

MINUTES
Regular City Council Meeting
September 10, 2024 – 6:00 p.m.

Present: Mayor Chris Davies, Mayor Pro Tem John Verity
Council Members: Cody Hawkins, Shawn Bentley, Lori Howell, Justin Poppelreiter
City Attorney: Susan Thomas
City Manager: Matt McMahan
City Secretary: Becky Pattillo
Finance Director: Stacy Smith
Building Official: Josh Kinnick
Public Works Director: Paul Miller
Assistant to the City Manager: Joel Richardson
Police Chief: Kimbre Collier

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 meeting of August 13, 2024:

Mayor Pro Tem John Verity made the motion to approve the minutes of the August 13, 2024 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:

Terri Kansy, 4251 CR 2727, stated that she was concerned about the kids walking to school on the shoulder of the road and not having a sidewalk. She added that she had done some research and discovered that there were grants that were available to help with that and gave the City Secretary an application for Safe Routes to School.

City Manager Matt McMahan stated that the City had applied for the Safe Routes to School grant, but didn't get accepted. He added that there was another opportunity in the spring and he planned to try again. He also said that he had been contacted by TxDOT about work they would be doing on 36 and they had talked about making sidewalks a part of the project

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. PUBLIC HEARING, Discussion and Possible Action taken on Ordinance

Adopting the City of Caddo Mills Fiscal Year 2024 - 2025 Operating Budget:

Mayor Davies opened the public hearing at 6:06 p.m. With no one coming forward to speak for or against the budget, Mayor Davies closed the public hearing at 6:07 p.m.

City Manager Matt McMahan stated that we were able to up the payment for the fire department and the team members would be happy with their raises. He added that he and the finance director had worked hard on the budget and were happy with how it had come out.

Mayor Pro Tem John Verity made the motion to adopt the FY 24/25 budget as presented. Council Member Justin Poppelreiter seconded the motion, resulting in a unanimous vote.

7. Discussion and Possible Action taken on Adopting the Caddo Mills Economic Development Corporation FY 2024 - 2025 Operating Budget:

EDC Consultant John Hubbard explained that the budget was almost the same as last year. The board had identified some things that needed to be done and had worked through a couple of scenarios for special projects, and included a reimbursement fund for the services that the City helped them with.

Mayor Pro Tem John Verity made the motion to approve the 2024/2025 operating budget for the EDC. Council Member Justin Poppelreiter seconded the motion, resulting in a unanimous vote.

8. Discussion and Possible Action taken on Engineering proposal for Hooten Park Phase I:

Assistant to the City Manager, Joel Richardson stated that they had the presentation from Dunaway, who was the engineer for all of the park projects and they had asked for them to break it down.

Mayor Pro Tem John Verity made the motion to accept the proposal for Hooten Park Phase 1 as presented. Council Member Justin Poppelreiter seconded the motion, resulting in a unanimous vote.

9. Discussion and Possible Action taken on Resolution approving a negotiated settlement between the Atmos Cities Steering Committee and Atmos Energy Corp., Mid-Tex Division regarding the 2024 Rate Review Mechanism:

Travis Buckner, Atmos Energy, explained that this was for their annual rate review and for customers, it meant that they would see an increase in the average bill of approximately \$5.52 a month.

Mayor Pro Tem John Verity made the motion to approve the resolution for the settlement between Atmos and the Steering Committee. Council Member Justin Poppelreiter seconded the motion, resulting in a unanimous vote.

10. Discussion and Possible Action taken on a Resolution authorizing the City Manager to negotiate and execute on behalf of the City a TIRZ Reimbursement Agreement between the City, TIRZ No 1 Board of Directors, and JTM Acquisitions, Inc., for the reimbursement of certain eligible public infrastructure costs as provided in the TIRZ Final Plan/Preserve at Brushy Creek:

Mary Petty, P3 Works, explained that they wouldn't be approving the final plan now, but since the TIRZ Board had recommended approval, she assumed that the Council would approve and was asking that the council approve this item upon approval of the final plan.

Mayor Pro Tem John Verity made the motion to approve based on the final plan being approved in the future. Council Member Justin Poppelreiter seconded the motion, resulting in a unanimous vote.

