MINUTES Regular City Council Meeting August 12, 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 July 8, 2025: Mayor Pro Tem John Verity made the motion to approve the minutes of the July 8, 2025, meeting as read. Council Member Justin Poppelreiter 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:

 Amy Houser came forward concerning the vacant buildings downtown and the problem that they were for the businesses located in the downtown area. Mayor Pro Tem John Verity asked the City Manager if we could see if the City had done anything about the buildings that weren't up to code so that it could be addressed.

Council Member Cody Hawkins asked if there was an update on the yellow building. Community Services Director Matt McMahan stated that the owner had given them until the end of the month to get their things out and the City would demo it.

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. Consideration of Motion appointing a new member to the Caddo Mills Economic Development Corporation:

EDC Director Joel Richardson stated that the Board had recommended Justin Rudd for membership, because of his background in business.

Mayor Pro Tem John Verity made the motion to appoint Justin Rudd to the EDC Board. Council Member Justin Poppelreiter seconded the motion, resulting in a unanimous vote.

7. Consideration of Motion appointing a new member to the Airport Advisory Board:

Mayor Chris Davies stated that the Airport Board was recommending Carl Graves for the open position.

Mayor Pro Tem John Verity made the motion to appoint Carl Graves to the Airport Advisory Board. Council Member Justing Poppelreiter seconded the motion, resulting in a unanimous vote.

8. PUBLIC HEARING – Regarding a proposed 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 Neighborhood Services:

Building Official Josh Kinnick reminded the Council that this was Bud Jones' property that was brought to them last month, but they had turned down his request for mixed use zoning. He continued that Mr. Jones had worked with City Staff over the last month to bring back a product that would satisfy everyone. The PD also provided them with a list of prohibited uses.

Mayor Chris Davies opened the public hearing at 6:10 p.m.

Eric Morris, 1007 Sinopa, came forward and informed the Council that there were several things that had not been addressed by Mr. Jones, such as noise pollution, light pollution, and egress and regress (flow of traffic),

He went on to talk about land that was available for commercial use. He thought that they needed to slow down and not push this through until all of the concerns were addressed. He went on to thank the Council for letting them come and voice their concerns. He ended his remarks by giving the City Attorney a petition signed by residents who were against this project.

Kodi Crane, 1005 Crevan, stated that his bedroom window was a stone's throw away from where the projected drive-thru was to be. He felt that there must be a time limit set on the open hours.

Reed Enna, 1004 Crevan Court, stated that his daughter's window was right there too and he was afraid of the drive-thru hours.

Eric Flattery, 1004 Balgair, stated that he understood the position that Bud was in but, food service couldn't be allowed on this property. If dumpsters were there, there were a lot of diseases that anyone could get. He felt that any type of business that involves food should be a hard no.

Tiffany (No Last Name given) a Resident of the Mills, stated that she was there to strongly encourage the Council to vote no and the rezone. She felt that their homes would decline in value. She had several reasons that the Council should deny the request of Mr. Jones.

Diana Nunez, 1006 Rennard, came forward and stated that she was echoing what everyone else had been saying. She continued that they had bought their house because of the smalltown feel and she drove over an hour one-way to work, because of the hometown feel and felt that they should find other options for the property in question.

Trisha Brewer, 1003 Craven Court, stated that this business would encourage high school students to hang out before and after school.

Kellie Martinez, 1016 Renard, stated that they would at least like for this to face the highway if it was going to be forced, and no food service. They should do something like Petals and Vine did.

Building Official Josh Kinnick stated that what Mr. Jones had proposed, was exactly what Petals and Vine had done.

Johnny Swain, 1006 Balgair Street, added that they had all made valid points, but he didn't think that they had hit on the daycare hard enough because his son went to that daycare. The traffic in the area was already bad, and with the new elementary school and the residents in the area...that was more of a safety concern now and would be worse if Council was to allow this.

