

LEWISVILLE CITY COUNCIL

REGULAR SESSION

October 6, 2025

6:30 P.M.

Present:

TJ Gilmore, Mayor

Council Members:

Ronni Cade, Mayor Pro Tem
Bob Troyer, Deputy Mayor Pro Tem
William Meridith
Lonnie Tipton
Kristin Green
Patrick Kelly

City Staff:

Claire Powell, City Manager
Gina McGrath, Deputy City Manager
Shante Akafia, Assistant City Manager
Jim Proce, Assistant City Manager
Liz Plaster, City Attorney
Lauren Crawford, Deputy City Attorney
Jennifer Malone-Ippolito, City Secretary

With a quorum of the Council Members present, the workshop session of the Lewisville City Council was called to order by Mayor Gilmore at 6:30 p.m. on Monday, October 6, 2025, in the City Council Conference Room of Lewisville City Hall, 151 West Church Street, Lewisville, Texas. City Department Heads were also in attendance.

WORKSHOP SESSION

Discussion of Regular Agenda Items and Consent Agenda Items

(Agenda Item A)

Mayor Gilmore led a discussion of regular agenda items and consent agenda items and received questions and comments from City Council and City staff.

City Manager Claire Powell answered a question regarding Item No. G-7. Director of Planning Richard Luedke answered a question regarding Item No. G-8.

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**Overview of Electric and Gas Utility
Regulations in Texas and the Role of Cities.**

(Agenda Item B)

At the request of Mayor Gilmore, Thomas Brocato, Principal, Lloyd Gosselink Rochelle & Townsend, P.C., gave a presentation regarding an overview of electric and gas utility regulations in Texas and the role of cities. and received questions and comments from City Council and City staff.

Mayor Gilmore RECESSED Workshop Session at 6:57 p.m.

REGULAR SESSION

With a quorum of the Council Members present, the regular session of the Lewisville City Council was called to order by Mayor Gilmore at 7:00 p.m. on Monday, October 6, 2025.

Invocation

(Agenda Item A)

At the request of Mayor Gilmore, Councilmember Lonnie Tipton gave the invocation.

Pledge to the American and Texas Flags

(Agenda Item B)

At the request of Mayor Gilmore, Councilmember Kristin Green gave the pledge to the United States and Texas flags.

Mayor Gilmore RECESSED Regular Session at 7:02 p.m.

Return to Workshop Session if Necessary

(Agenda Item I)

Mayor Gilmore RECONVENED Workshop Session at 7:02 p.m.

**Overview of Electric and Gas Utility
Regulations in Texas and the Role of Cities.**

(Agenda Item B)

Thomas Brocato, Principal, Lloyd Gosselink Rochelle & Townsend, P.C., continued the presentation regarding an overview of electric and gas utility regulations in Texas and the role of cities. and received questions and comments from City Council and City staff.

Mayor Gilmore ADJOURNED Workshop Session at 7:20 p.m.

Mayor Gilmore RECONVENED Regular Session at 7:21 p.m.

REGULAR SESSION

**Proclamation Declaring the Week of October
1-8, 2025 as "Say No To Bullying Week".**

(Agenda Item C-1)

Mayor Gilmore presented the proclamation to T. Ronn Hicks. Mr. Hicks spoke regarding the proclamation.

**Proclamation Declaring the Month of
October 2025 as "Community Planning
Month."**

(Agenda Item C-2)

Mayor Gilmore presented the proclamation to members of the Planning department. Director of Planning Richard Luedke spoke regarding the proclamation.

REGULAR HEARING

Mayor Gilmore explained that this item will be taken out of order because there is a presentation on the public hearing that pertains to both Item Nos. G-9 and D-1. Public comments will be received during the public hearing on Item No. D-1 for both items.

Mayor Gilmore read Item No. G-9.

**Consideration of Ordinance No. 0802-25-
ORD, an Ordinance of the Lewisville City
Council Amending the Lewisville City Code
by Amending Division 4, Short-Term Rental
("STR") Units, of Article VI, Chapter 4 to
Increase the Maximum Number of STR
Unit Permits That May be Active at Any
Given Time, Require Compliance With the
Distance and Density Regulations Set Forth
in the Unified Development Code For the
Issuance of an STR Unit Permit, Correct an
Internal Reference, and Clarify Definitions
and Inspection and Occupancy Standards;
and Providing For a Savings Clause,
Repealer, Severability, a Penalty, and an
Effective Date.**

(Agenda Item G-9)

On January 8, 2024, the City Council adopted an ordinance to regulate short-term rentals (STRs) that took effect on July 8, 2024. On February 19, 2024, a temporary prohibition on new STRs was adopted and placed in the Unified Development Code (UDC) while the permitting program was developed and more research could be conducted. Since then, staff has conducted

community outreach to evaluate next steps for the STR permitting program. On March 3, 2025, the City of Lewisville set a maximum of active STR permits to 130 units, and staff continued outreach about the density of STRs in Lewisville. Staff is proposing additional amendments to the existing ordinance in Article 4 based on the community outreach results and evaluating other city programs.

The City staff's recommendation was that the City Council approve the ordinance as set forth in the caption.

PUBLIC HEARING

Public Hearing: Consideration of Ordinance No. 0800-25-ORD, an Ordinance of the Lewisville City Council Amending Volume 2 of the Lewisville City Code, Known as the Unified Development Code (UDC), by Amending Section II.2.1., "Definitions" to add a Definition of "Short-Term Rental Unit"; Amending Article VII, "Uses, Parking Requirements, Supplemental Use Regulations and Certain Distance Regulations", to Amend the Heading of Article VII to "Uses, Parking Requirements, Supplemental Use Regulations and Certain Distance and Density Regulations" and the Heading of Chapter VII.4. to "Certain Distance and Density Regulations", to add a new Section VII.4.3. Establishing Distance and Density Location Regulations for Short Term Rental Units, and to Repeal and Delete Section VII.2.1.5., "Interim Prohibition on Short-Term Rental of Dwelling Units"; and Providing for a Savings Clause, Repealer, Severability, a Penalty, and an Effective Date.

