MINUTES
CITY OF CADDO MILLS
Regular City Council Meeting
September 9, 2025 – 6:00 p.m.

Present: Mayor Chris Davies, Mayor Pro Tem John Verity
Council Members: Cody Hawkins, Shawn Bentley, 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
Building Official: Josh Kinnick
EDC Director: Joel Richardson
Police Chief: Kimbre Collier
City Engineer: Eddy Daniel

Absent: None

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 August 12, 2025:**
   Mayor Pro Tem John Verity made the motion to approve the minutes of the August 12, 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:**
   Monica Long, 3623 CR 2508, stated that she was extremely concerned about the Caddo 200 project putting an additional 500 homes and an elementary school in the area because her yard already flooded when it rained because of poor drainage. She showed the Council a video of the flooding.

   Building Official Josh Kinnick stated that it hasn't been presented to Council yet because they were still in negotiations. Mayor Davies told Ms. Long that he would have it looked into.

Ellen Thompson, 3429 CR 2508, stated that her biggest concern was that they had not only proposed 500 homes, but they were proposing an elementary school which would further complicate the traffic situation because as of now, two cars could barely pass. She added that they would have to widen the roads, put in turn lanes for two tiny entrances to the subdivision. From what she had heard, the school would service part of the Quinlan ISD, which would mean more traffic on 2508 and 2510 coming from SH 34. She continued that if they knew the area, 2508 flooded every time it rained. She felt that it would be a disaster.

Chris Shaffer, 3437 CR 2508, stated that he had the same concerns and felt that the developer was probably in negotiations with the city for annexation and hoped the city would have leverage because of that. He echoed the traffic concerns because now because of the construction on I-30, it takes him half an hour to go two miles now. He felt that the proposed project would really lengthen the commute.

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. **Presentation of Proclamation – Suicide Prevention Awareness Month:**
Mayor Chris Davies presented the Hayde Spencer, Royse City American Legion, with a proclamation declaring September as Suicide Prevention Awareness Month.

7. **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):**
Mayor Pro Tem John Verity made the motion to approve the Ordinance to change the zoning from single family estate to planned development. Council Member Shawn Bentley seconded the motion.

Mark Burack, 1010 Balgair, reminded Council that he had spoken to them before and was the owner of a small business on I-30. He asked how much the development of the comprehensive plan cost. The response was approximately $67,000. Mr. Burrack continued that they had spent a lot of money and had talked to 273 residents, which was 10% of the population at that time. They now had 67 residents who were open to negotiations for this project, but the developer had only made one concession since this all started and had agreed to remove the speaker from a drive thru. This drive-thru ran down several people's houses which would mean headlights, taillights, loud exhaust, and you can't leave your dog in the yard if it barks, but if they listen to all the residents and the plan that 273 people created, it specifically says no strip malls. The residents of the community had agreed to allow the project to go forward without food and without a drive thru. He went on to say that he didn't understand why they couldn't eliminate food businesses. He continued that they weren't against the project, they just didn't want a food establishment and all he had heard from the developer was that no food was a nonstarter and outdoor dining was a nonstarter, which didn't sound like a negotiation to him. He finished that he felt that the only time the city listened was when someone threatened litigation. He added that he had sent out an email to his group and told them that he would kick in $1,000 and if each one of the residents would put in $100 a month that would give them money to take the city into litigation if that's what it would take. It wasn't their fault that the developer bought single family and wanted to change the zoning – that was just a risk he took when he bought the property.

Eric Flattery, 1004 Balgair, came forward and stated that he negotiated government contracts for twelve years and felt that this had not been negotiated at all. He continued that the developer had made several concessions, but the things that were talked about were things that he had already said no to. He continued that he had asked for the developer to take food out and it was an immediate no. He added that they only had one request, professional services and no food and then they could go forward with the project. He didn't believe that was too unreasonable to ask for. He then thanked the Council for the open dialogue.

