CITY OF SULPHUR SPRINGS, TEXAS
REGULAR MEETING OF THE
CITY COUNCIL
April 2, 2024
7:00 p.m.

An Executive Session was held at 6:00 p.m. in accordance with Texas Government Code, Title 5, Chapter 551 - §551.071, Consultation with Attorney; §551.072 Negotiations about Real Property; and §551.087 Deliberations Regarding Economic Development, Thermo.

The following council members and staff were present:

Mayor John A. Sellers
Mayor Pro Tem Harold Nash Sr.
Councilman Jay W. Julian
Councilman Oscar Aguilar
Councilman Tommy Harrison
Councilman Gary Spraggins
Councilman Tyler Law

Staff: City Manager Marc Maxwell
Natalie Burling, City Secretary
Nate Smith, City Attorney
Koby Long, Appraisal District Board member
Tory Niewiadomski, Director of Community Development/ Assistant City Manager 7p
Lesa Smith, Finance Director/Assistant City Manager 7p
Gordon Frazier, Director of Human Resources/Assistant City Manager 7p
David James, Chief of Fire Department 7p
Bryan Craig, Director of Capital Construction 7p
Tony Crouse, Sulphur Springs Police Department 7p

RECONVENE

Mayor Sellers called to order the regular meeting of the Sulphur Springs City Council at 7:00 p.m.

PLEDGE OF ALLEGIANCE TO THE UNITED STATES FLAG, TEXAS FLAG, AND INVOCATION

Mayor Sellers led in the pledge of allegiance to the United States Flag and the Pledge to the Texas Flag, and the invocation was led by Councilman Julian.

PRESENTATIONS, PROCLAMATIONS, AND ANNOUNCEMENTS

Mayor Sellers read the Fair Housing Month Proclamation and the Eclipse Proclamation.

FAIR HOUSING MONTH PROCLAMATION

WHEREAS, Title III of the Civil Rights Act of 1968, as amended, prohibits discrimination in housing and declares it a national policy to provide, within constitutional limits, for fair housing in the United States; and

WHEREAS, The principle of Fair Housing is not only national law and national policy, but a fundamental human concept and entitlement for all Americans; and

WHEREAS, The National Fair Housing Law, during the month of April, provides an opportunity for all Americans to recognize that complete success in the goal of equal housing opportunity can only be accomplished with the help and cooperation of all Americans.

NOW, THEREFORE, I, John A. Sellers, Mayor of the City of Sulphur Springs and on behalf of the Sulphur Springs City Council do hereby proclaim the month of April as **Fair Housing Month** in the City of Sulphur Springs and urge all citizens of this locality to become aware of and support the Fair Housing Law.

Eclipse Day - April 8, 2024

WHEREAS, the City of Sulphur Springs, Texas, finds itself in a unique and remarkable position as it is situated in the path of totality for the awe-inspiring solar eclipse on April 8, 2024; and

WHEREAS, this celestial event is a rare occurrence, offering an extraordinary opportunity for residents and visitors alike to witness a natural wonder as the moon passes between the Earth and the Sun, causing the city to be enveloped in darkness for an impressive duration of 4 minutes and 21 seconds; and

WHEREAS, such an extraordinary celestial phenomenon is a cause for celebration and a moment to come together as a community to appreciate the wonders of the universe and the beauty of our natural world; and

WHEREAS, it is essential to recognize the significance of this event and encourage all citizens to participate in activities, events, and educational programs that highlight the importance of astronomy, science, and the preservation of our environment; and

WHEREAS, the City of Sulphur Springs recognizes the potential impact of the eclipse on public safety, transportation, and other essential services and acknowledges the efforts made by local authorities, organizations, and volunteers to ensure a safe and enjoyable experience for all residents and visitors;

NOW, THEREFORE, I, John A. Sellers, Mayor of the City of Sulphur Springs, Texas, and on behalf of the City Council do hereby proclaim April 8, 2024, as "Eclipse Day" in our city, and I call upon all residents to join together in appreciation of this extraordinary celestial occurrence.

Let us come together as a community to witness the beauty of the universe, to marvel at the majesty of the eclipse, and to celebrate the importance of science and astronomy in our lives. May this event serve as a reminder of the interconnectedness of all living beings and our shared responsibility to cherish and protect our planet.

Mayor Sellers said that the weather is looking favorable for the Eclipse and we expect to have lots of visitors and hope they have a safe trip.