(Agenda Item D-1)

The proposed revisions to the Unified Development Code require a separation of 1,000 feet between short term rental units in single family homes or duplexes, limits the number of STRs in multifamily dwelling to no more than the greater of 3% or 2 units, retitles applicable chapters and articles for consistency with proposed regulations, adds a definition of STRs and removes the temporary prohibition. The Planning and Zoning Commission recommended approval (6-1) on July 15, 2025.

The City staff's recommendation was that the City Council approve the ordinance as set forth in the caption.

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Planning Director Richard Luedke was available to answer questions posed by the City Council.

Mayor Gilmore opened the public hearing at 7:32 p.m.

Director of Planning Richard Luedke and Director of Neighborhood and Inspection Services Chris McGinn gave a presentation and answered questions from City Manager Powell and City Councilmembers.

Mayor Gilmore read the names of those who did not want to speak but wanted to state their position for the record including: May Shan is in opposition to Item No. D-1; Jeff Woods is in support of Item Nos. D-1 and D-9; and, May Shan is in support of Item No. G-9.

There was discussion by council members regarding the proposed density regulations and cap regulations.

MOTION: Upon a motion made by Deputy Mayor Pro Tem Troyer and seconded by Mayor Pro Tem Cade, the Council voted six (6) “ayes” and no (0) “nays” to close the Public Hearing. The motion carried.

Mayor Gilmore closed the public hearing at 7:59 p.m.

MOTION: Upon a motion made by Councilmember Kelly and seconded by Councilmember Tipton, the Council voted six (6) “ayes” and no (0) “nays” to approve **Ordinance No. 0800-25-ORD** as set forth in the caption. The motion carried.

Consideration of Ordinance No. 0802-25-ORD, an Ordinance of the Lewisville City Council Amending the Lewisville City Code by Amending Division 4, Short-Term Rental (“STR”) Units, of Article VI, Chapter 4 to Increase the Maximum Number of STR Unit Permits That May be Active at Any Given Time, Require Compliance With the Distance and Density Regulations Set Forth in the Unified Development Code For the Issuance of an STR Unit Permit, Correct an Internal Reference, and Clarify Definitions and Inspection and Occupancy Standards; and Providing For a Savings Clause, Repealer, Severability, a Penalty, and an Effective Date.

(Agenda Item G-9)

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On January 8, 2024, the City Council adopted an ordinance to regulate short-term rentals (STRs) that took effect on July 8, 2024. On February 19, 2024, a temporary prohibition on new STRs was adopted and placed in the Unified Development Code (UDC) while the permitting program was developed and more research could be conducted. Since then, staff has conducted community outreach to evaluate next steps for the STR permitting program. On March 3, 2025, the City of Lewisville set a maximum of active STR permits to 130 units, and staff continued outreach about the density of STRs in Lewisville. Staff is proposing additional amendments to the existing ordinance in Article 4 based on the community outreach results and evaluating other city programs.

The City staff's recommendation was that the City Council approve the ordinance as set forth in the caption.

MOTION: Upon a motion made by Councilmember Kelly and seconded by Councilmember Tipton, the Council voted four (4) "ayes" and three (3) "nays" to approve **Ordinance No. 0802-25-ORD** as set forth in the caption, with Mayor Pro Tem Cade, Councilmember Green and Deputy Mayor Pro Tem Troyer casting the "nay" votes; and, Mayor Gilmore casting an "aye" vote to break the tie. The motion carried.

Visitors Forum

(Agenda Item E)

Nathaniel Torson, 1428 Drake Lane, Lewisville, TX, was called to speak and spoke regarding property value issues.

CONSENT AGENDA

(Agenda Item F)

MOTION: Upon a motion made by Deputy Mayor Pro Tem Troyer and seconded by Mayor Pro Tem Cade, the Council voted six (6) "ayes" and no (0) "nays" to approve the Consent Agenda as presented.

2. APPROVAL OF MINUTES: City Council Minutes of the September 8, 2025, Workshop Session, and Regular Session.
3. Approval of a Professional Service Agreement with VODA.ai Inc., for Predictive Water and Sewer Infrastructure Management in the Estimated Annual Amount of \$70,785; and Authorization for the City Manager, or Her Designee, to Execute the Agreement.
4. Approval of Bid Awards for Annual Requirements of Tree Supply and Planting to Texas Tree Surgeons (Primary) in the Estimated Amount of \$493,000 and Texas Garden & Horticulture dba Lone Star Products and Materials (Secondary) in the Estimated Amount of \$569,525; and Authorization for the City Manager, or Her Designee, to Execute the Agreements.

5. Approval of the Second Amendment to the Agreement Between the City of Lewisville and Halff Associates, Inc., for Appraisal Services and Easement Acquisition Assistance for the Denton County Levee Improvement District (DCLID) Trail; Adding \$66,500 to the Agreement Amount of \$508,200, for a Total of \$574,700; and Authorization for the City Manager, or Her Designee, to Execute the Agreement.
6. Approval of the Assignment and Assumption Agreement Between the City of Lewisville, Mallard Supply Company, L.P. d/b/a REW Materials, and Foundation Building Materials, LLC; and Authorization for the City Manager, or Her Designee, to Execute the Agreement.
7. Approval of **Resolution No. 0801-25-RES**, a Resolution of the City Council of the City of Lewisville, Texas, Authorizing Agreements Regarding the Disbursement of Grant Funding With Budgeted Subrecipients Receiving Portions of the City of Lewisville's U.S. Department of Housing and Urban Development Community Development Block Grant Entitlement Funding and With City of Lewisville Social Service Grant Funding Recipients For FY 2025-2026; Authorizing the City Manager, or Her Designee, to Execute Said Agreements; and Providing An Effective Date.

The motion carried.

