

LAKWOOD VILLAGE TOWN COUNCIL

COUNCIL MEETING

MARCH 9, 2023

Council Members:

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

Town Staff:

Linda Ruth, TRMC, CMC – Town Administrator/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 9, 2023, 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:

No one requested to speak.

PUBLIC HEARING:

(Agenda Item C)

A public hearing was held to provide an opportunity for citizen comment on the critical water emergency.

No one requested to speak.

MOTION: Upon a motion made by Mayor Pro-Tem West and seconded by Councilwoman Lepley the council voted five (5) “ayes”, no (0) “nays” to close the public hearing at 7:01 p.m. *The motion carried.*

CONSENT AGENDA:

(Agenda Item D)

1. Minutes of February 9, 2023 Council Meeting (Ruth)
2. Receipt and Acceptance of Certificate of Unopposed Candidates (Ruth)
3. Ordinance Cancelling the May 6, 2023 General Election and Declaring Winners (Ruth)
4. Ratification of Engagement of Brown Reynolds Waterford Architects (Ruth)
5. Engagement of Inspecting Solutions, LLC for Health and Safety Inspections (Ruth)

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

REGULAR AGENDA:

(Agenda Item E.

**Consideration of Contract with Sam Morgan,
Little Elm Services (Ruth)**

(Agenda Item E.1)

Mayor Vargus reported that Sam Morgan has worked for the town for more than 20 years. The Local Government Code allows an exemption from the bidding requirements for life/health/safety matters, professional services, and personal services. The town has operated on an oral contract with Sam Morgan. The proposed contract simply documents the ongoing agreement between the town and Sam Morgan. Mayor Vargus reported that the Town Attorney advised that services from Mr. Morgan fall under the exemption from bidding requirements.

MOTION: Upon a motion made by Mayor Pro-Tem West and seconded Councilman Farage the council voted five (5) “ayes”, no (0) “nays” to approve the contract with Sam Morgan subject to any changes required by the Town Attorney. *The motion carried.*

**Consideration of Resolution Determining
Necessity for a Temporary Traffic Signal at
Lakecrest Drive and Eldorado Parkway
(Vargus)**

(Agenda Item E.2)

Mayor Vargus reported that the Little Elm Independent School District has now reported they do not expect to have the elementary school in Lakewood Village open until fall of 2025. Mayor Vargus reported on the dangers of the intersection of Lakecrest Drive and Eldorado Parkway. The school district was going to participate in the cost of installation of the light but due to the delay with building the school the town needs to install a temporary traffic light to protect public safety. The traffic light will be repurposed when the permanent traffic light is installed at the new entrance

location. The engineer will need to do a traffic study. Mayor Vargus reported the Town Attorney said the council can make a finding that the traffic signal is necessary for safety and that will expedite the purchase and installation. There was some discussion about the dangers of entering and exiting Lakewood Village.

MOTION: Upon a motion made by Mayor Pro-Tem West and seconded Councilwoman Lepley the council voted five (5) “ayes”, no (0) “nays” to approve the resolution determining the necessity for a temporary traffic signal at Lakecrest Drive and Eldorado Parkway. *The motion carried.*

**Consideration of Authorization of Mayor to
Execute Task Order for Temporary Traffic
Signal at Lakecrest Drive and Eldorado
Parkway (Vargus)**

(Agenda Item E.3)

Mayor Vargus requested the council authorize him to sign the task order to allow the engineer to start working on the traffic study required for the traffic signal.

MOTION: Upon a motion made by Councilwoman Lepley and seconded Councilman Bissonnette voted five (5) “ayes”, no (0) “nays” to authorize the mayor to execute a task order for a temporary traffic signal at Lakecrest Drive and Eldorado Parkway. *The motion carried.*

**Consideration of Amendment of Regional
Sewer Cost Allocation and Rough
Proportionality Determination by Town
Engineer Involving Developments in the
Town Limits and Extraterritorial Jurisdiction
(Vargus)**

(Agenda Item E.4)

Mayor Vargus reported the construction of the lift station is currently underway. Town Engineer Kevin Ware prepared the previous allocation based on estimated costs. The bids for construction of the lift station have come in at a lower cost than was previously estimated. Mayor Vargus reviewed the cost allocations to each of the developments. Mayor Vargus reported that if the council approves the cost allocation, the developers will get new invoices for their portion of the regional lift station, and the town will hold the funds in escrow. Mayor Vargus asked the council to approve the new allocations.

