

LAKEWOOD VILLAGE TOWN COUNCIL

COUNCIL MEETING

MARCH 9, 2017

Council Members:

Dr. Mark Vargus, Mayor
Ed Reed – Mayor Pro-Tem
Clint Bushong
Gary Newsome
Ray Duff
Dan Tantalo

Town Staff:

Linda Asbell, TRMC, Town Secretary

REGULAR SESSION - 7:00 P.M.

With a quorum of the Council Members present, Mayor Vargus called the Regular Meeting of the Town Council to order at 7:00 p.m. on Thursday, March, 2017, 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)

Linda Loudon, 315 Hillside Drive, spoke representing the Board of the Municipal Development District. The MDD would like to host a community picnic celebrating the 40th anniversary of the incorporation of the town. Ms. Loudon stated that a community picnic is a great way to meet the neighbors and celebrate the town. Ms. Loudon stated that she is ready to head the event, bring in a band, and promote heavy citizen involvement. She recommended scheduling the event in May to avoid the heat of the summer. Council thanked Ms. Loudon for volunteering to plan the event.

EXECUTIVE SESSION:

(Agenda Item C)

At 7:05 p.m. Mayor Vargus recessed into executive session in accordance with Texas Government Code, Section 551.001, et seq., the Town Council will recess into Executive Session (closed meeting) to discuss the following: (1) §551.071(2): 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 re: Town boundaries, annexations, dis-annexation, and interlocal agreements; (2) §551.072: Deliberation regarding the purchase, exchange, lease, or value of real property; (3) §551.087: To

**LAKEWOOD VILLAGE TOWN COUNCIL
REGULAR SESSION
MARCH 9, 2017**

Page 2

discuss or deliberate regarding commercial or financial information that the Town of Lakewood Village has received from a business prospect that the Town seeks to have locate, stay, or expand in or near the territory of the Town of Lakewood Village and with which the Town is conducting economic development negotiations; and/or to deliberate the offer of a financial or other incentive to the business prospect, and (4) § 551.074: Personnel matters – evaluation of Town Secretary

RECONVENE:

(Agenda Item D)

Mayor Vargus reconvened the regular session of the Lakewood Village Town Council at 7:44 pm. No action was taken.

REGULAR AGENDA:

(Agenda Item E)

Consideration of Changes to Employee Retirement Plan (Bushong)

(Agenda Item E.1)

Councilman Bushong reviewed the current retirement plan. The Town currently matches any fulltime employee one dollar for one dollar up to five percent of the annual salary. The proposed change increases the matching to one dollar for one dollar up to ten percent after ten years. Mayor Vargus reported on his concerns with participating in the Texas Municipal Retirement Systems. Because TMRS determines the contribution, the town does not have control for budgeting purposes. Mayor Vargus stated that Linda Asbell has a longer tenure with the town than any other employee in the history of the town and is in her tenth year of service to the citizens of Lakewood Village. Councilman Tantalo stated that he supports employee retention but has a concern about where the town will find the funds to cover the increase. Councilman Bushong stated that the reason this item is being discussed now is because it is an item that will be addressed in the next budget cycle. Mayor Vargus stated that the town is building a benefits package for the Town Secretary position. Mayor Vargus stated that Town Secretary Asbell has set the bar extremely high and the town needs to be positioned to retain her and attract other employees of her caliber. Councilman Tantalo expressed additional concern about looking closely at numbers during the budget process to offset the additional increase.

MOTION: Upon a motion made by Mayor Pro-Tem Reed and seconded by Councilman Newsome, council voted four (4) “ayes”, and one (1) “nays” (Councilman Tantalo) to the adopt the increased matching contribution. *The motion carried.*

**Consideration of Boundary Agreement with
the City of Oak Point**

(Agenda Item E.2)

Mayor Vargus stated this item has been removed from consideration and no discussion is necessary.