Consideration of an Alternative Standard Associated With Exterior Lighting for Vistara Sports Outdoor Courts; on an Approximately 1.10-Acre Tract out of the H.H. Smith Survey, Abstract No. 1576; Located on the South Side of West Vista Ridge Mall Drive, Approximately 200 Feet West of Highview Lane; Zoned Light Industrial (LI) District, as Requested by Saurabh Shah, PE, of AARI Engineering LLC, on Behalf of Feathers Smash LLC, the Property Owner. (25-08-12-AltStd)

(Agenda Item G-8)

Vistara Sports is an existing indoor badminton facility which recently received special use permit approval for a commercial amusement (outdoor) use to allow the facility to expand with outdoor pickleball courts. The property owner is seeking an alternative standard to allow exterior lighting intensity up to 53-foot candles in lieu of the allowed 20-foot candles for a non-residential use. The Planning and Zoning Commission recommended unanimous approval (7-0) on September 16, 2025.

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The City staff's recommendation was that the City Council approve the alternative standard as set forth in the caption above.

Planning Director Richard Luedke was available to answer questions posed by the City Council.

MOTION: Upon a motion made by Councilmember Green and seconded by Mayor Pro Tem Cade, the Council voted six (6) "ayes" and no (0) "nays" to table this item to the October 20, 2025 meeting. The motion carried.

Consideration of Resolution No. 0803-25-RES, a Resolution Nominating Candidates to the Denton Central Appraisal District Board of Directors.

(Agenda Item G-10)

The Denton Central Appraisal District (DCAD) has requested its taxing entities nominate up to two individuals to be considered to serve on the DCAD Board of Directors. Open positions on the DCAD Board are Place 4 and Place 7. Nominating resolutions are to be approved by Council prior to October 15th. After all entities have made their nominations, ballots will be delivered, and votes will be cast. The Appraisal District will count the votes and declare the two candidates who received the largest cumulative vote totals to begin serving a new term beginning January 1, 2026. Board members will serve a four-year term ending December 31, 2029. Under consideration for nomination are Ann Pomykal and Mike Hennifer. Both have indicated they are interested in being considered for nomination.

The City staff's recommendation was that the City Council approve the resolution as set forth in the caption above and nominate candidates to the Denton Central Appraisal District Board of Directors.

MOTION: Upon a motion made by Councilmember Meridith and seconded by Councilmember Kelly, the Council voted six (6) "ayes" and no (0) "nays" to approve Resolution No. 0803-25-RES as set forth in the caption and nominate Ann Pomykal and Mike Hennifer to the Denton Central Appraisal District Board of Directors. The motion carried.

Reports

(Agenda Item H)

- Chief of Police Brook Rollins reported on National Night Out scheduled for October 7, 2025 and Faith & Blue scheduled for this upcoming weekend.
- Councilmember Meridith reported on one upcoming Lewisville Library activity.
- Deputy Mayor Pro Tem Troyer reported on upcoming events at the Lewisville Grand Theater.

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- Councilmember Kelly encouraged everyone to see the monument on Main Street, reported on some bills that passed, discussed an upcoming training exercise involving multiple jurisdictions to see how the area would react to a large-scale terrorist attack, and reminded everyone of the upcoming Battle of the Badge event.
- Councilmember Green reminded everyone that the City is offering free adoptions for all dogs over 20 pounds.
- Mayor Pro Tem Cade congratulated staff on Western Days.
- City Manager Powell thanked staff for their work on Western Days, mentioned that she loves to see people walk in Old Town and congratulated Melissa Canclini, City Manager's Office Administrator, on the City's receipt of U.S. Department of Energy's Charging Smart Bronze designation.
- Mayor Gilmore reported that the For the Love of Lewisville event is scheduled for Saturday, October 25, 2025.

Closed Session

(Agenda Item J)

There were no items for closed session.

In Accordance with Texas Government Code, Subchapter D,

1. *Section 551.071 (Consultation with Attorney): Legal issues regarding public access easement at 170 W Main Street*
2. *Section 551.072 (Real Estate): Property Acquisition*
3. *Section 551.087 (Economic Development): Deliberation Regarding Economic Development Negotiations.*

**Reconvene and Consider Action, if any, on
Items Discussed in Closed Session**

(Agenda Item K)

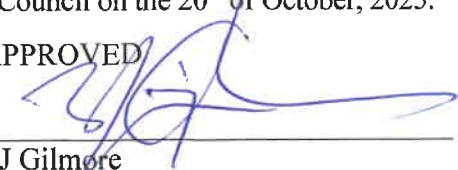
Adjournment

(Agenda Item L)

There being no further business to come before the Council, Mayor Gilmore adjourned the meeting of the Lewisville City Council at 8:30 p.m. on Monday, October 6, 2025.

These minutes approved by the Lewisville City Council on the 20th of October, 2025.

APPROVED



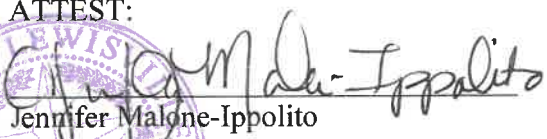
TJ Gilmore
MAYOR

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ATTEST:




Jennifer Malone-Ippolito
CITY SECRETARY



Electric and Gas Utility Regulation in Texas and the Role of Cities

City of Lewisville City Council

October 6, 2025

Presented by:

Thomas L. Brocato

tbrocato@lglawfirm.com

512-322-5857



Electric Utility Regulation

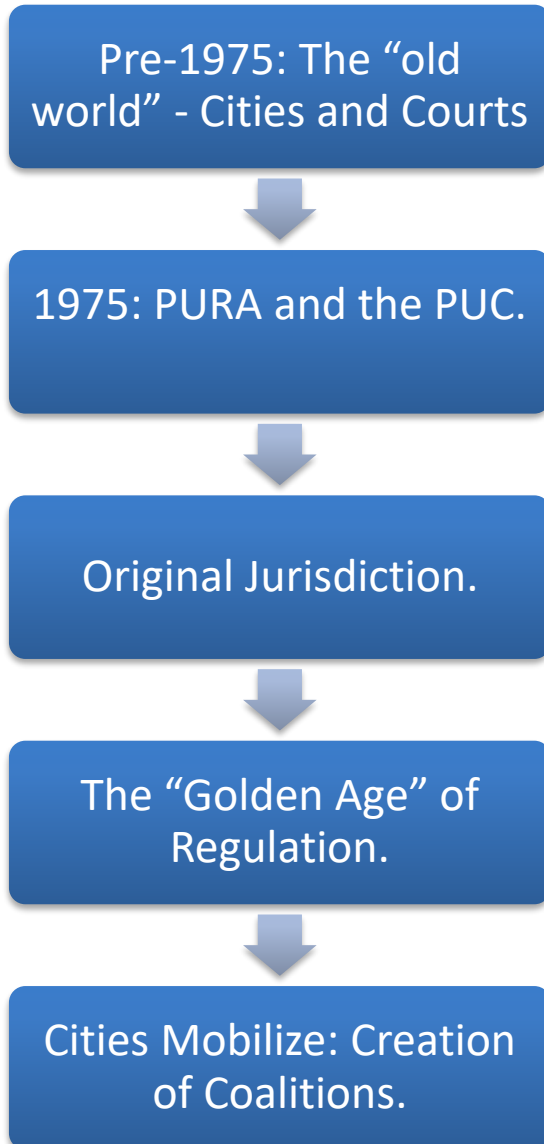


The Regulated Market Design

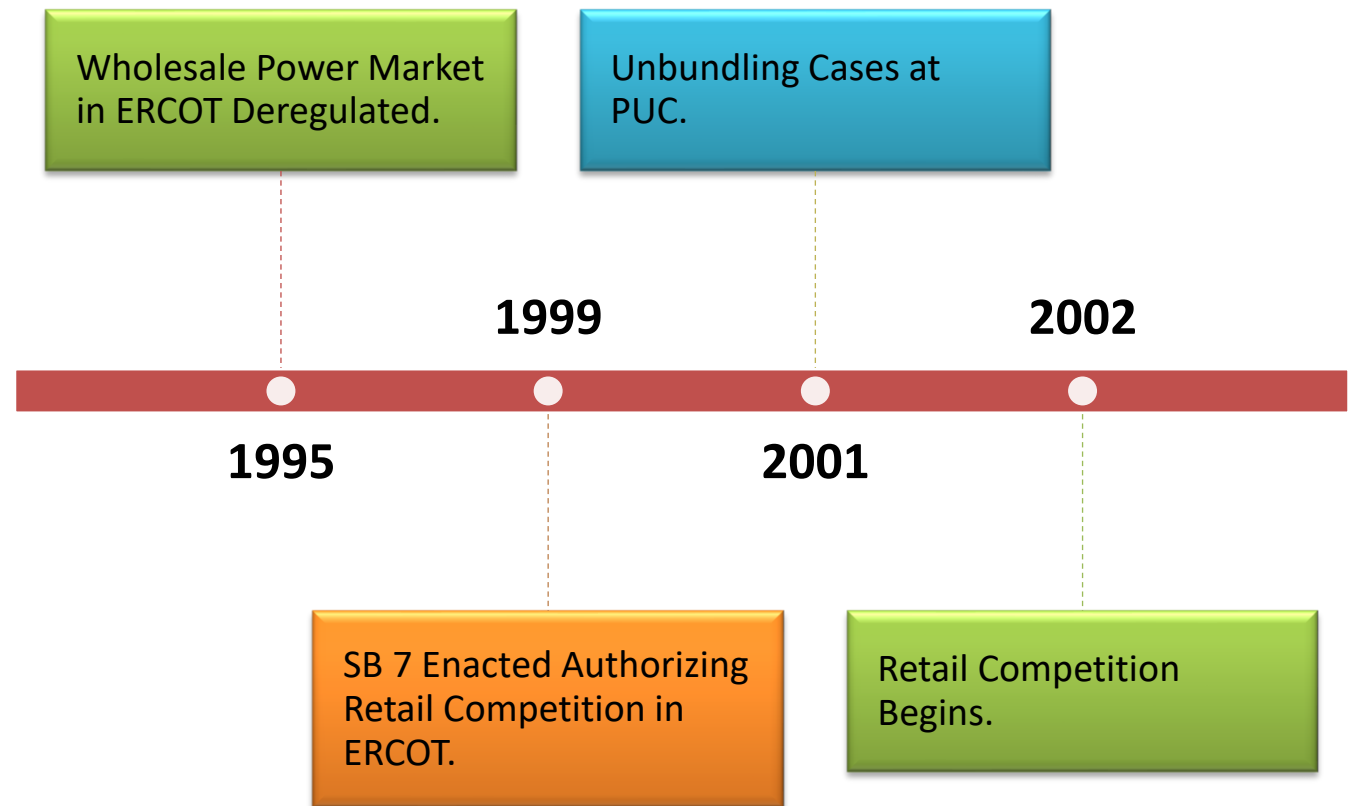
- Utilities were integrated and “bundled.”
- They owned generation, transmission and distribution, and retail electric provider portions of the business. The state regulated all three.



Electric Utility Regulation in Texas

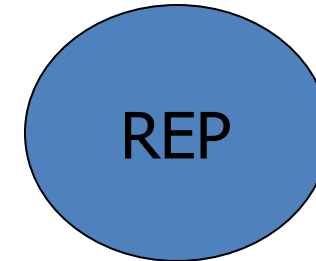
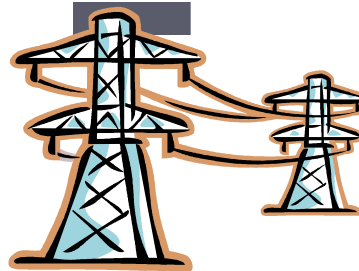
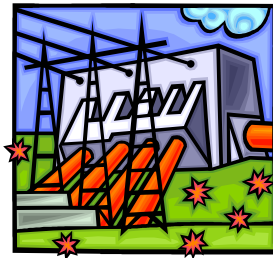


Deregulation Time Chart



The Deregulated Market Design

- Utilities are “unbundled,” they don’t own generation, transmission & distribution, and retail electric provider portions of the business.