11. Discussion and Possible Action taken on a Resolution of the City Council of the City of Caddo Mills, Texas, approving a Development Agreement between the City of Caddo Mills and Oak National Development, LLC (Fox Landing) and authorizing the City Manager to execute the agreement:

Mary Petty, P3 Works, stated that this was an actual Development Agreement for Fox Landing.

Mayor Pro Tem John Verity made the motion to approve the resolution for the development agreement with Oak National. Council Member Justin Poppelreiter seconded the motion, resulting in a unanimous vote.

12. Discussion and Possible Action taken on approval of a Resolution authorizing the creation of a public improvement district to be known as the Fox Landing Public Improvement District, and ordering public improvements to be made for the benefit of such district:

Mayor Chris Davies opened the public hearing at 6:22 p.m.

Mary Petty, P3 Works, stated that last month they had authorized staff to publish notice, mail notice and provide for the public hearing to create the PID and it followed all statutory requirements of Chapter 372.

The public hearing was closed at 6:24 p.m.

Mayor Pro Tem John Verity made the motion to approve the PID known as Fox Landing Public Improvement District. Council Member Justin Poppelreiter seconded the motion, resulting in a unanimous vote.

13. PUBLIC HEARING, Discussion and Possible Action taken on an Ordinance rezoning approximately 1.00 acre of land identified as Hunt CAD Property ID 111624 and located at 3079 Highway 66 from Agriculture (A1) to Commercial (C-1):

Mayor Davies opened the public hearing at 6:25 p.m.

Building Official Josh Kinnick stated that this property was located next to Top Kids and the owner wanted to build a restaurant but the zoning needed to be changed. He continued that this had gone before the Planning and Zoning Commission and they had approved the request.

The public hearing was closed at 6:26 p.m.

Mayor Pro Tem John Verity asked if the plan conformed to the TABC rules. Mr. Kinnick stated that Mr. Clements had to move the proposed building over to meet compliance, but they had.

Council Member Lori Howell asked what happened when they defer, if they would go with the state law or the city. Mr. Kinnick stated that because Top Kids was just a day care center, it wasn't an issue, but at some point we would want to space alcohol further away but TABC says 300 feet.

Mayor Pro Tem John Verity stated that they were going to talk about an alcohol ordinance in a few more items, but it specifically said day care centers in the city ordinance. City Attorney Susan Thomas explained that generally state law was going to preempt local law, so they write the business regulations, which was on the agenda for tonight, to comply with TABC rules and regulations. She continued that it doesn't usually trump zoning and the TABC allows cities to do certain things as it relates to zoning.

Mr. Verity stated that he didn't want to approve it and have someone say that the state says you can't do that. Attorney Thomas explained that the zoning didn't say that now. The zoning was never updated after the last alcohol election and they

were just catching up. The zoning ordinance pertaining to alcohol would be brought before them at the next meeting.

Mayor Pro Tem John Verity made the motion that they allow the zoning at 3079 Highway 66 to be rezoned. Council Member Justin Poppelreiter seconded the motion, resulting in a unanimous vote.

14. PUBLIC HEARING, Discussion and Possible Action taken on an Ordinance rezoning an approximate 0.643 -acre portion of Hunt CAD Property ID 53656, located at 2216 Dixie Street, from Single Family (SF - 2) to Commercial (C-1): Mayor Davies opened the public hearing at 6:29 p.m.

Building Official Josh Kinnick stated that this was being re-platted and they were asking that the zoning be split on the property to allow for a strip center development.

The public hearing was closed at 6:31 p.m.

Council Member Cody Hawkins made the motion to approve rezoning the property located at 2216 Dixie Street from SF-2 to C-1. Council Member Justin Poppelreiter seconded the motion, resulting in a unanimous vote.

15. PUBLIC HEARING, Discussion and Possible Action taken regarding the City of Caddo Mills Municipal Airport Zoning Ordinance: Mayor Davies opened the public hearing at 6:35 p.m.

Building Official Josh Kinnick stated that they were beginning to build hangars, and we needed to get zoning that pertained only to the airport to protect the airport. He referred to the map in their packet with the runway protection zones that would be added. He concluded that if the city was to allow someone to come in and violate the airport zoning, we could lose funding.