Bud Jones, developer of the property, stated that the Council had denied his proposal at the last meeting because of all of the concerns so he turned it into a planned development to try and address some of the concerns. He said that he went through everything that was allowed in commercial zoning and he had eliminated about 70 things from the allowable uses for a planned development that would be written into his proposal and be binding so it would follow the property if it were ever sold.

Mr. Jones continued that he had his leasing agent and his engineer with him that could address any questions they might have.

Stan Briton, MTO Engineering, stated that this process was working the way it should, and gave a short presentation. He explained that there were no studies on the drainage, because that came next in the process after approval by the Council. He explained that they wanted to be good neighbors.

After further back and forth discussion, Mayor Davies stated that this was just about the zoning, they weren't making decisions about the businesses that were to go in just yet.

Mike Samples, 1004 Tokala, asked why they wouldn't have a traffic study done before they allowed Mr. Jones to put in his development.

City Engineer Eddy Daniel stated that the requirements of the City's platting process required a traffic study to be performed, but only when there is a request for the platting. He continued that there was no request for the platting at this time.

Mayor Davies closed the public hearing at 6:57 p.m.

9. PUBLIC HEARING – Regarding a proposed rezoning of 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 Planned Development (PD): Mayor Chris Davies opened the public hearing at 6:59 p.m.

With no one coming forward to speak for or against the rezoning, the public hearing was closed at 7:00 p.m.

10. Discussion and Possible Action on an Ordinance amending the Comprehensive Plan Future Land Use Map to redesignate Hunt CAD 129516 from Low Density Residential to Neighborhood Services and rezoning the property, 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 Planned Development (PD):

Building Official Josh Kinnick explained that this was for the rezoning from single

family to planned development.

At 7:00 p.m., City Attorney Susan Thomas requested a recess to determine if the petition that was presented met the requirements for a super majority vote.

7:05 p.m. – the meeting was reconvened with Attorney Thomas explaining that the petition had been validated as meeting the statutory required 20% of the area within the 200-foot notice requirement so for any vote on the ordinance, a super majority vote would be needed (4 out of 5).

Council Member Cody Hawkins made the motion to deny the zoning request. He continued that his feelings from the last meeting had not changed and he felt that there were still loose ends that needed to be fixed in order for the residents to be satisfied.

Mayor Pro Tem John Verity asked if it was a motion to deny without prejudice. Mr. Hawkins responded that it was the same as last time. He thought that eventually something would go in there and Bud had bent over backwards more than most developers would have done, but he wanted to see the hours of operation and the types of businesses that would be allowed in writing.

Council Member Justin Poppelreiter stated that in his opinion, Mr. Jones did a lot to address, but he would agree that the hours of operation needed to be in the request. He asked after the zoning was approved, what control would the City have over the next steps.

Attorney Thomas explained that the only way that this would be brought back before the Council was if it was listed in the document that something required a Special Use Permit (SUP).

Mayor Pro Tem John Verity stated that Mr. Jones had done a wonderful job of addressing most of the concerns. He asked if Council would be able to amend on the fly to include Special Use Permits for food establishments. That was they could approve the rezoning to include the exclusions in the ordinance. Dr. Susan stated that they couldn't say which restaurants weren't allowed, but they could prohibit all restaurants.

After further discussion, City Manager John Adel asked Dr. Susan if they could simply postpone action on the rezone application and give the applicant another month to make the changes requested. Her reply was that they could.

The motion to deny made by Council Member Hawkins died due to lack of a second.

Council Member Justin Poppelreiter made the motion to postpone a decision until the September 9 meeting, with Mayor Pro Tem John Verity seconding the motion, Council Member Mike Wolters asked if there was a way to put what they were asking in the motion. Mayor Davies stated that it would be up to the City Staff and Mr. Jones.

The vote to postpone was unanimous.

11. PUBLIC HEARING – Regarding a proposed rezoning of an approximate 6.16 acre tract of land situated in the Catherine Havens Survey, Abstract No. 488, City of Caddo Mills, Hunt County, Texas, and being part of Lot 2-RA, Block 1, Route 66 Addition Replat, an Addition to the City of Caddo Mills, Texas, from Multi-Family Residential (MF) to Single Family Residential – Estate (SF-E): Building Official Josh Kinnick explained that this was the property that was owned by Scott Clements.

