Town of Argyle Town Manager's Notes February 27, 2026

Mayor and Council,

I am pleased to pass on the following information. All information in Manager's Notes is available to the public and these reports will be archived on the Town website.

Memo to Belmont

A Letter of Termination of the Residential Agreement for Police Services was transmitted to Belmont Fresh Water Supply District #2 this week. Services will be terminated effective May 31, 2026. A copy of the letter is at the end of this week's Town Manager's Notes.

Heath Tract

We have had some questions regarding the Heath Tract and proposed zoning. The following items were discussed during the Special P&Z meeting this week which should clarify our direction:

Zoning Change Summary

Current –

Under State Law, development may proceed piecemeal by right
No requirement to build roadways concurrent with development
All uses capped at 40,000 sq ft without an SUP
Wide range of uses allowed
Full access to Sam Davis by right
No secondary access/egress for AISD
No intersection at Avalon

Proposed –

Utilize PD process to limit uses and provide a unified approach
Membership Based Warehouse Retail, single use allowed
All other uses above 40,000 sq ft continue to require an SUP
Improve quality standards
Preserve additional open space
Required secondary access/egress for AISD
Require roadway construction with building construction
Limited access to Sam Davis
Full intersection at Avalon

Timeline:

- February 25th – Special P&Z Commission meeting to discuss the Heath Tract Planned Development (Discussion Only)
- March 4th - P&Z Commission meeting to consider the Heath Tract Planned Development
- March 23rd – Town Council meeting to consider the Heath Tract Planned Development

We estimate $200M in annual taxable sales from a major anchor user plus surrounding businesses after full buildout. That would be $4M annually between the Town, the Town's Street Sales Tax, the CCPD, and MDD.

Police Department Progress

Metroport Chamber Meeting	On 2/25 Chief Jackson attended a seven community collaboration meeting hosted by the Metroport Chamber and CoServ	At this meeting, members of municipal government and public safety from neighboring communities discussed ways that the businesses who are members of the Metroport Chamber can provide assistance and resources during a natural disaster or critical incident. More meetings are planned to continue this discussion.
Notable Arrest	The Argyle Police Department stays busy addressing traffic and crime issues. From time to time, notable cases or arrests will be shared to highlight the work done by our staff.	On 2/25/26 Argyle officers responded to an active disturbance between a man and woman. The result of this call was the arrest of the man for a parole violation, possession of marijuana and Family Violence Assault resulting in bodily injury.
Citizens Police Academy	The Citizens Police Academy class began this week.	This week the participants received a presentation from Chief Jackson on how recruiting and hiring is handled in a police department and an overview of the policing philosophy of the Argyle Police Department. A presentation from Denton County ESD 1 on CPR and first aid basics was also delivered to the students.
Speed issue in Argyle Town Village neighborhood	A resident in Argyle Town Village has brought forward a perceived issue with vehicle speeds in this neighborhood	A speed monitoring device has been deployed and the citizen has been contacted to get more clarity on the issues that he is observing

Community Development Progress

Project Name	Project Brief	Weekly Update/Status/Next Steps
Town Hall Community Meeting Series	Waterbrook and Avalon neighborhood meeting	Mayor Schmidt, Mayor Pro Tem Hermann, Council member Brading, and Town Manager Mike Sims presented to 25 residents of the Waterbrook and Avalon neighborhoods on **Tuesday, February 24th**. We received beneficial feedback on upcoming projects and thank you to Milestone Church for allowing us to host the meeting in their building!
Heath Tract Planned Dev	PZ Commission Special Mtg	During their special meeting on **Wednesday, February 25th**, the PZ Commission discussed the Heath Tract PD and provided feedback to Town staff and the applicant. This item will now have a public hearing during the PZ Commission mtg on March 4th next week.
Business Update	Uncle Mikes Bistro	We received unfortunate news this week that Uncle Mike's will be closing **Friday, February 27th** after 5 years at their location off Old Town Blvd. I've included the Article from Community Impact if you would like to read it. They will be missed!
Tree Rebate Program	Deadline for applications Extended to 3/31	The Town's annual Tree Rebate Program is being extended to **March 31st** to allow more time for residents and HOAs to submit applications for rebates when planting trees on their property. Below is a picture of trees planted by Mayor Schmidt this season! We hope more residents follow in his footsteps to increase the tree canopy in Town!

