

MINUTES
Regular City Council Meeting
July 8, 2025 – 6:00 p.m.

Present: Mayor Chris Davies, Mayor Pro Tem John Verity
Council Members: Cody Hawkins, Justin Poppelreiter, Mike Wolters
City Attorney: Susan Thomas
City Manager: John Adel
City Secretary: Becky Pattillo
Finance Director: Stacy Smith
Community Services Director: Matt McMahan
Public Works Director: Paul Miller
Building Official: Josh Kinnick
EDC Director: Joel Richardson
Police Chief: Kimbre Collier
City Engineer: Eddy Daniel

Absent: Council Member Shawn Bentley

1. Call to Order:

Mayor Chris Davies called the meeting to order at 6:00 p.m.

2. Invocation:

Building Official Josh Kinnick gave the invocation.

3. Approval of Minutes from the Regular City Council Meeting of June 10, 2025:

Mayor Pro Tem John Verity made the motion to approve the minutes of the regular meeting of June 10, 2025, as read. Council Member Cody Hawkins seconded the motion, resulting in a unanimous vote.

4. Presentation to City Council by members of the Public. (To be conducted as close to 6:05 p.m. as possible with a three-minute limit per person. This period is reserved for citizens to discuss items that are not on the listed agenda. The response to Public Comments will be limited to: (1) A statement of fact or policy; (2) Direction to take up the issue with a City Staff Member; or (3) an offer to place the item on a future City Council agenda:

No one came forward.

5. REPORTS:

- a. Financials including Accounts Payable**
- b. Court**
- c. Public Works / Engineering / Parks Update**
- d. Police**
- e. Fire**
- f. Building Services**

- g. **Economic Development Corporation**
- h. **Airport**
- i. **City Manager**

6. **Discussion and Possible Action on a Resolution approving a Second Amendment to Development Agreement between Caddo Mills Laguna Land Azure, LLC (Enclave of Bahamas – Megatel) and the City of Caddo Mills, Texas:** City Attorney Susan Thomas stated that this item was tied to some of the action that the TIRZ Board took earlier and some of the other items on the agenda for action. An amendment had been made to the development agreement to contemplate the TIRZ reimbursements and clean up some of the language regarding that.

Mayor Pro Tem John Verity made the motion to approve the resolution for the second amendment. Council Member Justin Poppelreiter seconded the motion, resulting in a unanimous vote.

7. **Consideration and Possible Action on Resolution approving a TIRZ Reimbursement Agreement between Caddo Mills Laguna Land Azure, LLC (Enclave of Bahamas – Megatel) and the City of Caddo Mills, Texas:** Dr. Susan explained that this was related to the agreement that the TIRZ Board had just approved.

Mayor Pro Tem John Verity asked why the county and the hospital were not helping the city with at least part of the cost on this agreement.

Dr. Susan explained that they wanted the TIRZ money to buy down the PID assessments, which will make the houses more marketable because the assessments will be smaller. She continued that because the terms were different, it didn't match up with the TIRZ agreement that the city had with the county and the hospital district, so they weren't part of this agreement.

Mayor Pro Tem John Verity made the motion to approve the TIRZ reimbursement agreement as presented. Council Member Justin Poppelreiter seconded the motion, resulting in a unanimous vote.

8. **PUBLIC HEARING – proposed annexation of portions of Hunt CAD Property IDs 220301, 34681, 34708, 108038 and 34722, generally located north of CR 2638 and west of FM 1565. And being an approximate 59.117 – acre tract of land situated in the Shelby County School Land, Abstract 0946 Hunt County, Texas:**

Building Official Josh Kinnick stated that this was the long-awaited annexation of the first part of the Megatel subdivision. Megatel had requested that they annex the property in phases and this would be the first portion – approximately 300 lots.

Mayor Chris Davies opened the public hearing at 6:09 p.m. With no one coming forward to speak for or against the annexation, Mayor Davies closed the public hearing at 6:10 p.m.