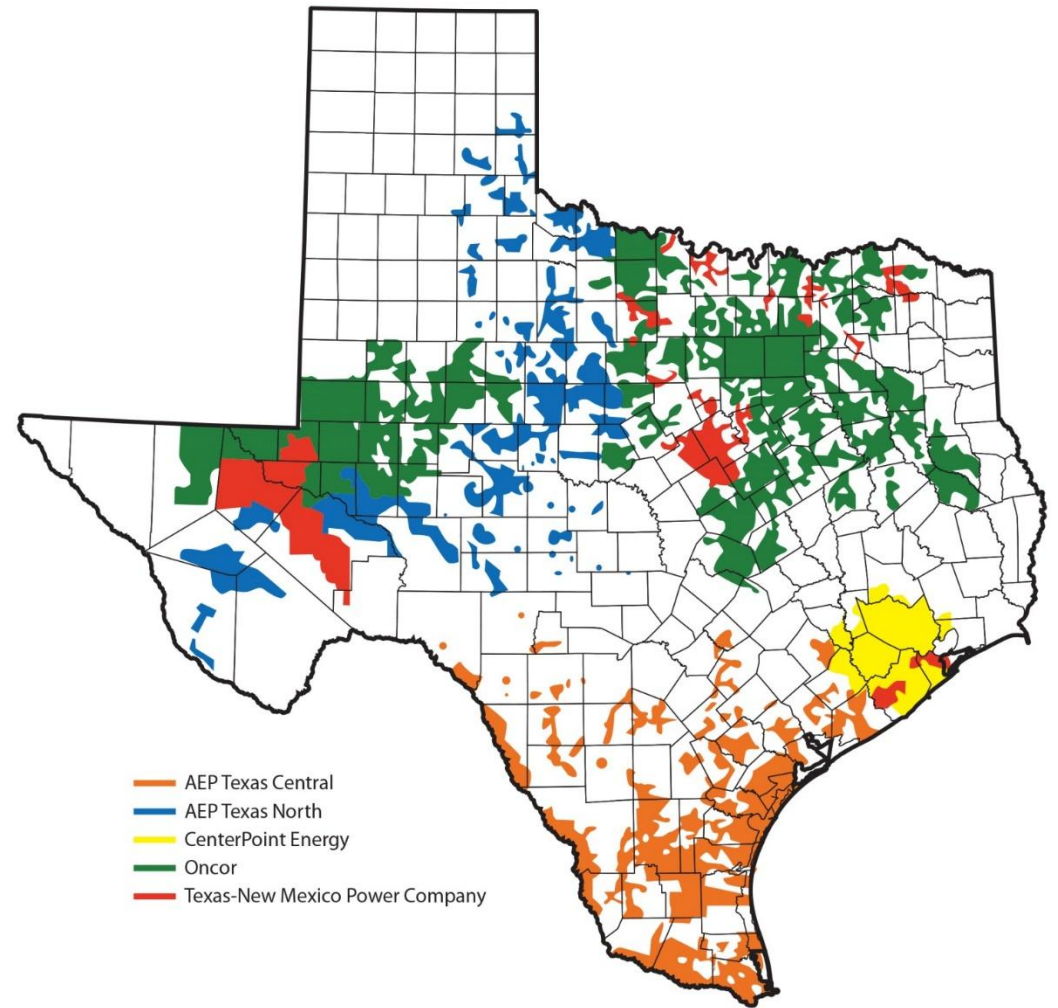


- Affiliates, or wholly separate companies, own different portions of the business.

The Market Following Deregulation

- The generation and sale of electricity to end-use customers is not regulated by the state. They are subject to competition.
- The “wires” that provide transmission and distribution service and bring electricity from generating units to end-use customers remain regulated by the state and cities.
- Electric Utility = “Wires” Company
= Transmission and Distribution Utility = TDU.

Texas Transmission and Distribution Utilities



ercot 

ERCOT has
authority over most
—
but not all — of the
state.

Most of ERCOT's
responsibilities are not subject
to federal jurisdiction.



ERCOT: Four Primary Responsibilities

1

Maintain system reliability.

2

Facilitate a competitive wholesale market.

3

Facilitate a competitive retail market.

4

Ensure open access to transmission.

Why is ERCOT important to consumers?



ERCOT's operations, and the rules that govern those operations, affect:



Wholesale energy costs



Reliability of service



Process of switching retail electric providers

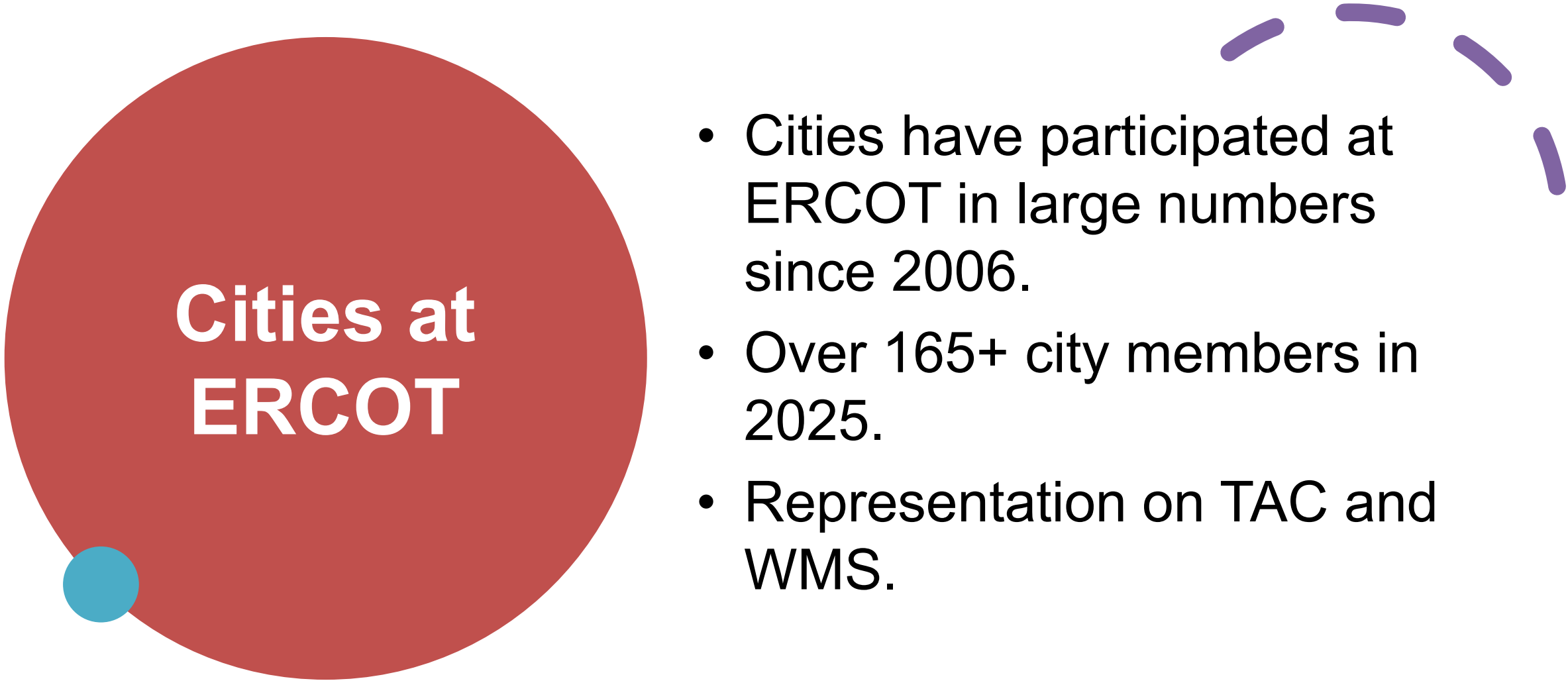


Most of what ERCOT's rules cover is addressed nowhere else.

ERCOT as a Stakeholder Process

The ERCOT stakeholder process is the way that participants in the ERCOT market make decisions about how the market will work.

Members participate in committee meetings to deliberate on changes to market rules.



Cities at ERCOT

- Cities have participated at ERCOT in large numbers since 2006.
- Over 165+ city members in 2025.
- Representation on TAC and WMS.



Gas Utility Regulation



Gas Utility Regulation in Texas

1890 – Railroad Commission created.



1920 – Cox Act Adopted. Creates oil and gas division within RRC. Authority over gas utilities.



Cities retain original jurisdiction.



Historically, utilities filed one comprehensive case approximately every 4 years.

Gas Utility Regulation, Cont.

Utilities said cost recovery was not timely enough.



Gas Reliability Infrastructure Program (GRIP) was created in 2003. ACSC opposed GRIP Program.



Rate Review Mechanism (RRM) was created in 2007.



Similar to GRIP, but allowed for City review.

Gas Utility Regulation, Cont.

Major Gas Utility Companies

- Atmos (2 divisions)
- CenterPoint (2 divisions)
- Texas Gas Service / ONE Gas (4 divisions)

Fully Bundled / Vertically Integrated / Regulated

- Competition
- Piecemeal Ratemaking
 - GRIP
 - RRM
 - COSA
 - Energy Efficiency Programs
 - Riders



The Unique Role of Cities in The Regulatory Process

The Unique Role of Cities in The Regulatory Process



Municipalities are regulatory authorities with original jurisdiction over electric (distribution) and gas utility **rates** and **services** with their city limits.



Municipalities do NOT have jurisdiction over:

Telephone

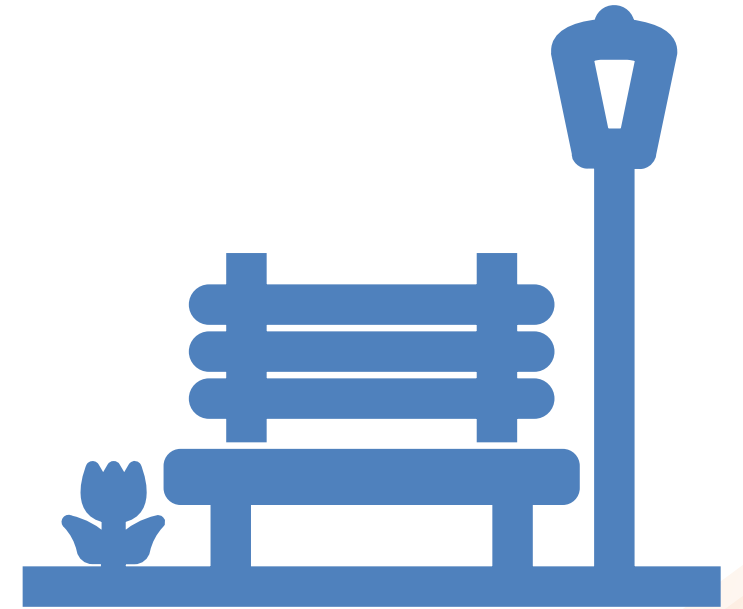
Internet

Cable

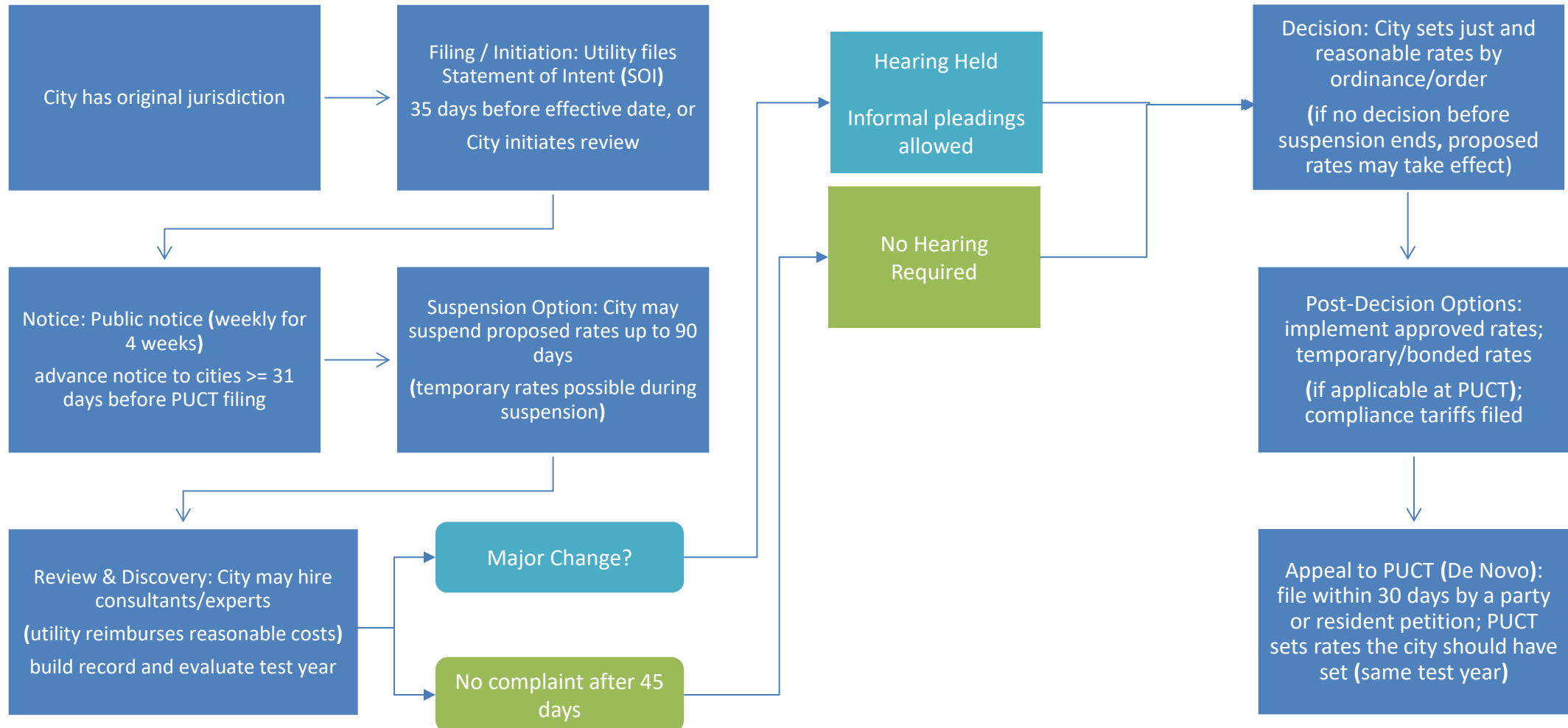
Other areas exempted by the legislature.

Municipal Authority - Electric

- Municipalities have original jurisdiction over distribution rates and services.
- Municipalities do **not** have jurisdiction over transmission, generation, retail electric providers or other areas designated by the legislature (e.g. EECRF, DCRFs, TCOS, Storm Costs, System Resiliency Plans, Automated Meters).
- All municipal actions may be appealed to the PUC and are de novo review.



