



Mayor's Letter

April 13, 2018

Hello Everyone,

A LITTLE OVER FOUR YEARS AGO, we made a strategic decision to obtain the exclusive sewer rights to the area on the north side of Eldorado Parkway. This area is in the Lakewood Village ETJ – which means although it is in the county, we have the **exclusive rights to annex it into our Town at a future date**. It is exclusively our jurisdiction. **It is part of our future growth**. This area, along with all of the wooded property towards the toll bridge are the two-thirds of our town that aren't here yet. However, unlike the wooded area which is inside our city limits, the north side of Eldorado is in the county. Although **that area will some day be a part of Lakewood Village**, until then, it is outside of our Town. That means that any developer could build anything they want and there is nothing we can do to stop them because none of our ordinances apply, especially zoning. Worse, if they built thousands of apartments virtually on our doorstep we would NEVER annex that into our town, so we would never get any benefits from that side of Eldorado. So what could we do ?

Well, **its really really hard to put in apartments without sewers**. So years ago we tasked Linda to quietly work with the Public Utility Commission and the Texas Commission on Environmental Quality to obtain the administrative approvals to get the sewer monopoly over there. Linda worked diligently on it for almost four years, navigating an unbelievable amount of frustration and regulatory paperwork insanity. In late Fall 2017, the administrative law judge in Austin gave us our final approval. I remember Linda was on the verge of tears when she told me “we got it !”.

A couple of months ago, the Oak Point City Manager requested a meeting to discuss a potential new project in Oak Point adjacent to the Lakewood Village ETJ. **It is in Oak Point**, so you might ask why did we need to meet ? Oak Point does not own any utilities, so when we were working on our application, we reached out to Little Elm to create an agreement on new boundaries where each of us would service the area. Little Elm performed all of the engineering and mapping required by the Public Utilities Commission for our requests to amend our service areas. Recognizing that we were working together, instead of cities usually fighting against each other, the PUC consolidated our requests and everything was approved together. So for this new development **that would be entirely in Oak Point**, the utility providers were Little Elm (three-fourths of the property) and Lakewood Village (the southern quarter). So unless the three cities could work together, the developer would have to walk away and OP would lose out on a terrific new addition to their city.

AFTER RECEIVING A PROPOSED AGREEMENT, and payment from the developer for the anticipated legal costs for our attorneys, we worked on changes to the document. **On Friday, March 30th, I called a special meeting** of the Town Council to approve a three-city interlocal agreement between the Town of Lakewood Village, the City of Oak Point, and the Town of Little Elm. In the agreement, Lakewood Village agreed to allow Little Elm to service the entire project. In return, the following language was added:

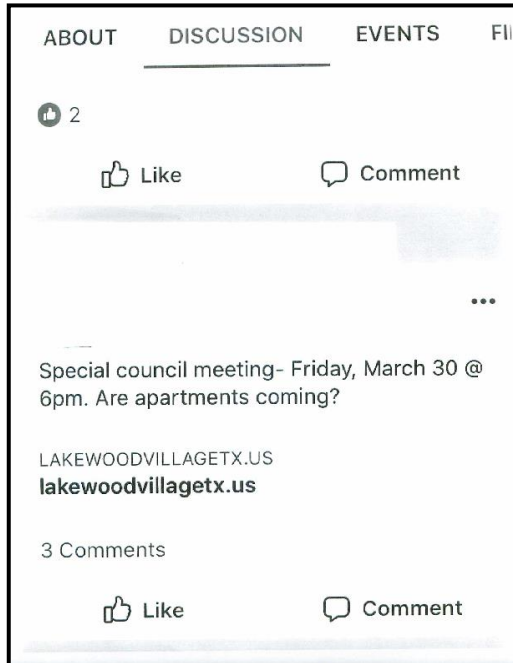
“1.4 Oak Point agrees that the development and land use of property will be exclusively for single family residential development”

The Town Council unanimously approved the agreement (except Tantalio who did not attend the council meeting). Because of the timing of the various towns' meeting dates, we had to go first in a special meeting, with Oak Point and then Little Elm to follow. Usually cities and towns are in competition with each other, but not here. **All three towns came together for the benefit of one**, as all of the taxes and financial benefits of the project will go to Oak Point. Having financially strong neighbors is good for us. I look forward to working on future joint projects with our neighbors.

While having the three of us working together successfully was great, it is really satisfying to see that, by looking ahead years ago we were able to anticipate future development that will affect us and **guarantee it will be on our terms**. We aren't big enough to outmuscle developers, so our only chance is to look ahead, anticipate, and adopt strategies to protect our town and our quality of life.

OVER ➤

AS WITH ANY COUNCIL MEETING, we have to post the agenda at least 72 hours prior to the meeting. Our agenda had only one item on it, the three city agreement for sewer service for the residential development in Oak Point. The development was discussed and approved the previous week at the **March 19th Oak Point Council meeting**. The maps of the development and detailed **single-family construction requirements** are in the council packet available on the OP website. So why would someone go on the LWV Facebook group and deliberately post that I had called a special



meeting for apartments ? Why would someone go on Facebook and post the exact opposite of the truth ? After writing numerous Mayor's letters clearly and unambiguously pointing out the huge negative impact of apartments, why would someone go on Facebook and imply that I would want apartments ? Instead of reading the agreement which I had negotiated which **clearly states the specific language to prohibit apartments** why would someone post the opposite. Why ?