- 9. Discussion and Possible Action on an Ordinance annexing portions of Hunt CAD Property IDs 220301, 34681, 34708, 108038, and 34722, generally located north of CR 2638 and west of FM 1565, and being an approximate 59.117-acre tract of land situated in the Shelby County School Land, Abstract 0946, Hunt County, Texas:**

Mayor Pro Tem John Verity made the motion to approve the ordinance annexing portions of Hunt CAD Ids 220301, 34681, 34708, 10 8038 , and 34722. Council Member Justin Poppelreiter seconded the motion, resulting in a unanimous vote.

- 10. PUBLIC HEARING – proposed zoning of portions of Hunt CAD Property IDs 220301, 34681, 34708, 108038, and 34722, generally located north of CR 2638 and west of FM 1565, being an approximate 59.117-acre tract of land situated in the Shelby County School Land, Abstract 0946, Hunt County, Texas to Planned Development (PD) District:**

Mayor Davies opened the public hearing at 6:11 p.m. With no one coming forward to speak for or against the zoning request, Mayor Davies closed the hearing at 6:12 p.m.

- 11. Discussion and Possible Action on Ordinance zoning portions of Hunt CAD Property IDs 220301, 34681, 108038, and 34722, generally located north of CR 2638 and west of FM 1565, and being an approximate 59.117-acre tract of land situated in the Shelby County School Land, Abstract 0 946, Hunt County, Texas to Planned Development (PD) District:**

Mayor Pro Tem John Verity made the motion to approve the zoning ordinance as presented. Council Member Justin Poppelreiter seconded the motion, resulting in a unanimous vote.

- 12. PUBLIC HEARING – Consideration and Possible Action on proposed assessments to be levied within Improvement Area #1 of the Enclave of Bahamas Public Improvement District:**

Mayor Chris Davies opened the public hearing at 7:13 p.m. With no one coming forward to speak for or against the proposed assessments, he closed the public hearing at 7:14 p.m.

- 13. Discussion and Possible Action on an Ordinance of the City Council of the City of Caddo Mills accepting and approving a Service and Assessment Plan and Assessment Roll for the Enclave of Bahamas Public Improvement District; making a finding of special benefit to the property in Improvement Area #1 of the District; levying special assessments against property within**

Improvement Area #1 of the District and establishing a lien on such property; providing for the method of assessment and the payment of the assessments in accordance with Chapter 372, Texas Local Government Code, as amended, providing penalties and interest on delinquent assessments, providing for severability; and providing an effective date:

Jaime Schlutz, P3 Works, stated that this was for Megatel, who was annexed earlier. She continued that they had the preliminary assessment plan at the June meeting and now they had the service assessment plan, which was the last of the plan.

Mayor Pro Tem John Verity made the motion to approve the ordinance as presented. Council Member Justin Poppelreiter seconded the motion, resulting in a unanimous vote.

- 14. Discussion and Possible Action on an Ordinance authorizing the issuance of the "City of Caddo Mills, Texas, Special Assessment Revenue Bonds, Series 2025 (Enclave of Bahamas Public Improvement District Improvement Area #1 Project)"; approving and authorizing an Indenture of Trust, a Bond Purchase Agreement, a Limited Offering Memorandum, a Continuing Disclosure Agreement and other agreements and documents in connection therewith; making finding with respect to the issuance of such Bonds; and providing an effective date:**

Andrew Friedman, SAMCO financial advisor to the City of Caddo Mills, stated that we have reached the point where we can sell bonds for the Enclave of Bahamas PID. They had an ordinance for approval for the issuance of the bonds. He continued that these bonds could not be repaid with anything but the assessments that were approved in the service and assessment plan.

Mayor Pro Tem John Verity made the motion to approve the ordinance as presented. Council Member Justin Poppelreiter seconded the motion, resulting in a unanimous vote.