MOTION: Upon a motion made by Mayor Pro-Tem West and seconded Councilwoman Lepley voted five (5) “ayes”, no (0) “nays” to approve the amendment of the regional sewer cost allocation and rough proportionality determination has as presented. *The motion carried.*

**Consideration of Cost Reimbursement
Agreement with First Texas (Vargus)**

(Agenda Item E.5)

Mayor Vargus reported the agreement in the packet is in draft form and the Town Attorney is currently reviewing the agreement. Mayor Vargus reported if the project comes in under expected costs, then funds will be refunded to the developers. Justin Zuniga with First Texas wanted to clarify that the agreement in the packet is only a draft agreement and changes will be made.

**Consideration of Rescinding/Ratifying the
Development Agreement with Lakewood
Village Partnership, LLC for the Northshore
Development (Vargus)**

(Agenda Item E.6)

Mayor Vargus reported that Northshore Development pushed for a preliminary plat and development agreement to be approved in January of 2022. The council approved the agreement and plat, but Northshore never executed the agreement. Then Northshore engaged a new engineer and needed to submit a new plat. The council called a special meeting to vacate the previous plat. A new plat was submitted and approved, a new development agreement was approved by the council but still has not been executed by Northshore. Mayor Vargus reported the council approved a new development agreement that allowed smaller lot sizes, motor courts, and other items Northshore has requested, however a month later, Northshore has not signed the agreement and indicated they wanted to reduce the side setbacks. Mayor Vargus stated after he heard Northshore would not sign the agreement and wanted to change the terms, he voided the agreement. Mayor Vargus reported that the town has been expending effort for more than a year, yet this development is still not on track. Mayor Vargus reported that the council has an option to ratify his action to void the development agreement. Councilman Bissonnette asked if the attorney agreed that the agreement can be voided. Mayor Vargus reported the Town Attorney stated the agreement can be voided and the engineering Northshore submitted should have been rejected because it did not match the preliminary plat.

Todd Sortor with Northshore Development reported they signed both the first development agreement and the second agreement. They have brought an original copy of the second executed agreement. Todd Sortor stated that he never said he would not sign the agreement, he only wanted to renegotiate the setbacks. Mr. Sortor reported that they engaged Tom Juhn with JBI for additional engineering just two weeks ago. Mayor Vargus read the email he sent to Mr. Sortor

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with the latest development agreement stating the setbacks were non-negotiable. Mr. Sortor stated they have signed and executed the agreement and they want to move forward right now. Mr. Sortor stated they want to have a good relationship with the town. Mayor Vargus reported the council held multiple special meetings to accommodate the requests from Northshore over the last year. Mr. Sortor stated the layout design was based on the first development agreement which had ten-foot setbacks. Tom Juhn, engineer for the Northshore development stated he built a new plan, salvaging as much of the previous street layout as possible. Mr. Juhn reported that he redesigned the lot layout. The concept plan was included as an exhibit in the development agreement. Mr. Juhn reported he acted based on direction from both Mayor Vargus and his client, Northshore. Mr. Juhn reported that Lakewood Village is no longer an isolated secret community in the metroplex, and people want to move to Lakewood Village. Mr. Juhn stated they would like to move forward with the development, and they accept the compromises both the town and the developers have made. Mr. Juhn stated due to the many developments going on at the same time it is in the town's best interest to move forward. He believes there is a way to resolve the matter. Mr. Sortor apologized for giving the impression that they were not moving forward.

Councilman Bushong stated that he believes the town wants to move forward but all the different steps that have been taken over the last year have caused confusion. This is an opportunity to start fresh with a complete package with all the documents aligning with each other. Mayor Vargus stated he wants to change the development agreement to include timelines and deadlines. Mayor Vargus reported that the Town Attorney stated the mayor can void the agreement and council can ratify that action. Mr. James Barnett stated that if the development agreement is rescinded then they would be out of the regional lift station. Councilman Bushong stated the town does want Northshore to move forward with their development he just wants a clean executed package. There was some discussion about the easement connection alignment. Mr. Juhn reported a full set of engineering documents has already been approved by the town engineer. Mr. Juhn requested the council table action on this item and allow the developers to get together and have a meeting to finalize their alignments and establish their easements.