Mayor Davies opened the public hearing at 7:20 p.m. With no one coming forward to speak for or against the rezone, the public hearing was closed at 7:21 p.m.

12. Discussion and Possible Action on an Ordinance rezoning an approximate 6.16-acre tract of land situated in the Catherine Havens Survey, Abstract No. 488, City of Caddo Mills, Hunt County, Texas, and being a part of Lot 2-RA, Block 1, Route 66 Addition Replat, an Addition to the City of Caddo Mills, Texas, from Multi-Family Residential (MF) to Single-Family Residential Estate (SF-E):

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

13. Consideration and Possible Action on a Resolution of the City Council of the City of Caddo Mills, Texas, setting a public hearing under Section 311.003 of the Texas Tax Code for the creation of a Tax Increment Reinvestment Zone (TIRZ No. 2):

City Attorney Susan Thomas explained that this was step number one for the TIRZ number two and there were developments in progress, which would follow the same process as TIRZ number one. They were working with the County and the Hospital District for participation agreements. She added that this resolution was just to set the public hearing.

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

14. PUBLIC HEARING to receive public input on the advisability of proposed Updates and Amendments to the City of Caddo Mills Land Use Assumptions, Future Land Use Map, Water and Wastewater Capital Improvements Plan, and the City of Caddo Mills Impact Fee Schedule:

Mayor Chris Davies opened the public hearing at 7:24 p.m.

City Engineer Eddy Daniel explained that this was regarding the impact fee update. With no one coming forward to speak for or against the proposal, Mayor Davies closed the public hearing at 7:25 p.m.

15. Discussion and Possible Action on an Ordinance of the City Council of the City of Caddo Mills, Texas, adopting updated Land Use Assumptions and Future Land Use Map; adopting an updated Water and Wastewater Capital Improvements Plan; and adopting updated Water and Wastewater Impact Fees:

City Engineer Eddy Daniel explained that impact fees were regulated by Chapter 395 of the local government code and Council should look at them and update every five years, which was overdue.

Mr. Daniel continued that the Capital Improvement Advisory Committee that they had appointed had reviewed the Land Use Assumptions and Future Land Use Map, the Water and Wastewater Capital Improvements Plan and the updated Water and Wastewater Impact Fees and had approved them. He added that this was for future anticipated growth, and that the City of Caddo Mills had grown 295% over the last five years.

The money from the impact fees must be used for future growth.

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

16. Consideration and Action on authorizing the City Manager to execute a Work Authorization for a Professional Services Contract with Public Management in the amount of \$84,000 for Grant Administrative Services related to a Local Parks Grant from the Texas Parks and Wildlife Department for Hooten Park Improvements Phase 2:

City Manager John Adel explained that this was for the same administrator as was approved for the first phase and they had also done the grant application to help us get this grant. This contract would be identical to the first one and City Staff was recommending that we approve Public Management.

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

17. Consideration and Action on authorizing the City Manager to execute a Professional Services Contract with Dunaway in the amount of \$192,000 for

Engineering Services related to the Lift Station Improvements Project:

City Engineer Eddy Daniel explained that we had three lift stations that needed to be improved in order to handle the Brushy Creek development, the Fox Landing development and ultimately the first phase of the Megatel development. He continued that they were older and smaller and weren't as reliable as they would like them to be. He added that the developer's would pay for two of them and the third would be paid for with impact fees and everyone, including the City, had the opportunity to be reimbursed through TIRZ money.

Mayor Pro Tem John Verity made the motion to approve a professional services agreement with Dunaway. Council Member Justin Poppelreiter seconded the motion, resulting in a unanimous vote.