- 15. PUBLIC HEARING – Discussion and Possible Action on proposed assessments to be levied against the assessable property within of the Caddo Mills Crossing Public Improvement District:**

Mayor Davies opened the public hearing at 7:19 p.m. With no one coming forward to speak for or against the item, Mayor Davies closed the public hearing at 7:20 p.m.

- 16. Discussion and Possible Action on Ordinance of the City Council of the City of Caddo Mills accepting and approving a Service and Assessment Plan and Assessment Roll for the Caddo Mills Crossing Public Improvement District; making a finding of special benefit to the property within Improvement Area #1 of the District; levying special assessments against property within Improvement Area #1 of the District and establishing a lien on such property; providing for the method of assessment and the payment of the assessments**

in accordance with Chapter 372, Texas Local Government Code, as amended, providing penalties and interest on delinquent assessments, providing for severability; and providing an effective date:

Jaime Schlutz, P3 Works stated that this was for the Caddo Mills Crossing PID, and just like the Enclave of the Bahamas, they had the preliminary assessment plan in June and now they were doing the service and assessment plan.

Mayor Pro Tem John Verity made the motion to approve the ordinance. Council Member Justin Poppelreiter seconded the motion, resulting in a unanimous vote.

17. PUBLIC HEARING – Consideration and Possible Action taken on the proposed amendment to the Project Costs of Tax Increment Reinvestment Zone Number One, City of Caddo Mills, Texas and the Amended and Restated Project and Finance Plan for Tax Increment Reinvestment Zone Number One, City of Caddo Mills, Texas:

Mayor Chris Davies opened the public hearing at 7:21 p.m. With no one coming forward to speak concerning the project, Mayor Davies closed the public hearing at 7:22 p.m.

18. Consideration and Possible Action taken on the proposed amendment to the Project Costs of Tax Increment Reinvestment Zone Number One, City of Caddo Mills, Texas and approving an Amended and Restated Project and Finance Plan for Tax Increment Reinvestment Zone Number One, City of Caddo Mills, Texas in accordance with Section 311.011(d), Texas Tax Code:

Jaime Schlutz stated that this was the amendment to the TIRZ Number One as discussed in the TIRZ Board meeting earlier.

Mayor Pro Tem John Verity made the motion to approve the proposed amendment to the project costs of the TIRZ Number 1. Council Member Justin Poppelreiter seconded the motion, resulting in a unanimous vote.

19. Discussion and Possible Action on a Resolution directing publication of Notice of Intention to issue Certificates of Obligation for Water and Sewer System Improvements in an amount not to exceed \$6,000,000; and resolving other matters relating to the subject:

Andrew Friedman, SAMCO, handed out a timetable for debt that would be repaid by the City of Caddo Mills. This was the first step in the process. They would come back on September 9 to accept bids and with approval the funds would be delivered on October 8.

Mayor Pro Tem John Verity made the motion to approve the resolution for bonds. Council Member Mike Wolters seconded the motion, resulting in a unanimous vote.

20. PUBLIC HEARING – amendment to the Comprehensive Plan Future Land Use Map redesignating Hunt County Property ID 129516, generally located west of FM 36 and north of FM 1903, being an approximate 2-acre tract of land situated in the CADY DC Abstract A0157, Hunt County, Texas from Low Density Residential to Mixed Use:

Building Official Josh Kinnick stated that there were several people present who wished to speak on this.

Mayor Chris Davies opened the public hearing at 6:13 p.m.

Eric Norris came forward and explained that he lived in The Mills and wasn't against development but was for responsible development. He added that the proposed development carried risk to his neighborhood. The idea of having commercial property that overlooked his family at the pool or private family time didn't excite him. Some of the major concerns were noise and light pollution, traffic to an already congested road and security. He was also worried about property value. Someone at the Planning and Zoning meeting had suggested that he contact a realtor, which he did; and they responded that any property touching the commercial property would likely lose value, not only for the bordering homes, but possibly for the whole neighborhood. He added that he had a petition with about 30 names on it that didn't want the project.