Municipal Services Progress

Project Name	Project Brief Description	Weekly Update / Status / Next Steps
Bank Depository Services – Final Evaluation Phase	Negotiation and selection process for banking services.	Concluded all finalist interviews. Best and Final Offers from American National Bank and PointBank were due February 26. Staff will complete final evaluation and prepare a recommendation for Council consideration.
Grant Management Services RFQ	Procurement of grant administration services.	RFQ opening occurred Monday, February 23, 2026. Seven responses were received from Outsource Execs LLC, CCM Advisers LLC, Blais & Associates, GrantWorks, Inc., Westwood Professional Services, Inc., CliftonLarsonAllen, LLP, and TJD Consulting. Staff are reviewing submissions and preparing evaluation materials.
Architect & Owner's Representative RFQs	Professional services procurement for Town Center projects.	RFQs are live and actively advertising. Bid opening is scheduled for Monday, March 9, 2026 at 2:00 PM. Staff continue coordinating posting and compliance requirements.
Audit Services RFQ	Development of solicitation for external audit services.	Audit Services RFQ documents are drafted and in final internal review. Advertisement is tentatively scheduled for next week, pending completion of approvals.
Town Engineer & Street Maintenance Engineering RFQs	Interview and selection process for engineering services.	Interviews for top-ranked firms were completed this week. Staff are finalizing recommendations for Council consideration at the March meeting.
Community Room Online Reservation Implementation	Digital scheduling, payment processing, and deposit management.	Coordinating with CivicPlus, Tyler Technologies (InCode), and Fulcrum to implement online reservations for the Community Room. Work includes developing a synchronized public/staff calendar and establishing procedures for rental fee collection, deposit processing, and refunds to ensure clear internal controls and a streamlined public experience.
Golden Agers Bingo – March Preparation	Senior programming and community engagement.	Began preparations for the March 12 Golden Agers Bingo Luncheon, coordinating logistics and event planning to ensure a smooth and welcoming program.
Payroll & A/P Continuity Support	Temporary coverage of Treasurer/Secretary duties.	In the absence of the Town Secretary/Town Treasurer, fulfilled backup responsibilities including review and data entry of timecards, payroll processing, and check/ACH printing for A/P to ensure uninterrupted financial operations.
Credit Card Process Improvements	GL transparency and cash balance accuracy enhancements.	Coordinated with the Accounting Manager (before her departure) to improve credit card processing workflows. Developed a step-by-step guide and Excel macros enabling exported credit card data to be directly imported into InCode for posting. Adjustments improve visibility of transaction detail in the GL while maintaining more accurate and timely cash balance reporting.

Public Works Progress

Project Name	Project Brief Description	Weekly Update/Status/Next Steps
Shell Station Sewer Line	To provide adequate sanitary sewer service to the commercial facilities.	We just have a few finishing touches left — we're waiting on sod for the grass areas and the manholes to be lined with Raven protective coating.
Multi-site Ditch Maintenance	Restoring select drainage ditches so water can flow properly and drainage issues are corrected. Drainage repairs have begun along the west side of Ben Boyd.	
Wastewater - Discharge Site	Create a site to discharge wastewater when cleaning lift stations.	Utilized an existing manhole nearest the connection to TRA
Wastewater Overflow	A wastewater overflow into a detention pond was reported last Thursday evening. During the investigation, it was determined that the blockage caused a backup affecting two phases of Harvest Townhomes. Fortunately, the overflow relieved enough pressure to prevent any impact to homeowners. A contractor was called in to assist with the operations.	Wastewater was bypassed to the nearest downstream manhole. The line was televised upstream, and the blockage was identified in a manhole located within a construction site. After pumping down the wastewater, the debris causing the restriction was removed. The affected area was cleaned and disinfected. All required reporting has been completed with the state.

Staff Update

Weekly Personnel Report - February 27, 2026				
Department	Number of Full-time Budgeted Positions	Number of Current Vacancies	Hiring Status	Notes
Administration	2	0		
Court	2	0		
Town Secretary and Finance	2	1	Accounting Manager job posted 2/6/26	
Community Development	4	0		Code Enforcement Position on Leave of Absence; One Part Time Intern Currently on Staff
Public Works	7	2	2 Equipment Operator Vacancies - 1 Code Enforcement / Construction Inspector Vacancy - all offers accepted & backgrounds cleared	3 new employees starting 3/2/2026. PW Director last day 2/27/2026. Ben White, PW Consultant visited for job shadowing on 2/26/2026. He begins his responsibilities March 2.
Polce Department Sworn Officers	17	0		
Police Department Civilian Positions	2	1	Civilian Admin Asst I/II job posted 2/526	Job posted to Town Website/TML. Interviews to be held week of March 8, 2026
Total	36	4		

Council Liaison being advertised.