18. PUBLIC HEARING - Regarding the annexation of approximately 8.019 acres, consisting of Property ID's 117911, 117910, and 117909; all situated in the Shelby County School Land Abstract, generally located south of County Road 2626 and west of FMM 1565:

Building Official Josh Kinnick stated that this was additional property for the Baggaley development, which they had annexed 35 acres

Mayor Davies opened the public hearing at 7:40 p.m.

Todd Baggaley, owner of property, asked if they could see the zoning on the next agenda. He was told that the City would move on it as quickly as possible.

Mayor Davies closed the public hearing at 7:42 p.m.

19. Consideration and Possible Action on an Ordinance annexing approximately 8.019 acres, consisting of Property ID's 117911, 117910, and 117909; all situated in the Shelby County School Land Abstract, generally located south of County Road 2626 and west of FM 1565, Hunt County, Texas; extending the boundary limits of the City so as to include the described property; and adopting a Written Services Agreement:

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

20. Consideration and Possible Action on approving and authorizing the City Manager to execute a Professional Services Agreement between the City of Caddo Mills, Texas and PLI I-E, LP, concerning reimbursement to the City for professional services incurred in relation to the Peregrine Development: City Manager John Adel explained that this was the standard agreement was done for the PSA's with new development and this was for 460 acres north of Trailstone that will eventually have around 1500 homes.

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

21. Discussion and Possible Action on a Resolution ratifying the Second Amendment to Development Agreement between the City of Caddo Mills and HMH Caddo Mills Land, LP and HMH Caddo Mills 65 Land, LLC (History Maker Homes):

Dr. Susan explained that they had authorized the City Manager and the Mayor to execute this amendment in December, but it was listed on the agenda as the first amendment and this was to correct that because they should have been approving the second amendment. She continued that there was going to be another adjustment made to this amendment so she asked that the motion be to authorize the Mayor and the City Manager to negotiate and execute the second amendment to the development agreement with History Maker Homes as presented.

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

22. Discussion and Possible Action regarding rescheduling the regular November City Council Meeting from November 11, 2025, (Veteran's Day) to a Special Meeting Date:

City Manager John Adel explained that the regular meeting for November was on Veteran's Day and a holiday for City Offices, so it needed to be moved.

Mayor Pro Tem John Verity made the motion to hold the regular meeting on November 4, 2025. Council Member Justin Poppelreiter seconded the motion, resulting in a unanimous vote.

23. Discussion and Possible Action on setting the Proposed FY 2025 - 2026 Tax Rate (Roll Call Vote):

City Manager John Adel stated that after working with the financial planners and the Hunt County Tax Office, what they were proposing as the tax rate was .484998 which was just under the current rate.

Mayor Pro Tem John Verity made the motion to set the proposed tax rate at .484998. Council Member Justin Poppelreiter seconded the motion, resulting in a unanimous vote.

Council Member Cody Hawkins: Yes Council Member Justin Poppelreiter: Yes Council Member Shawn Bentley: Yes Council Member Mike Wolters: Yes Mayor Pro Tem John Verity: Yes

- 24. Discussion and Possible Action on setting public hearing dates and special meeting dates related to the adoption of the FY 2025 2026 Proposed Annual Budget and Proposed Tax Rate:
 - a. September 9, 2025, 6:00 p.m. Public Hearing and Adoption of the FY 2025 2026 Annual Budget
 - b. September 16, 2025, 6:00 p.m. Public Hearing and Adoption of the FY 2025 2026 Tax Rate

City Manager John Adel stated that public hearing dates for the budget process needed to be set so notices could get posted.

Mayor Pro Tem John Verity made the motion to set the public hearing and special meeting dates for September 9 and September 16, 2025. Council Member Justin Poppelreiter seconded the motion, resulting in a unanimous vote.

25. Budget Workshop - Discussion regarding the City of Caddo Mills FY 2025 - 2026 Budget:

City Manager John Adel gave a short presentation on the proposed fiscal year 2025 - 2026 budget.

26. Adjourn:

The meeting was adjourned at 8:21 p.m.

Chris Davies, Mayor

Becky Pattino, City Secretary

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