Mark Barrack stated that he was concerned about values. He thought that the taxes that they paid for the services provided were overpaid. He added that a mixed use permit allowed for a lot of potential businesses and in a picture that he had seen of the proposed project there was a drive thru and usually with a drive thru, there was a speaker system. He didn't want to hear an order for two tacos and a drink coming through a speaker system in their back yard. Mr. Barrack added that he wasn't against growth, he just felt that the location should be different. He concluded by saying that the road where this would go in was in need of repair and wondered what additional traffic would do to the road. He felt that the whole thing was a bad idea and that we needed to be careful what kind of businesses would go in there.

Eric Flattery stated that he had moved from Prosper to Caddo Mills a year and a half ago and knew that growth was coming but was concerned if we were letting commercial businesses come in and being smart about it. He wondered where the entrance to Caddo Mills was going to be and how we were going to use the Comprehensive Plan.

Megan Schwartz stated that her property backed up to the proposed strip mall and had three children under four years old, but was concerned about the noise, being able to be in the back yard and enjoy it, and without knowing what businesses were going in the development, safety. She asked the Council how they would feel if the strip mall was put in their backyard.

Kelly Martinez added that they moved from Rockwall because of the community, and thought that if something was put in, it would be something that added to the community and felt bad for her neighbors because she wouldn't want something like what was being proposed in her backyard. She continued that some of the neighbors got letters concerning the public hearing, but not everyone did, and she felt that everyone in the Mills would have been at the meeting if they would have known.

Mayor Pro Tem John Verity stated that the Council agenda has to be posted 72 hours in advance and this was brought to P&Z and Council.

City Attorney Susan Thomas stated that notices are required by state law to be mailed to all property owners within 200 feet of the property being discussed and that was why part of that neighborhood got notices and some did not. There's also newspaper publication that is required and that was done as well.

Bud Jones, owner of the property in question, stated that he had bought the property in December but that the best use for that piece of property was not residential. The house that had been on the property for decades but it wasn't fit to live in. He continued that it was zoned single family and he could rebuild a house, but it wasn't financial feasible. He bought the land to put something commercial on it and had been working with the city for a while and had done drainage study, site plans and everything to change the zoning and build commercial property. He concluded with he understood all of the concerns, but hoped that they could come to some sort of agreement.

Council Member Cody Hawkins asked Mr. Jones if he realized that the property was zoned residential when he bought it. Mr. Jones replied that he did. Mr. Hawkins stated that he was on the board that created the Comprehensive Plan and it took about two years of work to create it.

Mr. Barrack stated that he felt that Mr. Jones had valid points, but from a business owner's standpoint, as much as he wanted to complain about TxDOT tearing down

bridges and hurting his business and the roads being torn up, that was just a fact of life, and they had to deal with it. He added that he had nothing against Mr. Jones but felt that since there were already issues with drainage in the area, he didn't think that this project should be considered until some of those issues were fixed. He concluded that he hoped they would work together to do something with that property that made sense for everyone.

With no one else coming forward to speak concerning the rezoning, Mayor Davies closed the public hearing at 6:49 p.m.

21. Discussion and Possible Action on Ordinance amending the Comprehensive Plan Future Land Use Map to redesignate the future land use designation of Hunt County Property ID 129516, generally located west of FM 36 and north of FM 1903, being an approximate 2-acre tract of land situated in the Cady DC Abstract A0157, Hunt County, Texas from Low Density Residential to Mixed Use:

City Attorney Susan Thomas noted that if the petition that was presented was a protest petition against the rezone for the property, we need to take a look at it to see if it meets the criteria that was 20 percent of all the land within the 200 feet area and it would take some time to determine. If it did meet the criteria, it would require a $\frac{3}{4}$ vote of the Council.

Mayor Pro Tem John Verity asked if they would be able to table this item for further review. Dr. Susan responded that they could. She added that if they were to vote on the item tonight, they would have to recess and validate the petition. Mayor Chris Davies added that they could also table it.