Town of Argyle · 308 Denton Street East · Argyle, TX · 76226

February 27, 2026

Michael Knisley, President
Board of Supervisors
Belmont Fresh Water Supply District No. 2
c/o Allen Boone Humphries Robinson, LLP
4514 Cole Avenue, Suite 1450
Dallas, TX 75205

Re: Notice of Termination – Residential Law Enforcement Services Interlocal Cooperation Agreement

Dear Mr. Knisley:

On February 17, 2026, the Town Council of the Town of Argyle adopted a Resolution directing the Town Manager to provide formal notice of termination of the Residential Law Enforcement Services Interlocal Cooperation Agreement between the Town and Belmont Fresh Water Supply District No. 2.

As you are aware, Resolution 2024-13 was approved on May 20, 2024, authorizing the Amended and Restated Interlocal Cooperation Agreement for Law Enforcement Services (the Agreement), pursuant to which the Town agreed to provide residential law enforcement services through the Argyle Police Department to the residential portion of the District.

The Town recently conducted detailed studies evaluating (1) the financial requirements necessary for full cost recovery for short-term incremental services, and (2) the financial requirements necessary to provide police services at a rate of 2.5 officers per 1,000 population within the residential portion of the District, including the provision of a new police facility sufficient to accommodate the long-term staffing needs of both the Town and the District. Both studies concluded that the actual costs of providing such services are substantially higher than those currently embedded in the existing agreement.

By letter dated November 25, 2025, the Town provided the District with the results of these studies and outlined the conditions necessary for the Town to

continue offering long-term law enforcement services. On January 29, 2026, counsel for the District responded that the Board determined it was not in the District's best interest to enter into a long-term agreement with the Town and respectfully declined to do so.

In light of the foregoing, and pursuant to Section 10(a) of the Agreement, this letter shall serve as the Town's formal 90-day notice of early termination. In accordance with the Resolution adopted on February 17, 2026, the effective date of termination shall be May 31, 2026.

In addition, we are proposing the following points:

a. Through April 30, 2027, the Town shall continue to maintain and provide the LPR Camera pursuant to Section 6(c) of the Agreement and the District shall continue to compensate the Town for these costs as per Section 6(c). The Town is open to discussions for a long-term agreement related to these cameras.

b. Since the fees established in the Agreement are applicable in the Commercial contract for the Multi-Family portion of the Commercial Agreement, after May 31, 2026, the Town shall cease both services and related billing amounts to the District for the Multi-Family portion of the Commercial Agreement. To be clear, the Town of Argyle will not be providing police services to the multi-family portion of the commercial area. The Town proposes no other changes to the Commercial Agreement.

c. The Town remains committed to ensuring an orderly and professional transition of services. The Town proposes a coordination meeting with the District at the earliest convenience to discuss this transition. Our Police Department will reach out to coordinate with the District and its representatives to address operational details necessary at this time.

Should you have any questions regarding this matter, please contact my office.

Sincerely,

Mike Sims
Town Manager
Town of Argyle

_____ _____

Acknowledged
Belmont FWSD #2

Date

Precinct 4 Transportation Task Force

February 2026

PROJECT STATUS UPDATES

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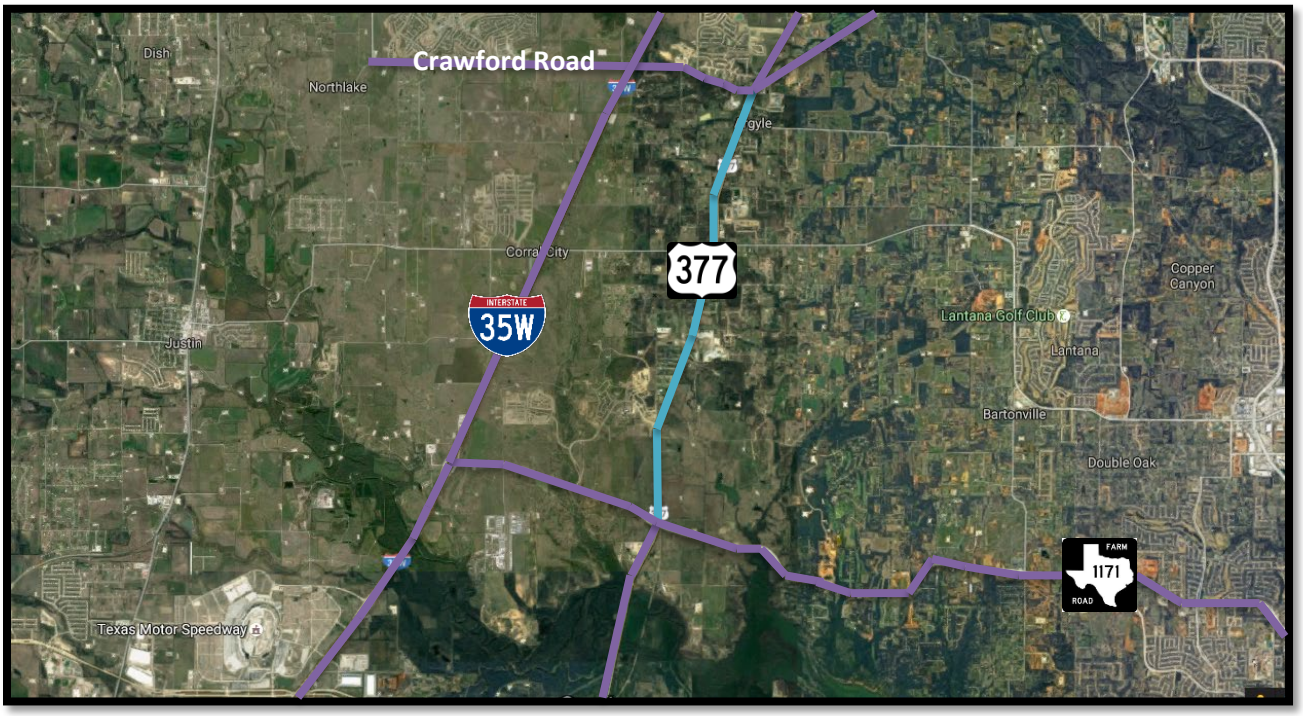
| PROJECT FUNDING SUMMARY |