Councilman Aguilar Announced that the 44th annual Hopkins County UPRA Rodeo is April 19 and 20th. It starts at 7:30p.

MANAGER'S REPORT INCLUDES A STATUS REPORT OF CAPITAL

IMPROVEMENTS, MUNICIPAL OPERATIONS, ACCIDENTS AND CLAIMS FOR THE MONTH, AND A REVIEW OF EXPENDITURES AND REVENUES

Manager Maxwell presented the staff report.

CLAIMS – We had 2 minor workers compensation claims in March. Neither required treatment.

We have received one liability claim from Frontier after we struck a cable on Shannon Road at Holiday Drive. The line was not marked by the utility location service, and we have photos to prove it. I expect to win this battle.

COMPREHENSIVE PLAN – We have applied for a $250,000 grant from the General Land Office to help pay for the plan. While we do not have official approval, they are setting me up on the GLO platform as the official representative. We've got it, but it's not official.

SENIOR CITIZENS CENTER – It's not done. 2 weeks.

COLLEGE STREET – We are on the home stretch. I still think we will be done by June 01.

HOLIDAY DRIVE – Capital Construction Division crews are connecting all the homes to the new water main. They should finish by the end of the week, after which they will begin on sewer. This is a complete reconstruction project, like College Street.

WATER FILTER REHABILITATION – This $3.2 million project will rehabilitate all 6 filters at the water treatment plant. Work is completed on filters 2, 3 and 4. Filters 1, 5 and 6 remain to be rehabilitated.

STREET IMPROVEMENT PLAN (SIP) – Following is a proposed list of streets to be repaved in the 2024 Street Improvement Program. The list is not yet finalized, The list may shrink or grow depending on how the asphalt bids come in. We sent the bid packets out on March 15 and open bids on April 12th.

Street	Between	Length
League	Asphalt Repairs	1000
League	Connally to KCS Rail	1200
W.A.	MLK to end	2223
Cranford	Robertson to Beasley	1287
S. Moore	Bellview to Tate	449
Oak	Gilmer to College	3446
Pollard	Mulberry to end	211
N. Davis	Glover to Airport	1728
Kirtley	Bellview to Nicholson	412
Ninth	Woodlawn to VanSickle	845
Carter	Bill Bradford to Whitworth	2000
Henderson	Craig to League	449

Melony	Azalea to end	1215
Jennings	Jefferson to College	929
Beckworth	Whitworth to Beckham	690
Sharon	W. Industrial to W. Pampa	803
Spence	Lemon to Carter	639
Weaver	Jackson to Teer	2877
Shook	Weaver to Jefferson	536
Jacobs	Houston to Bonner	848
		23787

REVENUES AND EXPENDITURES – Finance Director Lesa Smith will present the usual report of revenues and expenditures.

Elsewhere around the city, employees:

- Responded to 202 calls for fire/rescue including 1 vehicle fire and 3 grass fires.
- Performed preventative maintenance on 78 fire hydrants.
- Performed 15 fire inspections.
- Responded to 175 animal control calls while achieving an 83% adoption rate.
- Made 3 felony arrests in the Special Crimes Unit.
- Responded to 25 accidents, wrote 585 citations, recorded 50 offences, and made 51 arrests in the Patrol Division.
- Accommodated 1,841 flight operations at the airport.
- Sold 2,586 gallons of AvGas and 11,180 gallons of JetA fuel.
- Conducted 72 building inspections, 22 electrical inspections, 14 plumbing inspections and 7 mechanical inspections.
- Issued 25 building permits, and 37 trade permits in March.
- Rented the Grays Building 22 times.
- Checked out 3,699 items from the library.
- Repaired 324 potholes.
- Treated wastewater to a daily average total suspended reading of 0.30 mg/L, a new plant record.
- Repaired 15 water main breaks.
- Unstopped 13 sewer mains.
- Replaced 22 water meters.

Finance Director/Assistant City Manager Smith presented the report of revenues and expenditures.

Manager Maxwell added that we plan to formalize a lease with the Meal a Day Program for use of the Senior Center. He added that we have done a major overhaul of the wastewater plant a few years ago. We had a record month as far as effluent.

DISCUSSION/ACTION ON CONSENT AGENDA

City Secretary Burling presented the staff report. Consider for approval the City Council regular meeting minutes of 03/05/2024; Planning and Zoning meeting minutes 02/19/2024; Economic Development Corporation meeting minutes of 02/26/2024; and 380 agreements for 202 Reservoir Street, 206 W. Ross Street, 209 Ardis Street, and 318 Whitworth Street. Councilman Spraggins made a motion to approve the minutes as presented. Councilman Law seconded and the vote was unanimous.