Mayor Pro-Tem West stated that he has been frustrated with the amount of effort the council has put into the Northshore development, yet the developers are still not moving forward. Mayor Pro-Tem West stated that he is in favor of rescinding the agreement to allow Mayor Vargus to make a few changes to the development agreement to include the deadlines. Mr. Barnett stated they are ready to begin construction as quickly as possible. Mayor Pro-Tem West stated that he feels great frustration with the process so far. Mayor Vargus stated that he will amend the development agreement to include milestones. If the milestones are not met, the development agreement will automatically be voided. Mr. Barnett stated the only thing he does not have are the easements to cross The Villas at Lakewood Village (Ark Architects) property. Councilman Bushong stated that he supports voiding the development agreement at this meeting and placing the development agreement on the agenda for next month.

MOTION: Upon a motion made by Mayor Pro-Tem West and seconded Councilwoman Lepley the council voted five (5) “ayes”, no (0) “nays” to rescind the development agreement. *The motion carried.*

Councilman Bushong stated the development will be placed on the April council meeting. Mayor Pro-Tem West stated he will meet with the developer to get the agreement finalized prior to the meeting.

**Consideration of Development Amendment
with The Villas at Lakewood Village LLC, for
The Villas Development (Vargus)**

(Agenda Item E.7)

Mayor Vargus reported the water and sewer for The Villas development comes through First Texas. First Texas has agreed to give The Villas an easement for sewer. First Texas needs a small easement across the edge of the proposed road in The Villas yet Ark Architects, owners of The Villas, has stated they will not give First Texas any easement unless the town approves the concept plan proposed by The Villas. Mayor Vargus stated it is pointless to execute a development agreement on a development that does not have water and sewer. The council will review the concept plan and work on the development agreement but will not approve the plan until the issues with the other developers and the easements have been resolved.

Mr. Justin Zuniga from First Texas stated that he was told that Ark Architect has executed the easement document, but he has not been provided with a copy.

Mr. Ashok Sokumaran from The Villas stated that they agree with the alignment of the road and the water/sewer lines. Mr. Sokumaran stated they executed the easement agreement for First Texas, but they have not given them the document because they do not know if their plan will be approved. Mayor Vargus stated that every concept plan Ark Architects submitted has the road in the same place, the water and sewer will be in the right-of-way of the road that will be dedicated to the town, therefore there is no reason for The Villas not to execute the easements for First Texas. Mayor Vargus reported that the council will review the concept plan in executive session. The council will come out of executive session and reject the concept plan as a submittal as a formality. That will give The Villas time before the next council meeting to fully execute the easements for First Texas. The council will consider the development agreement at the next council meeting.

EXECUTIVE SESSION:

(Agenda Item F)

At 8:11 p.m. Mayor Vargus recessed into executive session in accordance with

1. § 551.087 Texas Government Code to wit: Economic Development Negotiations regarding First Texas Homes, Taylor Morrison-South Oak, Northshore; The Villas; Project Garza; and

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2. § 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, zoning standards, and eminent domain; and
3. § 551.072 Texas Government Code to wit: deliberations about real property regarding First Texas Homes, Taylor Morrison-South Oak, Northshore; The Villas; Project Garza.

RECONVENE:

(Agenda Item G)

Mayor Vargus reconvened the regular session at 8:58 p.m.

MOTION: Upon a motion made by Councilwoman Lepley and seconded by Councilman Bissonnette the council voted five (5) “ayes” and no (0) “nays” to reject the concept plan submittal from The Villas Lakewood Village, LLC, because it does not meet current zoning. The motion carried.

ADJOURNMENT

(Agenda Item H)

MOTION: Upon a motion made by Councilwoman Lepley and seconded by Councilman Farage council voted five (5) “ayes” and no (0) “nays” to adjourn the Regular Meeting of the Lakewood Village Town Council at 8:58 p.m. on Thursday, March 9, 2023. The motion carried.

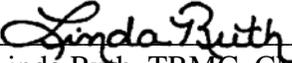
These minutes were approved by the Lakewood Village Town Council on the 13th day of April 2023.

APPROVED:



Darrell West
Mayor Pro-Tem

ATTEST:



Linda Ruth, TRMC, CMC
Town Administrator/Town Secretary