PROJECT	COUNTY	OTHER	PROJECT TOTAL
SH 114 East	$0	$107,231,732	$107,231,732
SH 114-Championship Signal	$3,500,000	$1,057,624	$4,575,624
FM 1171 West	$2,135,714	TBD	$148,365,821
US 377: Argyle Section	$6,141,277	$172,970,558	$187,952,314
US 377: Creek Section	$2,031,730	TBD	$96,912,924
I-35 North	$0	$629,621,924	$809,219,930
I-35 North (FM 455 to View)	$0	$128,704,134	$128,704,134
I-35/35E/35W Merge	$0	$588,780,841	$588,780,841
I-35E/Mayhill	$0	$139,130,349	$139,130,349
I-35E Frontage Roads at UPRR	$0	$11,749,150	$11,749,150
I-35W Frontage Roads Middle	$0	$213,024,000	$260,713,231
I-35W Frontage Roads South	$0	TBD	$244,521,680
Loop 288 West	$15,269,064	$50,773,087	$298,460,391
FM 1515	$4,636,399	$500,000	$74,121,108
FM 2499-FM 407 Intersection	$4,833	$3,243,818	$3,248,651
FM 407 (FM 1830 to FM 156)	$0	TBD	$287,000,000
FM 407 Justin Breakout	$7,000,000	TBD	$7,000,000
FM 407 Breakout	$1,144,861	$40,360,784	$41,505,645
FM 407 Micro Breakout	$3,276,506	$0	$3,276,506
FM 1173	$4,810,489	TBD	$130,662,634
Strader Road	$1,000,000	TBD	$129,586,199
Robson Ranch/CG Breakouts	$260,944	TBD	$5,360,944
Faught Road	$3,000,000	$3,000,000	$6,000,000
High School Road	$5,000,000	$1,500,000	$6,500,000
Elm Street-Locust Street	$2,000,000	$19,000,000	$21,000,000
Westgate-Windsor	$4,100,000	$4,100,000	$8,200,000
Bonnie Brae Phase 3	$2,851,785	$37,467,060	$40,318,845
Denton Creek Blvd Bridge	$6,000,000	$4,000,000	$10,000,000
Hopkins Road	$3,500,000	$2,030,000	$5,530,000
Jackson Road, Segment 1	$1,181,530	$0	$1,181,530
Jackson Road, Segment 2	$1,074,060	$0	$1,074,060
Plainview Road	$1,266,500	$0	$1,266,500
Outer Loop	$10,788,553	TBD	$1,558,000,681
TOTAL	**$91,974,244**	**$2,166,603,541**	**$5,367,151,423**

TRIP-08

US 377: Argyle Section

CSJ:	0081-03-047	**Schematic Approval:**	January 10, 2018
Limits:	From FM 1171 to Crawford/Country Club Road	**Environmental Clearance:**	March 13, 2019
Length:	6.136 miles		
Description:	Reconstruct and widen 2-lane rural highway to 4-lane divided urban roadway	**ROW Acquisition Completed:**	March 30, 2021
Est. Construction Cost:	$172,970,558	**Utility Relocations Completion:**	July 2026
Construction Funding:	$172,970,558 CAT 2: $73,973,600 CAT 4: $92,888,434 CAT 5: $6,108,524	**100% Plans:**	January 2026
Firm & Key Contact:	Jacobs, John Padilla	**Ready to Let Date:**	July 2026
TxDOT PM:	Kwan Lam	**Let Date:**	*



