated that Darrell West has served well in the position. Council expressed appreciation for Mayor Pro-Tem West’s service.

MOTION: Upon a motion made by Councilman Farage and seconded by Councilman Bissonnette, council voted five (5) “ayes”, no (0) “nays” to re-elect Darrell West as Mayor Pro-Tem. *The motion carried.*

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

(Agenda Item D.2)

Mayor Vargus reported that Larry King and Dave Batchelder are up for reappointment and both are eager to continue serving.

MOTION: Upon a motion made by Councilman Farage and seconded by Councilwoman Lepley, council voted five (5) “ayes”, no (0) “nays” to re-appoint Larry King and Dave Batchelder to the Municipal Development District Board of Directors. *The motion carried.*

**Discussion of Concrete Road Project
(Vargus)**

(Agenda Item D.3)

Mayor Vargus reported the construction is on schedule. Pipes and headwalls have been installed on Stowe Lane. The schedule calls for Ed Bell Construction to finish laying base and rebar by early next week. Concrete pour will start on approximately June 22, 2020. No complaints have been received; Ed Bell Construction is working well with residents along Stowe Lane. Mayor Vargus reported on problems with utilities like AT&T locating their services in the right-of-way rather than the utility easement. Those utilities are being relocated. AT&T is going to abandon the current service lines in The Shores and install new lines in the correct locations. AT&T will not agree to install fiber optic lines, they will install copper lines. Suddenlink is ready to install

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lines now. Brittany Shake with Kimley Horn is going to manage the line reinstallation. The road millings are being deposited behind Witt Park, to enlarge the berm in front of the sewer plant. Woodcrest will begin after Stowe is completed. Town Engineers, a council representative and Ed Bell Construction meets every Monday at 3:00 to review progress.

**Discussion of Fiscal Year 2020-2021 Budget
(Vargus)**

(Agenda Item D.4)

Mayor Vargus reviewed the plan the council adopted at the time the previous road bonds were sold. The 2015 council adopted a debit rate of \$0.05 rather than the \$0.20 required to make the bond payment and make up the deficit with property tax revenue. In 2013 the \$0.25 tax rate generated \$183,585 to operate the town. In 2014 the \$0.25 tax rate, minus the deficit, generated \$62,946 to operate the town. The 2013 town council cut all discretionary spending and implemented the administrative fee to the Utility Fund and the MDD to allocate their share of the expenses and reimburse the General Fund. In 2013 the MDD started contributing to the assist the town, and franchise fees were implemented. In 2018 the town owned Melody Lot was sold to add to the maintenance and operation funds. Mayor Vargus reported that the town will have two bond payments for four years. Mayor Vargus stated if the reserves are maintained at twenty-five percent the town can support the deficit. If the reserves go below twenty-five percent, the tax rate will need to be adjusted to cover the deficit.

Mayor Vargus reviewed the construction fund balances against the construction costs. Mayor Vargus reviewed the savings achieved with change orders. As of today, the town is anticipating a \$424,743 revenue shortfall on the construction fund. Mayor Vargus reported revenues are healthy in the current fiscal year.

Mayor Vargus reviewed the bond payment schedule. Council discussed increasing the debt servicing tax rate by \$0.03 to \$0.20 instead of the \$0.36 required to cover the full debt payment. There was some discussion about planned future utility fund expenses. In February, the bond payment is larger as it covers principle and interest; the July payment is interest only.

Mayor Vargus reviewed the current budget. The General Fund operating surplus is approximately \$180,000. Mayor Vargus reviewed expenses for improvements at town hall and the mailbox area. Mayor Vargus reviewed the Utility Fund revenues and expenses. The Utility Fund will have an operating surplus of approximately \$99,000. Mayor Vargus reported that the sewer line at the end of Highridge and Meadow Lake was old clay tile and needed to be replaced before the new road was constructed. Mayor Vargus also reported on a plat discrepancy on Green Meadow which required an additional sewer tap to be installed.

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Mayor Vargus stated he does not typically want to do a budget amendment to align the budgeted numbers with actual numbers. Council discussed not needing a budget amendment because the total numbers are still within line.

Mayor Vargus reviewed the current water rate and did a comparison against the rate charged by Lake Cities and Little Elm. Lakewood Village currently charges one base rate regardless of the meter size, Little Elm and Lake Cities each charge higher rates for larger sized meters. Lakewood Village rate is currently approximately thirty percent below Lake Cities and Little Elm. There was some discussion about adjusting the water rates.

EXECUTIVE SESSION:

(Agenda Item E)

At 8:14 p.m. Mayor Vargus recessed into executive session in accordance with (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 re: Development agreements, development and zoning standards; (2) § 551.072 Texas Government Code to wit: deliberations about real property regarding Sam Hill Ventures, and Sanctuary at Sunset Cove; and, (3) § 551.087 Texas Government Code to wit: Economic Development Negotiations regarding Sam Hill Ventures, and Sanctuary at Sunset Cove

RECONVENE:

(Agenda Item F)

Mayor Vargus reconvened the regular session at 9:16 p.m. No action was taken.

ADJOURNMENT

(Agenda Item G)

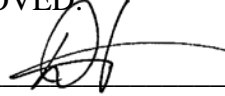
MOTION: Upon a motion made by Councilwoman Lepley and seconded by Mayor Pro-Tem West council voted five (5) “ayes” and no (0) “nays” to adjourn the Regular Meeting of the Lakewood Village Town Council at 9:17 p.m. on Thursday June 8, 2020. The motion carried.

These minutes approved by the Lakewood Village Town Council on the 13th day of August 2020.

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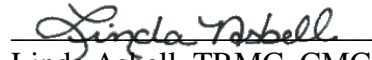
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APPROVED:



Darrell West
MAYOR PRO-TEM

ATTEST:


Linda Asbell, TRMC, CMC
TOWN SECRETARY