Bud Jones, developer of the property, thanked everyone who had provided input into this proposal. He tried to listen to every complaint and respond as much as he could. There was concern about noise, so he had eliminated the drive-thru speaker; light pollution, so he had put the parking lot lights on a timer; early morning and late night noise, so he had added business hours in from 6 to 10 or 6 to 11; backyard activities captured on cameras, so he had added surveillance cameras would not capture backyard activities; high school hangout, so he had put in signs that stated no loitering; and possibility of car penetrating the fence, he stated that there would be two fences; the 8-foot bar screen that the City required and he would add a bar rails. He had also included 70 types of tenants that he wouldn't allow, even though they would be permitted by zoning, to eliminate some of the concerns the residents in the area had. Mr. Jones added that he would like for the businesses that went into his development to be office related, but he didn't want to limit himself and not allow food service. He then thanked the City Council for their help. He concluded with he would like this to pass, but he only wanted the Lord's will to be done.

Mr. Burack asked if he could respond to Mr. Jones. He continued that from what he understood a planned development was used to design a property when a specific need doesn't get met. He stated that there were allowances under C1 that would allow what he wanted to do, and this wasn't a planned development. He concluded that they could all agree that non-negotiable meant no. He added that the residents were willing to allow this project to happen, they just didn't want the food.

Council Member Cody Hawkins asked Mayor Pro Tem John Verity what his concerns were when he talked to Mr. Jones. Mr. Verity stated everything that had been mentioned: noise pollution, light pollution, traffic. He continued that the hours had been put back in the plan. He felt that all those concerns had been met. He added that they had also talked about putting trees on the backside of the property for privacy.

Council Member Hawkins stated that they had come a long way and felt that the Mills Community had conceded from the first meeting they didn't want anything and now they were warming up to the idea of a business being there. He added that he had talked to Hunt County Commissioner David Monroe who had stated that the traffic study could not be done until they changed the zoning. He didn't feel that it was a perfect spot for a business because of the traffic, and he wouldn't want a drive-thru in his backyard either. He felt that the community had budged a lot because when they first started it was that he builds a house or nothing at all.

Council Member Justin Poppelreiter stated that this was just a zoning change; it didn't set in stone what went in there. He continued that the way that Mr. Jones said it wasn't as eloquent as it could have been, but he thought that the "no" for putting food service didn't mean that food would be put there, it meant that it wasn't economically feasible for him to eliminate it completely. This zoning would be with that property forever and if the zoning restrictions said no food, it would be there when he passed the property to his kids. He felt that the residents had been flexible, and he understood because they lived there. He also felt that the developer had come much further than anyone was giving him credit for because it was a mixed-use development plan before with no restrictions and now, he was asking for a planned development that had many restrictions. He continued that he felt that Mr. Jones would be a good neighbor. He concluded that he would be happy to discuss this with anyone after the meeting.

Mr. Verity added that they would all be happy to talk to anyone. Mr. Jones had asked him personally what he thought about adding a patio to the plan. He had wondered if he added one into his square footage, if that would give him a better chance of getting a yes or no. He continued that they weren't approving a build or the businesses; they were only approving a change from Single Family Estate to Planned Development, which in his opinion, was more beneficial to the entire Caddo Mills community.

Council Member Shawn Bentley stated that he understood concerns, and he was glad that everyone was here, showing their concerns because that seldom happened. He continued that he had grown up in a small town and things happened that he didn't want. Being on this City Council has taught him not that he could or couldn't do anything about it but the process of getting things changed is a whole lot more complicated than just yes or no. He added that they put things in that he didn't want but couldn't control but now that he sees how it is made, it's a little bit different. He continued that they have a little bit of bargaining power, but it's not what everyone thinks. We could fight the developers, but they could put stuff in anyway and there was nothing that we could do about it. There were a lot of things that he didn't like but couldn't control. His job on Council was to work with everyone and protect the city the best that we could and get the best outcome on the things that we can't control.

Council Members Mike Wolters stated that he just wanted to add that he appreciated everyone coming and voicing their concerns. He felt that the city was going to grow no matter what, and nothing would be ideal, and asked them to put themselves in the developer's shoes who is trying to build something and before he even put a shovel in the ground, he has already nixed 70 businesses to go in there.