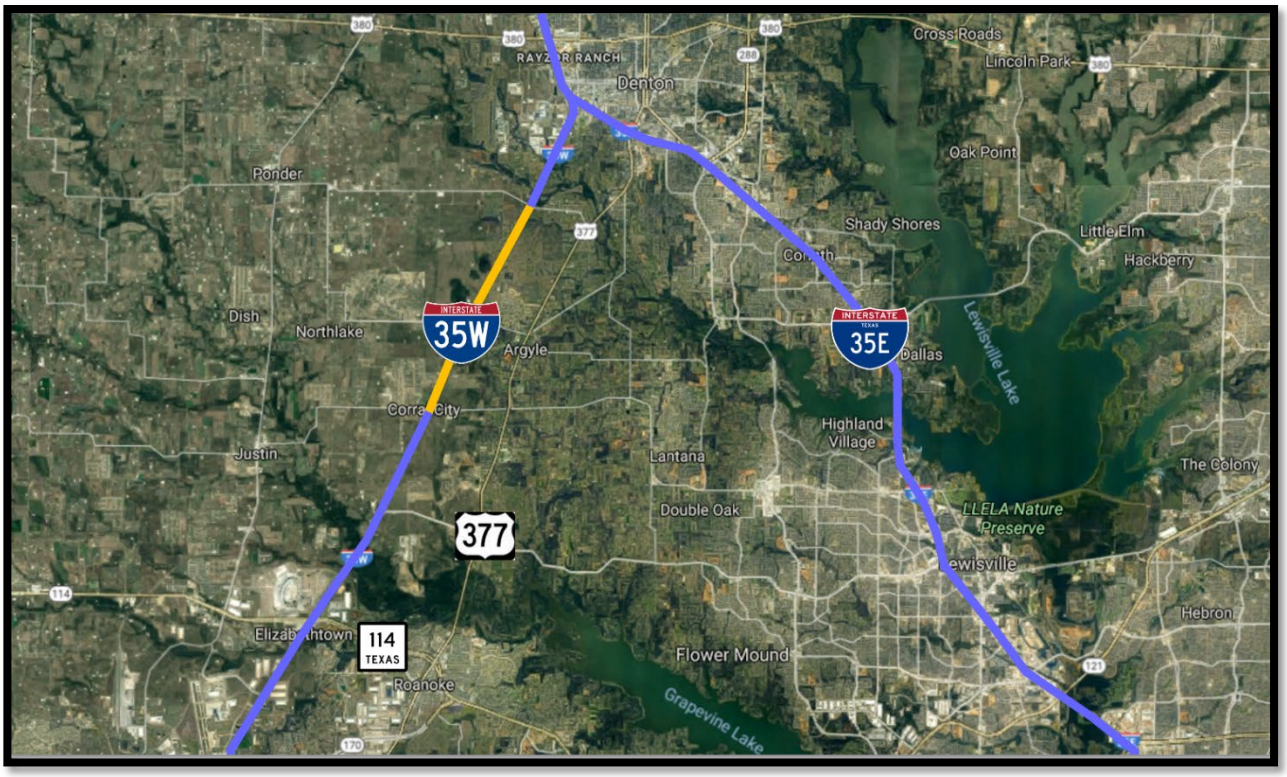
Current Activity:

- **PS&E:** Jacobs submitted final plans on January 30, 2026.
- **Exhibit A:** Jacobs submitted final Exhibit A package to the Dallas District. Minor cross culvert Exhibit A package submitted on March 8, 2024.
- **Utilities:** The status of utilities in conflict is listed below.
  - Utilities that are clear of construction: Argyle Water Corporation, Argyle Wastewater, Astound (Grande), AT&T, Atmos Distribution, CoServ Gas, Fiberlight, Lumen, Trinity River Authority, UTRWD, and Zayo.
  - Utilities that are currently relocating: Atmos Transmission, Charter/Spectrum, Colt Midstream, and CoServ Electric.
  - Utilities that are pending relocations: None
  - Utilities that are critical path: Atmos Transmission must be clear for CoServ and remaining telecoms to be clear.