Council Member Cody Hawkins stated that he didn't think that tabling it would solve anything. He added that they could table it for a year and still have the same issues.

Council Member Justin Poppelreiter stated that the end result should be something that made everyone happy, but obviously that wouldn't be the case. He wondered if there was something that they could do that would allow for a compromise. He asked if there was a way to rezone it with stipulations.

Dr. Susan responded that if they were to look at the zoning regulations for Megatel, it was very specific about what you were allowed and not allowed to do. The way to tighten up the stipulations would be to rezone it PD and put a plan together and limit the uses.

Building Official Josh Kinnick stated that this was going in next to a daycare center, which limited the sort of things that could go in there. He continued that there have been complaints about the strip mall backing up to their property and wondered if maybe the strip mall could face the other side of the property and put the parking on that side.

Council Member Justin Poppelreiter added that he wasn't saying that there was a compromise on this issue, but without exploring that option, he wouldn't be comfortable voting on it today.

Mayor Pro Tem John Verity made the motion to table this item for better constructive discussion on the use of the property.

City Manager John Adel asked if the intent was to come back with an application that was different in some way, would it need to go back to P&Z and then to Council. If they tabled it tonight, would they be back in a month with the same discussion? Dr. Susan stated that her recommendation would be that they start over with a different application and change to a PD.

Building Official Josh Kinnick stated that if they were to deny the rezone request, he thought that Mr. Jones would have to wait 90 days before he could reapply for different zoning. They would be hurting him by denying rather than tabling the item.

Dr. Susan stated that the zoning code states that if they were going to deny the zoning, they would need to deny without prejudice so it could be revisited next month.

Motion died due to lack of a second.

22. PUBLIC HEARING – proposed rezoning of Hunt CAD Property ID 129516, an approximate 2-acre tract of land from Single Family Estate (SF-E) to Mixed Use (MU):

Mayor Chris Davies opened a public hearing at 7:07 p.m.

Eric Norris stated that he had heard a lot of back and forth, but it seemed that the compromise that was mentioned would only benefit one person. He was grateful that the Council had heard their concerns but wanted to be sure that they were doing what was best for everyone and not just one person.

Council Member Justin Poppelreiter stated that with his council hat off, he would

agree with them and wouldn't want that in his backyard either. As a City Council member, it was his duty to give due diligence to everything that comes before them. In his opinion, the meeting wasn't enough for him to say that they had actually exhausted every solution that there may be. They needed to at least try to give due diligence to everything as an elected official before they just say no and find out later that it would have worked, but they didn't give it an opportunity.

Seth Brewer stated that he had moved here two years ago, and people brag on the high school which draws people in, so whatever they did should reflect the inviting nature of the city.

Mayor Davies closed the public hearing at 7:12 p.m.

23. Discussion and Possible Action on an Ordinance rezoning Hunt CAD 129516, generally located west of FM 36 and north of FM 1903, an approximate 2-acre tract of land, being situated in the Cady DC Abstract A0157, Hunt County, Texas, from Single Family Estate (SF-E) to Mixed Use (MU):

Council Member Cody Hawkins made the motion to deny without prejudice pending a new application to the P&Z. Mayor Pro Tem John Verity seconded the motion, resulting in a unanimous vote.

24. Discussion and Possible Action on a Resolution accepting a Petition Requesting Annexation from Kevin and Jessica Baggaley, Bagga Ley, LLC and Baggaley Properties, LLC to annex approximately 8.019 acres situated in the Shelby County School Land Abstract, generally located south of County Road 2626 and west of FM 1565; setting a Public Hearing for the Annexation; and authorizing staff to negotiate and execute a Written Services Agreement with the property owner:

City Attorney Susan Thomas stated that this may look familiar because they had taken the same action last month, but because the public hearing notice put in the paper in June showed that we were annexing 59 acres and there were only 8, so it needed to be redone.