BECAUSE THEY CAN. Anyone can say anything on Facebook. I will keep saying it, under Texas law, **the only place to get official town information is the Town's website**. As many of you know, our attorney's have advised us that we cannot engage in debates on Facebook. If we did, that would trigger document retention requirements and we don't have the manpower or technology required to archive Facebook posts to meet Texas Open Records requirements. So a few people in Town know that they can make up any lie or insult Linda, or the Council and we aren't allowed to correct it. There are a lot of positives to social media, and I would never suggest you avoid FB, in fact, I think some of the things on the LWV page are really nice. So in the interests of saving FB time for everyone: In the coming months we may take some test borings in the street to start the geotechnical analysis for the new concrete roads. So don't be surprised when a certain

person posts on FB that the Council has secretly approved Chevron fracking for oil on Highridge. We have a bond interest payment of \$10,188.80 due on August 1st (our principle payment is in February), today we have \$394,176.09 in the bank. We are not "broke" we did not default on our payment, and the bank is not secretly foreclosing on Town hall and turning into a gas station with pumps in the driveway. I could go on forever, but that's the point, there are an unlimited number of things that certain people can fabricate. At the end of the day it's up to you what you believe.

ONE EXAMPLE OF THE BENEFITS OF FACEBOOK happened a couple of weeks ago. Linda told me that there was some postings about crawfish which turned into a series of posts about having a crawfish boil. This soon led to Stowe Lane resident Chris Cox volunteering to have Authority Roofing sponsor (that is buy and cook all the food) for the **First Annual Lakewood Village Crawfish Boil**. I think it's really neat that after coming to the village to repair so many roofs in town, Chris and wife Aileen decided to move here. **The event will be on Saturday, April 21, from 1 to 5pm.** There will be music, balloon twisters, face painters, games and tons of food. So bring your chairs, drinks and a side dish if you would like to share one. Don't worry I won't be cooking anything.

ADULT AND CHILDREN DARK SKY fun and learning sessions have been scheduled. Most of us are familiar with air, water and land (garbage) pollution. Come learn how light can also be a pollutant. The Lakewood Dark Sky Initiative will be hosting education events for children and adults at Town Hall. Please check the dates below and mark your calendars:

Children's Event- all ages: Saturday, May 12 from 10:30am to 11:30am.
Cookies and drinks will be provided.

Adult Event: Tuesday, May 29 from 7:00pm to 8pm. Cake and drinks provided.
Adults Event: Saturday, June 2 from 10:30am to 11:30am. Donuts and drinks provided.

. For more detailed information regarding light pollution please visit www.darksky.org.

AFTER NEARLY A QUARTER CENTURY WITH NO DEVELOPMENT, it now looks very likely that we will soon see a new single family residential development by LandPlan in the area across from Town hall. The big challenge is new development means that our timetable for concrete streets throughout our town could happen sooner than planned. To save money, we must do our new streets along with the developer. Each year I send our audit results to our financial advisors SAMCO Capital Markets and we discuss interest rates, borrowing strategies, and what we could expect when we issue new bonds to pay for new streets. Given that we may have to put roads in much sooner than anticipated, **I asked SAMCO to assess our current financial performance** and our ability to borrow funds.

SAMCO CAPITAL MARKETS, INC.
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TELEPHONE 214-765-1400 • FACSIMILE 214-765-1414

March 28, 2018

Dr. Mark Vargus, Mayor
Town of Lakewood Village
100 Highridge Drive
Lakewood Village, TX 75068

Re: Lakewood Village 2017 Audit

Dear Mark:

Thank you for sending me your 2017 audit. As required, I have forwarded a copy to American National Bank of Texas, the owners of your Series 2014 CO's and to the Municipal Advisory Council of Texas.

After reviewing your audit, I would like to congratulate you, your council, and the Town staff for another excellent year. The General Fund continues to add to its fund balance and is now at 48.36% of all General Fund Expenditures and 83.53% of General Fund Expenditures less Debt Service. These are excellent ratios and continued success will certainly help the Town the next time you go to the debt market to sell Bonds.

I also reviewed the Proprietary Fund results and they too had an excellent year. Operating income of \$89,681 prior to depreciation and \$2,925 after depreciation proves that the Town continues to add assets to the Utility System assuring long term success of the System.

Let me know if there is anything else you would want.

Sincerely,



Mark McLiney
Senior Managing Director

MEMBER FINRA - SIPC

COUNCIL ACTIONS. The interlocal agreement between LWV, Oak Point and Little Elm was the only agenda item at the March 30th Special Meeting. No agenda items were submitted for the April 12th Council meeting and the meeting was cancelled. Out of respect to our two new council members and potential new mayor, I have decided not to bring up any of my new items until our June meeting. Liz Shields did not ask for the finance audit committee discussion to be on the agenda as she was unable to attend the meeting. She and daughter Rachel are visiting A&M which she will be attending in the Fall. That's a great accomplishment.

**Council Vote on
Consideration Items**



Absent

Interlocal Agreement with
OP and LE for sewer.

Reed, Newsome,
Bushong, Shields

Tantalo

KEY FIGURES: As a comparison to last year,

On April 13, 2017 the Town had \$258,020 in deposits at Point Bank.

Today, April 13, 2018, we have **\$394,176** in the bank.

I hope everyone can come out for our first annual crawfish boil next Saturday at Town Hall. There's never been a better time to be in Lakewood Village.

Dr. Mark E. Vargus
Mayor

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