Mr. Burack asked if there was a letter of intent for Domino's Pizza to go in.

Mr. Jones responded that there were no agreements in place with any type of business at this time.

Mayor Davies called for a vote. The vote was 4 – 1, with Council Member Cody Hawkins voting against.

Mayor Davies thanked everyone for coming in. He added that it was a balancing act for the Council, and they were trying to do the best they could for the city.

Building Official Josh Kinnick stated that what Mr. Jones was trying to do is considered a shell construction, which meant that he was going to have a building with five suites. Every builder in today's construction builds what they call a white box, which is a building with four walls. He will not put money into a building until he gets a tenant that will allow him to go in and finish it out. He added that if they didn't want food service to be a part of the building, they could go out and fill it with someone that wasn't food service.

8. **Consideration and Possible Action on an Ordinance providing for the Sale and Issuance of the City of Caddo Mills, Texas Combination Tax and Revenue Certificates of Obligation, Series 2025; and ordaining other matters relating to the Subject:**

Mark McLiney, Samco Capital Markets, stated that the City 's bond rating was excellent, and the city was doing things that they should be for bonds, and he expected to see the rating go up.

Jack McLiney, Samco Capital Markets, stated that they had received four bids from all over the country and they were pleased to recommend that they award the bid to RW Baird.

Mayor Pro Tem John Verity made the motion to approve the Ordinance for the sale and issuance of the bonds. Council Member Justin Poppelreiter seconded the motion, resulting in a unanimous vote.

9. **Public Hearing on the Proposed City of Caddo Mills Fiscal Year 2025 – 2026 Annual Budget:**
   Mayor Davies opened the public hearing at 7:01 p.m.

   City Manager John Adel stated that they had already discussed the budget several times, but he wanted to highlight some of the changes. He stated that they would be approving the budget tonight and the tax rate next week.

   Mayor Davies closed the public hearing at 7:05 p.m.

10. **Consideration and Possible Action on an Ordinance adopting the City of Caddo Mills Budget for the Fiscal Year beginning October 1, 2025, and ending September 30, 2026. THIS BUDGET WILL RAISE MORE TOTAL PROPERTY TAXES THAN LAST YEAR BY $354,533 (11.1%) AND OF THAT AMOUNT, THE PROPERTY TAX REVENUE TO BE RAISED FROM NEW PROPERTY ADDED TO THE tax roll this year is $376,385:**
    Mayor Pro Tem John Verity made the motion to adopt the fiscal year 25/26 budget. Council Member Justin Poppelreiter seconded the motion. The vote was:

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

11. **PUBLIC HEARING – Regarding the Creation of Tax Increment Reinvestment Zone for 4,169.37 acres of land generally located south of Farm-to-Market Road 3211, north of County Road 2168, east of Farm-to-Market Road 36, and west of East Caddo Creek:**
    Jamie Schultz, P3 Works, explained that this was for TIRZ number 2, which covered a larger area than TIRZ Number One, but was still the same concept.

    Mayor Chris Davies opened the public hearing at 7:08 p.m. With no one coming forward to speak for or against the item, Mayor Davies closed the public hearing at 7:09 p.m.

12. **Consideration and Possible Action on Ordinance designating a geographic area within the Corporate City Limits and Extraterritorial Jurisdiction of the City as a Tax Increment Reinvestment Zone to be known as Reinvestment Zone Number Two, City of Caddo Mills, Texas; providing a Preliminary Project and Finance Plan; creating a Board of Directors and appointing**

members of the Board; establishing a TIRZ No. 2 Fund for the Zone; providing for a termination date for the Zone; and containing related finding:
Mayor Pro Tem John Verity made the motion to approve the ordinance creating TIRZ No. 2. Council Member Justin Poppelreiter seconded the motion, resulting in a unanimous vote.