Mayor Pro Tem John Verity made the motion to approve the resolution amending the wording. Council Member Justin Poppelreiter seconded the motion, resulting in a unanimous vote.

25. Discussion and Possible Action on an Ordinance amending the FY 24-25 Budget; amending certain revenue and expenditure line items in the General Fund, Utility Fund, Airport Fund and I&S Fund:

City Manager John Adel stated that the budget needed to be amended to make sure that everything was in its right place. The items on the budget had been approved by Council, but by doing this, the specific items would be shown in the

budget.

Mayor Pro Tem John Verity made the motion to approve the amended budget. Council Member Justin Poppelreiter seconded the motion, resulting in a unanimous vote.

26. Receive and Discuss a report regarding Updates and Amendments to the City of Caddo Mills Land Use Assumption, Water and Wastewater Capital Improvements Plan, and the City of Caddo Mills Impact Fee Schedule:

City Engineer Eddy Daniel explained that the impact fees were due to be amended and staff was recommending that they be amended. He continued that the Planning & Zoning Committee would act as the Capital Improvement Advisory Committee and will make recommendations to the City Council concerning the plan. He added that the population of Caddo Mills in 2020 was 1,449 and in 2025, the population is 5,559, which meant that since 2020, the population of Caddo Mills had grown 59%. Mr. Daniel then explained how the process would work.

27. Discussion and Possible Action on a Resolution setting a Public Hearing for August 12, 2025, to receive public input on the advisability of proposed Updates and Amendments to the City of Caddo Mills Land Use Assumptions, Water and Wastewater Capital Improvements Plan, and the City of Caddo Mills Impact Fee Schedule:

Mayor Pro Tem John Verity made the motion to set a public hearing for August 12. Council Member Justin Poppelreiter seconded the motion, resulting in a unanimous vote.

28. Discussion and Possible Action on authorizing the City Manager to negotiate and execute a Task Order agreement with Dunaway for professional engineering and design services related to Hooten Park Improvements, Phase 2:

City Engineer Eddy Daniel stated that the Council had previously approve Hooten Park Phase 1 improvements and we had just gotten word with the "Big Beautiful Bill" being passed, there was some federal money through the Parks and Wildlife Department that funded grants, and our grant for Hooten Park Phase 2 was now approved.

Council Member Cody Hawkins made the motion to approve. Council Member Justin Poppelreiter seconded the motion, resulting in a unanimous vote.

29. Discussion and Possible Action on suspending the July 31, 2025, effective date of Oncor Electric Delivery Company's requested rate change and approving cooperation with the Steering Committee of Cities Served by Oncor:

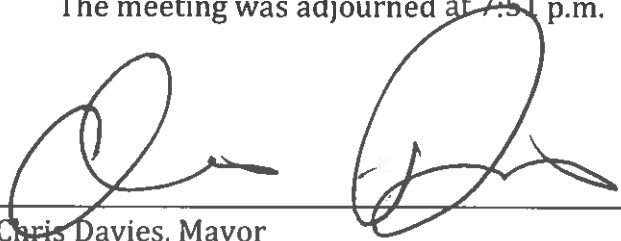
City Manger John Adel explained that Oncor had filed with the State to increase

their rates by about 13% to residential customers. The city was part of the Steering Committee and they had recommended that we pass the resolution to stop any action for 90 days while the Steering Committee looked over the proposal.

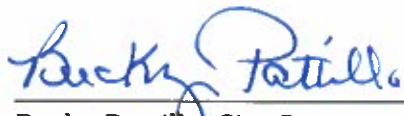
Mayor Pro Tem John Verity made the motion to approve the resolution as presented. Council Member Justin Poppelreiter seconded the motion, resulting in a unanimous vote.

30. Adjourn:

The meeting was adjourned at 7:51 p.m.



Chris Davies, Mayor



Becky Pattillo, City Secretary

8/12/2025

Date