TxDOT

I-35W Frontage Roads Middle

CSJ:	0081-13-071	**Schematic Approval:**	March 20, 2020
Limits:	From 0.7 miles south of FM 407 to FM 2449	**Environmental Clearance:**	June 30, 2020
Project Description:	Construct frontage roads	**ROW Acquisition Complete:**	June 2026
Est. Construction Cost:	$260,713,231	**Utility Relocations Complete:**	December 2027
Construction Funding:	$213,024,000 CAT 2: $24,537,247 CAT 12: $188,486,753	**100% Plans:**	December 2026
Firm & Key Contact:	WSP	**Ready to Let Date:**	December 2027
TxDOT PM:	Gutema Gebrial	**Let Date:**	September 2028



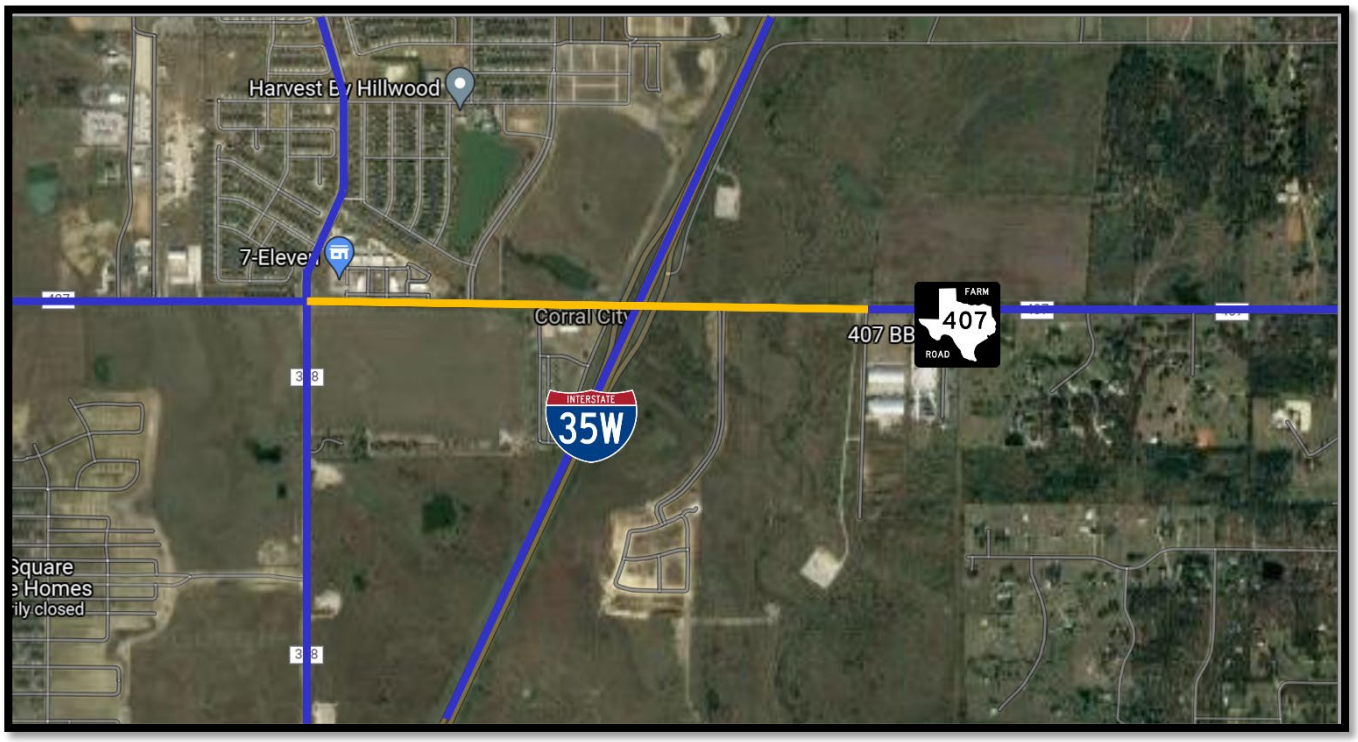
Current Activity:

- **PS&E:** WSP continues working toward completion of final plan set.
- **ROW:** There are 58 parcels to acquire. There are: 3 parcels in ED and 55 parcels acquired.
- **Utilities:** The status of utilities in conflict is listed below.
  - Utilities that are clear of construction: DME Transmission and UTRWD.
  - Utilities that are currently relocating: Atmos Gas.
  - Utilities that are pending relocations: CoServ Electric, DME Distribution, Fiberlight, Frontier, Fiberlight, Lumen, and Zayo.
  - Utilities that are critical path: CoServ pole placement design and placement is needed for telecoms to finalize their design. Unidentified OneOK pipeline pending design and SUA. Possible Hillwood pipeline in conflict, pending confirmation.