The motion carried.

DISCUSSION/ACTION FOR PUBLIC HEARING AND SECOND AND FINAL READING OF ORDINANCE NO. 2750 FOR A REZONE REQUEST BY J&K WAGONER GROUP SERIES I FOR PROPERTY LOCATED AT 816 JEFFERSON STREET (LOT 1 & E PT LOT 2, BLK 56 2 S SKILLMAN ADDITION), PROPERTY ID NUMBER R4711 FROM HEAVY COMMERCIAL (HC) TO MULTIFAMILY (MF)

Community Development Director/Assistant City Manager Niewiadomski presented the staff report. The applicant is proposing to downzone the property from HC to MF. The Heavy Commercial Zoning District does not list single family uses as a permitted use. The applicant desires to construct a single-family home on the approximate 0.14 acre lot (attached concept plan). Considering the existing zoning in the area being primarily multifamily, the applicant is requesting to be consistent with other properties.

	Zoning	Use
North	SF-6/MF	Single family
East	HC	Single family
South	SF-6	Single family
West	HC	Vacant

The land use plan currently identifies this area along Jefferson as residential.

CURRENT HC DISTRICT EXAMPLES	PROPOSED MF DISTRICT EXAMPLES
MF/PO/CC/LC District Uses	SF-10/SF-6/2F/SF-A District Uses
Auto body repair	Apartments
Bowling alleys and dance halls	Private clubs and fraternities
Grocery Stores	Institutions of philanthropic nature
Small Animal Clinics	Beauty shops
Bakery and Candy Factories	Child day care facilities

Staff sent 15 certified letters to surrounding property owners within 200 feet.
Below is a response summary:

- In Favor Of: 0
- Opposed To: 0
- Undecided On: 0

P&Z MEETING 02-19-24 MEETING: Staff went over the report with the Board. Due to the downsizing of the zoning, and it being within the current land use plan the Planning and Zoning Commission recommended approval.
There was a brief discussion. Councilman Law made a motion to approve the rezone as presented. Councilman Spraggins seconded and the vote was unanimous.

The motion carried.

DISCUSSION/ACTION ON PUBLIC HEARING AND SECOND AND FINAL READING OF ORDINANCE NO. 2853 DESIGNATING A CERTAIN AREA WITHIN THE CITY OF SULPHUR SPRINGS, HOPKINS COUNTY, TEXAS AS A TAX INCREMENT FINANCING REINVESTMENT ZONE TO BE KNOWN AS TAX INCREMENT REINVESTMENT ZONE NUMBER TWO, CITY OF SULPHUR SPRINGS, TEXAS, PURSUANT TO CHAPTER 311 OF THE TEXAS TAX CODE; ESTABLISHING THE BOUNDARIES OF THE TAX REINVESTMENT ZONE NUMBER TWO, CITY OF SULPHUR SPRINGS; ESTABLISHING A BOARD OF DIRECTORS FOR THE REINVESTMENT ZONE; ESTABLISHING A TAX INCREMENT FUND; CONTAINING FINDINGS AND PROVISIONS RELATED TO THE CREATION OF THE TAX INCREMENT FINANCING REINVESTMENT ZONE; PROVIDING A SEVERABILITY CLAUSE; PROVIDING A REPEALER CLAUSE; AND PROVIDING FOR AN EFFECTIVE DATE
Finance Director/Assistant City Manager Smith presented the staff report. Since receiving the former coal mine property, city council, city staff and the EDC have made progress on planning the potential development of the area. There is currently a limited amount of infrastructure on the property and any type of development would require significant investment to be made either

publicly or privately. One economic development tool available for the city, is utilizing the tax increment financing act which would allow the city and other participating tax entities to collect property tax on the current value of the land while dedicating any property tax increase over the base value for the purpose of paying for infrastructure and improvements within the dedicated zone. There are several steps that the City must go through to establish the zone. The first step was to create a preliminary financing plan which is attached to this item. The next step of the process was to authorize the publication of a notice setting a public hearing for the creation of the zone and holding the public hearing. This is the first reading of the ordinance to create the zone. At the April meeting, upon approval of the second reading of the ordinance, the zone will be officially created. Since the February 6, 2024, meeting, the City Manager and Finance Director met with Hopkins County and Hopkins County Hospital District. The City Manager has also been in communication with the superintendents of Sulphur Springs ISD and Como-Pickton CISD about their desire to participate in the zone. Both school districts levy taxes on real property contained within the proposed zone.