Electric Distribution Statutory Process

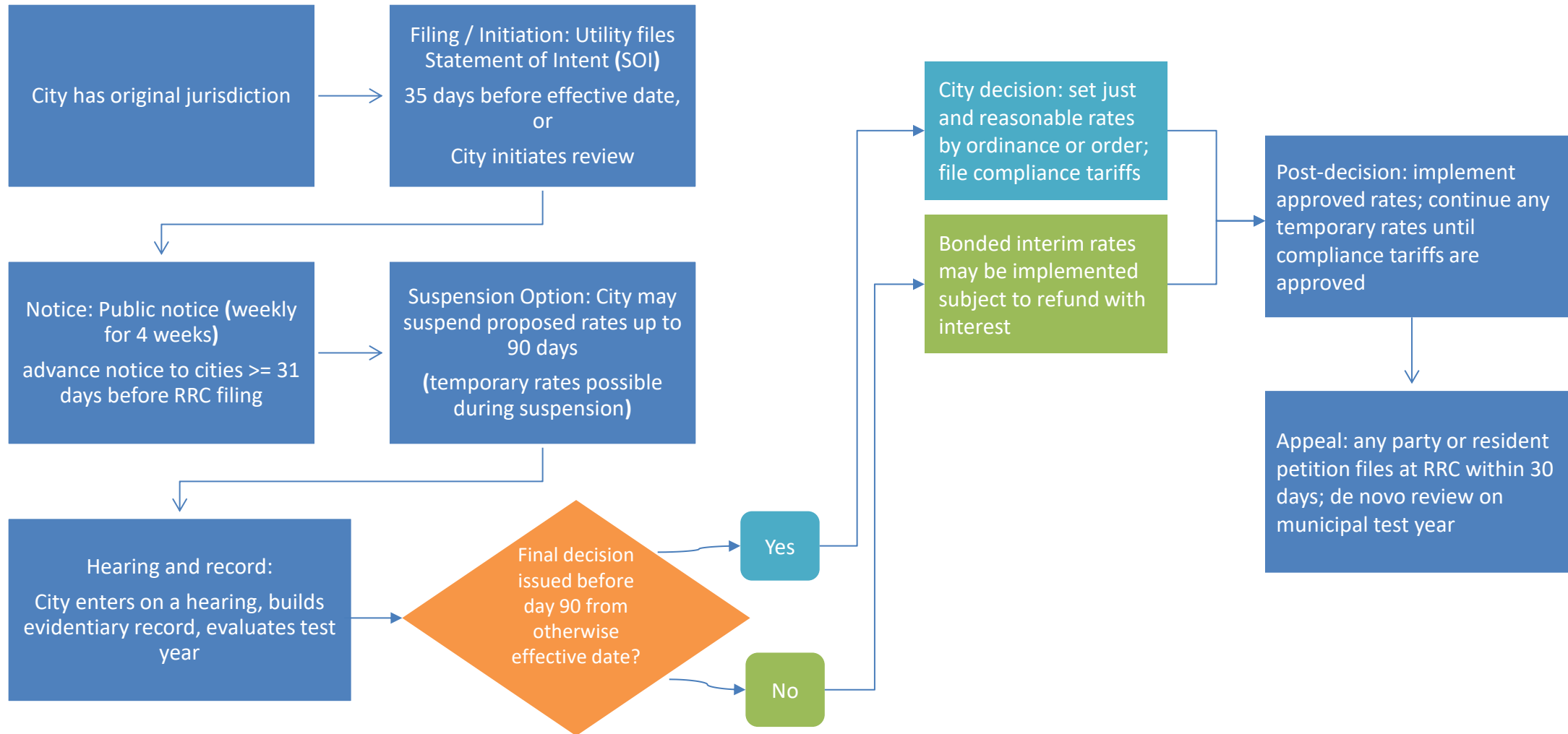




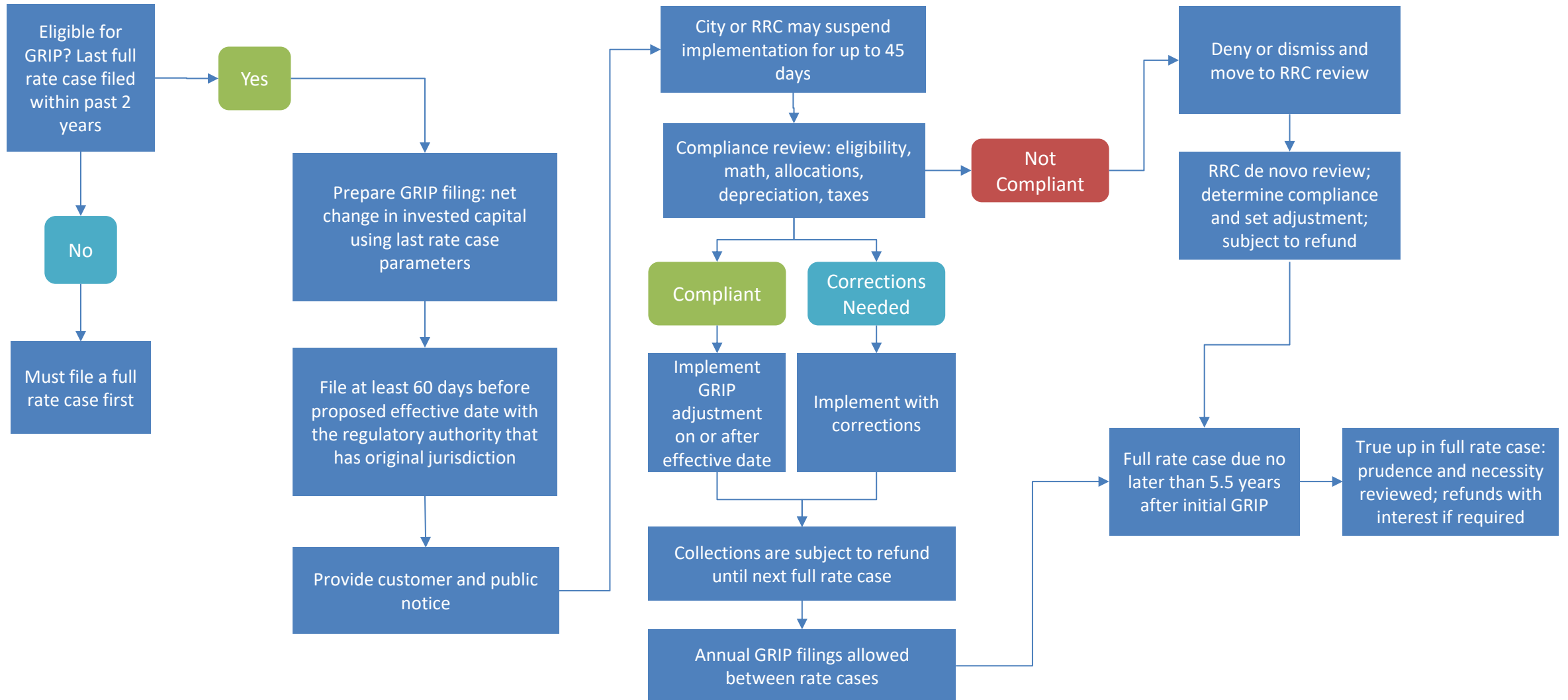
Municipal Authority - Gas

- Municipalities have original jurisdiction over distribution gas rates and services.
- Municipalities do **not** have jurisdiction over GRIP (except to delay effective date by 45 days), gas costs, conservation programs.
- All municipal actions may be appealed to the PUC and are de novo review.

Gas Distribution Statutory Process



Gas Distribution Statutory (GRIP) Process



Lewisville

- TNMP Cities
- OCSC
- ACSC
- TCAP
- TCCFUI
- ERCOT
- CoServ Cities



Our Clients / Our Interest

- Who we advocate for: TNMP Cities / ACSC / OCSC / CoServ
- Who we advise: TCCFUI / TCAP
- What is our interest?
 - Original Jurisdiction / Regulatory Authorities
 - Reliable Service / Reasonable Price
 - All classes
 - Economic / Environmental
- What is our reality / our goals?



Municipal Engagement

- OCSC / ACSC / TNMP Cities participate in electric and utility matters at the PUC, RRC, ERCOT, the courts and the legislature.
- City representatives hold seats at ERCOT on the Technical Advisory Committee and Wholesale Market Subcommittee.



Municipal Engagement

- As local governments, we advocate for policies that support reliable electric service at a reasonable cost.
- We also address city-specific issues relating to utility right-of-way, street lighting and rate issues related to certain kinds of city accounts like water pumping.



Other Municipal Coalitions



- TCAP
- TCCFUI
- ERCOT
- CoServ Cities





Questions?