TRIP-08

FM 407 Breakout

CSJ:	1310-01-050	**Schematic Approval:**	August 9, 2023
Limits:	from Gateway Drive to Cleveland-Gibbs Road	**Environmental Clearance:**	March 20, 2023
Description:	Reconstruct and widen from 2-lane to 6-lane urban with improvements to I-35/FM 407 bridge	**ROW Acquisition Completed:**	September 2024
Est. Construction Cost:	$40,360,784	**Utility Relocations Complete:**	September 2026
Construction Funding:	$40,360,784 STBG	**Final Plans:**	January 2026
Firm & Key Contact:	Bartlett & West, Tim Nesbitt	**Ready to Let Date:**	September 2026
TxDOT PM:	Marlena Kelly	**Let Date:**	Pending Funding



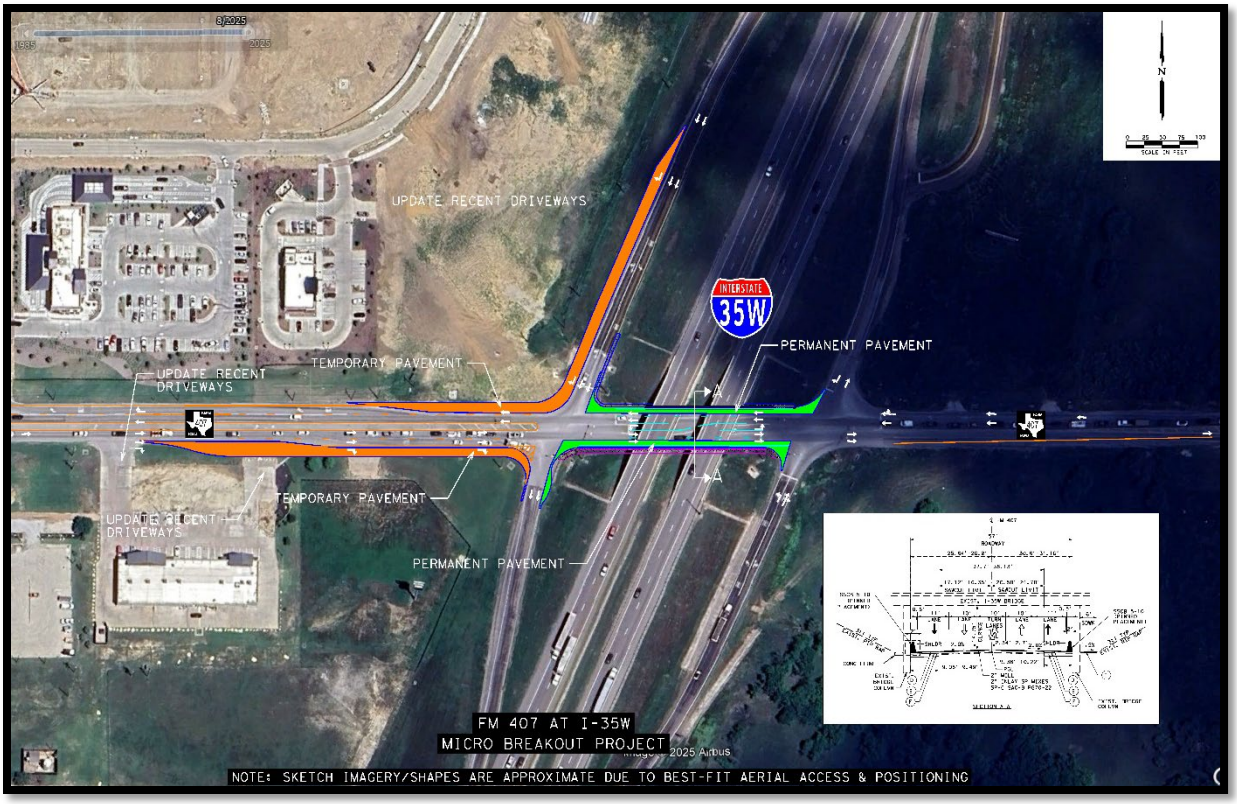
Current Activity:

- **PS&E:** Bartlett & West submitted revised 100% PS&E plan set on December 15, 2025. TxDOT to review plan set.
- **Utilities:** The status of utilities in conflict is listed below.
  - Utilities that are clear of construction: None
  - Utilities that are currently relocating: None
  - Utilities that are pending relocations: Astound (Grande), Atmos, Charter/Spectrum, CoServ Electric, Fiberlight, Frontier, UTRWD, and Zayo.
  - Utilities that are critical path: CoServ Electric design must be finalized for other telecoms to finalize design. Atmos pending easements.