**Consideration of Resolution in Opposition to
Senate Bill 2 (Asbell)**

(Agenda Item E.3)

Mayor Vargus reviewed the current rollback regulations and the changes that Senate Bill 2 would require. Mayor Vargus reported on concerns that this Senate Bill will inadvertently cause an additional tax burden because taxing entities who might not have increased their tax rates will automatically increase the maximum four percent each year because they no longer have the flexibility to increase up to eight percent. Texas Municipal League is requesting municipalities to pass a resolution in opposition to the senate bill. Councilman Tantalo reported on some of the proposed changes such as changing the mandatory election for tax increases over the rollback rate to November. Councilman Tantalo stated that he would support a citizen vote on any increase in tax rates. Mayor Vargus reported on the power citizens currently have to voice their opinions and control their own tax rates. Councilman Bushong stated that this Senate Bill actually represents the State of Texas (a larger government entity) mandating how citizens of the Town of Lakewood Village (a smaller government entity) will handle tax increases. Councilman Tantalo states that towns are getting rich because property values are going up. Mayor Vargus reported that Lakewood Village makes up only seven percent of the tax bills citizens pay.

MOTION: Upon a motion made by Mayor Pro-Tem Reed and seconded by Councilman Duff, council voted four (4) “ayes”, one (1) “nays” (Councilman Tantalo) to the adopt Resolution in opposition to Senate Bill 2. *The motion carried.*

**Consideration of Release of Attorney
Opinion Related to MDD Sales Tax and
Expenditures (Tantalo)**

(Agenda Item E.4)

Councilman Tantalo stated that the Municipal Development District requested an attorney opinion. The attorney opinion has been received and Councilman Tantalo requests that the opinion be released. There was some discussion about whether the request for opinion release should be made by the Municipal Development District. There was some discussion about council members supporting releasing the opinion upon request of the Municipal Development District Board.

**LAKEWOOD VILLAGE TOWN COUNCIL
REGULAR SESSION
MARCH 9, 2017**

Page 4

Tantalo made a motion to release the opinion of the attorney on the sales tax / motioned died for a lack of second

MOTION: A motion was made by Councilman Tantalo to release the opinion of the attorney on the use of sale tax funds by the Municipal Development District Board. *The motion died for lack of a second.*

MOTION: Upon a motion made by Councilman Bushong and seconded by Councilman Newsome, council voted four (4) “ayes”, one (1) “nay” (Mayor Pro-Tem Reed) to the adopt release the opinion of the attorney on the use of sales tax funds upon affirmative vote by the Board of the Municipal Development District. *The motion carried.*

COUNCIL AND STAFF COMMENTS

(Agenda Item F)

Councilman Newsome – Reported that he would like to discuss the fence ordinance at the next council meeting and consider waiving permit fees for months of May and June. Town council consider providing roll-off for waste related to fence replacements.

Mayor Vargus reported that 423 Hillside has been sold and the town has received approximately \$21,000 in lien payments. The new owner is currently remodeling and improving the property.

Councilman Bushong reported that the town website was hacked. No information was compromised. The website has been secured.

Summer Paulsen asked council to check their mailboxes

Mayor Pro-Tem Reed reported that Denton County and the Town of Little Elm has signed an agreement to re-stripe Eldorado.

Town Secretary Linda Asbell expressed appreciation for the compassion and support shown to her and her family following the death of her father.

ADJOURNMENT

(Agenda Item H)

MOTION: Upon a motion made by Councilman Bushong and seconded by Councilman Duff council voted five (5) “ayes” and no (0) “nays” to adjourn the Regular Meeting of the Lakewood Village Town Council at 8:28 p.m. on Thursday, March 9, 2017. The motion carried.

**LAKWOOD VILLAGE TOWN COUNCIL
REGULAR SESSION
MARCH 9, 2017**

Page 5

These minutes approved by the Lakewood Village Town Council on the 13th day of April 2017.

APPROVED

Dr. Mark E. Vargus
MAYOR

ATTEST:

Linda Asbell, TRMC
TOWN SECRETARY