Mayor Davies added that this would prevent someone from coming in and building on the airport that would not be aviation based.

Mayor Davies opened the public hearing at 6:35 p.m. With no one coming forward to speak for or against the zoning ordinance, Mayor Davies closed the public hearing at 6:36 p.m.

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

16. Discussion and Possible Action taken on Ordinance amending Chapter 3, Article 2, Residential Code to include Residential Rental Inspection Regulations:

Mayor Pro Tem John Verity made the motion to remove this item from the table for discussion. Council Member Justin Poppelreiter seconded the motion, resulting in a unanimous vote.

Mayor Pro Tem John Verity made the motion to approve the ordinance amending Chapter 3, Article 2, Residential Code to include Residential Rental Inspection Regulations. Council Member Justin Poppelreiter seconded the motion, resulting in a unanimous vote.

17. Discussion and Possible Action taken on Ordinance amending Chapter 4, "Business Regulations" by repealing and replacing Article 4.04, "Alcoholic Beverages":

City Attorney Susan Thomas quickly explained that this ordinance was to amend the current business regulations by replacing current article 4.04. She stated that the ordinance now prohibited the sale of alcohol in residential areas and it was being changed in the zoning ordinance and in the charter as well so there would be no confusion. She added that they would see an amendment to the zoning ordinance for the sale of alcohol at the next meeting.

Council Member Lori Howell asked if this would stop the food trucks that were selling alcohol. Dr. Susan responded that it would because they were going to have to get a permit.

Mayor Pro Tem John Verity made the motion to amend the business regulations by repealing and replacing the alcoholic beverage section. Council Member Justin Poppelreiter seconded the motion, resulting in a unanimous vote.

18. Discussion and Possible Action taken regarding amending the Planned Development (PD) Ordinance for the Pit Stop, located at 5115 FM 1565 including (1) an amendment to Exhibit B, Development Standards, Section D.2.c to correct the number of allowed lots in the RV Park, changing Phase 1 Lot count from 148 to 150 and adding Phase 2 RV lot count of 120 and (2) an amendment to Exhibit C, Concept Plan, to relocate Phase 1 commercial development and to move the Event Area, Tiny Homes and Golf Driving Range from Phase 1 to Phase 2:

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 Attorney on a manner 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:
- (b) Section 551.072 Real Property: Deliberate the purchase, exchange, lease, or value of real property.
- (c) Section 551.087: Discuss or deliberate regarding commercial or financial information that the City has received from a business prospect that the City seeks to have locate, stay, or expand in or near the territory of the City of Caddo Mills and with which the City is conducting economic development negotiations; and to deliberate the offer of a financial or other incentive to the business prospect:

The meeting was adjourned into executive session at 6:44 p.m.

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:

The meeting was reconvened at 7:03 p.m.

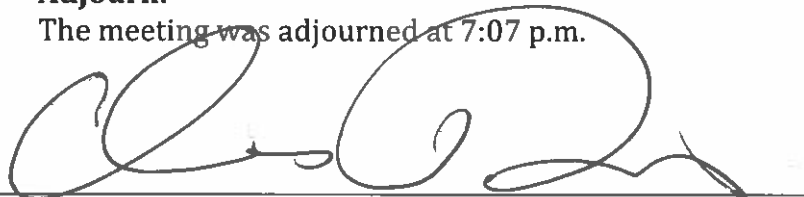
City Manager Matt McMahan stated that the Council had been briefed on the Pit Stop project and asked Property Manager for the Pit Stop, Ram Yennam if he wanted to say anything.

Mr. Yennam stated that when they purchased the land, they had big plans for the project. The I-30 project hadn't begun yet, but after it started, no one wanted to partner with them and the finances and other things began to be an issue. He felt that if this amendment was approved, they would see progress.

Mayor Pro Tem John Verity made the motion to approve the amended PD Ordinance for the Pit Stop. Council Member Cody Hawkins seconded the motion, resulting in a unanimous vote.

22. Adjourn:

The meeting was adjourned at 7:07 p.m.



Chris Davies, Mayor

Becky Pattillo

Becky Pattillo, City Secretary

10/8/2024

Date