TRIP-22

FM 407 Micro Breakout

CSJ:	TBD	**Schematic Approval:**	August 9, 2023
Limits:	At I-35W	**Environmental Clearance:**	March 20, 2023
Description:	Add right-turn lanes west of I-35W and through lanes beneath I-35W bridge	**ROW Acquisition Completed:**	September 2024
Construction Cost:	$2,058,939	**Utility Relocations Complete:**	NA
Construction Funding:	TRIP-22	**Final Plans:**	November 2025
Firm & Key Contact:	Bartlett & West, Tim Nesbitt	**Let Date:**	January 2026
TxDOT PM:	Marlena Kelly	**Construction Start:**	February 2026



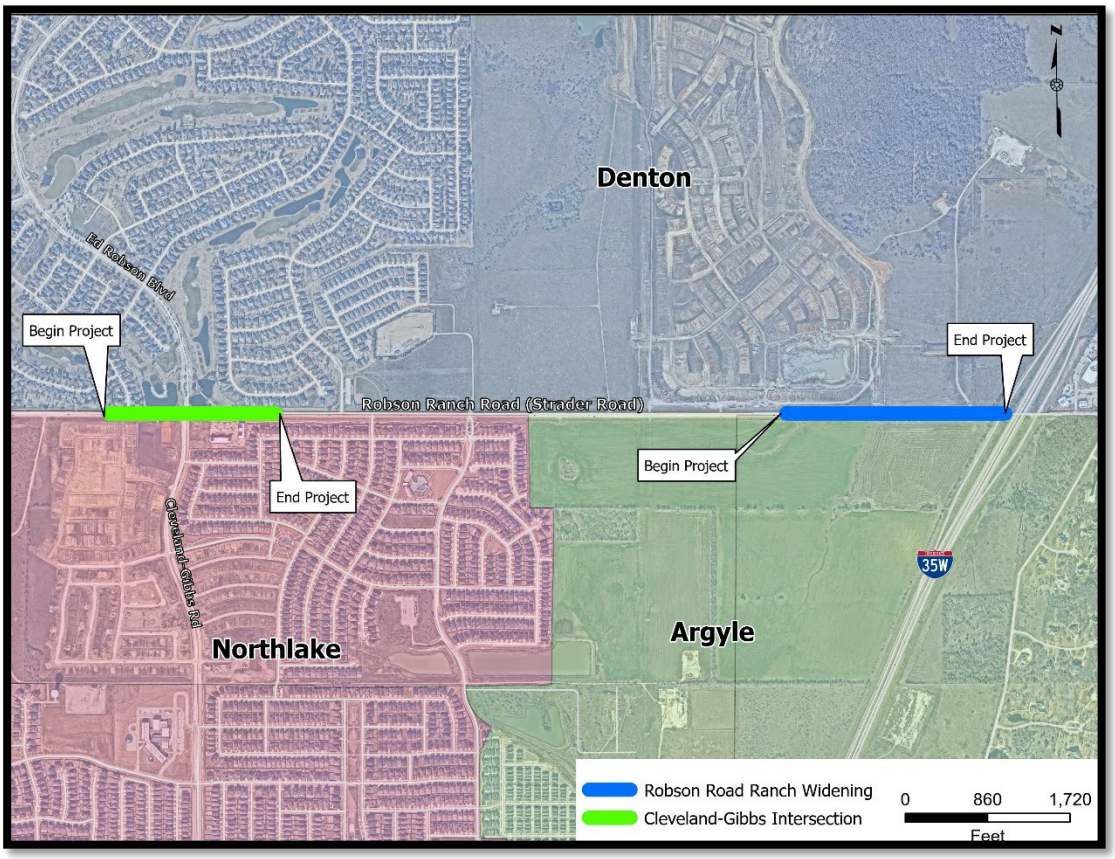
Current Activity:

- **LOSA:** ITS continues coordinating with TxDOT for a LOSA for the project.
- **Construction:** Denton County Commissioners Court expected to consider award of construction to Ed Bell Construction Company on February 24, 2026.

TRIP-22

Robson Ranch-Cleveland Gibbs Breakouts

CSJ:	NA	**Schematic Approval:**	NA
Limits:	From I-35W to 0.4 miles west of I-35W; intersection at Cleveland-Gibbs Road	**Environmental Clearance:**	NA
Description:	Widen to 6-lane divided urban roadway	**ROW Acquisition Complete:**	*
Estimated Construction Cost:	$5.1 million	**Utility Relocations Complete:**	*
Construction Funding:	*	**100% Plans:**	Robson Ranch: January 2026 Cleveland Gibbs: October 2025
Firm:	BGE	**Ready to Let Date:**	*
Key Contact:	Will Barresi	**Let Date:**	*



Current Activity:

- **Design (Robson Ranch at HEB Development):** BGE submitted updated 100% plans on January 30, 2026.
- **Design (Cleveland-Gibbs):** BGE submitted revised final plans on October 31, 2025. BGE prepared right-of-entry for Robson Ranch HOA.
- **ICA:** ICA with City of Denton for $5.8M is underway to include widening from west of Sage Hawk Drive to I-35W southbound frontage road. Work also includes signal at proposed HEB entrance and left-turn lane from northbound Cleveland-Gibbs to westbound Robson Ranch Road. Ongoing work includes coordination with Robson Ranch and proposed restriping to improve operations along Robson Ranch Road.