13. **Consideration and action on a Resolution, establishing a percentage of the annual budget to be designated as Contingent Reserve funds in accordance with Section 7.08 of the City's Charter:**
City Manager John Adel stated that this was a policy that Mr. McLiney had mentioned and was a part of the Charter, which required the Council to approve by resolution a contingency reserve fund.

    Mayor Pro Tem John Verity made the motion to approve the resolution to establish contingent reserve funds. Council Member Mike Wolters seconded the motion, resulting in a unanimous vote.

14. **Consideration and Action on a Resolution authorizing the Mayor to execute an agreement for Fire, Rescue and Medical Emergency Response services with Caddo Mills Fire Rescue:**
No Action Taken.

15. **Consideration and Possible Action on Approving the Caddo Mills Economic Development Corporation FY 2025 – 2026 Operating Budget:**
Joel Richardson, EDC Director, explained that their budget was approved by the EDC Board at their meeting.

    Council Member Cody Hawkins made the motion to approve the EDC 2025 – 2026 fiscal year budget. Council Member Shawn Bentley seconded the motion, resulting in a unanimous vote.

16. **Discussion and Possible Action on a Resolution authorizing a Roadway Impact Fee Study and appointing a Capital Improvements Advisory Committee:**
City Engineer Eddy Daniel explained that these fees couldn't be used for repairs on existing city streets. This could only be used to build new streets within new development and a few of these have already been looked at, but they would discuss it further after a capital improvements advisory committee was appointed. This was a way that new development would help to pay for new roads.

    Mayor Pro Tem John Verity asked if this would only cover the roads that led to or went through them or if it could be part of the ETJ roads. Mr. Daniel stated that they were proposing that it would be used all over the city for every capital improvement project that they did.

Mayor Pro Tem John Verity made the motion to approve the resolution authorizing a roadway impact fee study and appoint Jerry Gail Dawson, Richard Hill, Amy Houser, Justin Johnson, and Steve Layer to the Capital Improvements Advisory Committee. Council Member Justin Poppelreiter seconded the motion, resulting in a unanimous vote.

17. **Discussion and Possible Action on a Resolution setting a public hearing to discuss and review the Land Use Assumptions and Capital Improvements Plan related to the Roadway Impact Fee Study:**
City Engineer Eddy Daniel stated that this was just scheduling the public hearing for November 4.

Mayor Pro Tem John Verity made the motion to set the public hearing for land use and the CIP for November 4. Council Member Justin Poppelreiter seconded the motion, resulting in a unanimous vote.

18. **Discussion and Possible Action on a Resolution Approving a Negotiated Settlement between the Atmos Cities Steering Committee and Atmos Energy Corp., Mid-Tex Division regarding the company's 2025 Rate Review Mechanism filing:**
City Manager John Adel stated that the steering committee, that represented cities throughout Texas had recommended approval.

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

19. **EXECUTIVE SESSION: In accordance with Texas Government Code, Section 551.001, et. Seq., the City Council will recess into Executive Session (closed meeting) to discuss the following:**

(a) Section 551.071, Consultation with City Attorney on a matter in which the duty of the City Attorney to the City Council under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas conflicts with the Open Meetings Act; and Section 551.074, Deliberation regarding the appointment, evaluation, reassignment, duties, discipline, or dismissal of a public officer or employee:
a. Municipal Judge
b. Municipal Court Prosecutor

(b) Section 551.071, Consultation with City Attorney on a matter in which the duty of the City Attorney to the City Council under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas conflicts with the Open Meetings Act:
a. A contemplated agreement for Fire, Rescue, and Medical Emergency Response Services with Caddo Mills Fire Rescue.

b. A contemplated development agreement with Caddo Prime LLC/Dosti Partners LLC.
No action taken.

20. **Reconvene to Open Session: In accordance with Texas Government Code Chapter 551, the City Council will reconvene into Regular Session to consider any action needed on matters discussed in Executive Session:**
No action taken.

21. **Adjourn:**
The meeting was adjourned at 7:24 p.m.

Chris Davies, Mayor

Becky Pattillo, City Secretary

10-14-2025
Date