The following is the draft timeline for establishing the zone:

Date	*Event*	
Due by 1/31	Prepare Preliminary Reinvestment Zone Project and Finance Plan w/ Zone boundaries	
2/6	Council Meeting: approve publication of notice of public hearing of TIRZ	
2/14	Publish notice of hearing (at least 7 days before hearing)	
3/5 & 4/2	Council Meeting:	(1) Hold public hearing on creation of Zone 2 (2) Approve preliminary project and finance plan (3) Adopt Ordinance Creating the Zone (4) Adopt Resolution Appointing TIRZ Board
4/11	Zone Board Meeting:	(1) conduct organizational meeting, if needed (2) adopt final project and finance plan
5/7	Council Meeting: Approve final Zone project and finance plan	

No notable costs associated with the creation of the zone. Potential financial impact as noted in the preliminary plan. There was a brief discussion. Councilman Julian made a motion to approve the Tax Increment Zone #2 as presented. Mayor Pro Tem Nash seconded and the vote was unanimous.

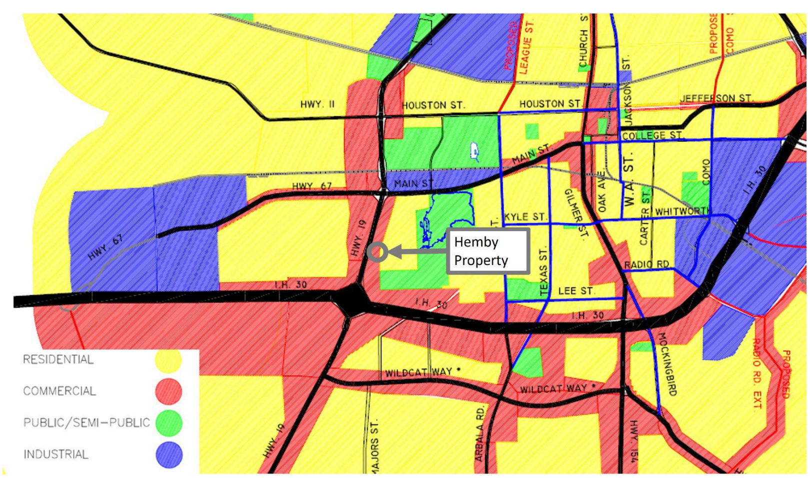
The motion carried.

DISCUSSION/ACTION ON FIRST READING OF ORDINANCE NO. 2854 FOR A REZONE REQUEST BY SCOTT HEMBY AND DALE MCMAHAN FOR PROPERTY LOCATED AT 1336 AZALEA (LOT 2, BLK 215 5 1, PROPERTY ID NUMBER R7330), 1340 AZALEA (LOT 1, BLK 215 5 1 – PROPERTY ID NUMBER R7329), AND 491 S. HILLCREST (PT LOT 10, BLK. 215 5 1 – R7338), FROM PROFESSIONAL OFFICE (PO) TO LIGHT COMMERCIAL (LC). THE ABOVE-DESCRIBED LOTS WENT THROUGH A REPLAT INTO ONE LOT (LOT 1R) CONSISTING OF 1.56 ACRES CALLED THE HILLCREST CORNER ADDITION AS PART OF THE HIGHLAND HILLS ADDITION

Community Development Director/Assistant City Manager Niewiadomski presented the staff report. The applicant is proposing to rezone the property from PO to LC. The applicant indicated in their application that the change from PO to LC for the Vault Fitness Center is why they are applying. The property is located at the SE corner of Hillcrest and Azalea Lane.

	Zoning	Use
North	SF-6	Single family
East	SF-6	Single family
South	LC	Funeral Home
West	SF-6	Single family

The land use plan identifies this area along Hillcrest as commercial frontage. In 2010, the property was proposed to be rezoned from SF-6 to LC. Due to opposition presented, the applicant agreed to downzone to Professional Office. In January, 2023 and January 2024, the applicant's request to rezone to LC was denied. The Highland Hills Subdivision was originally platted in 1967. Azalea lane is the entrance to the Highland Hills subdivision, which is exclusively a residential single-family development and included



lots along Hillcrest north of this site. Professional office allows for bank, medical, and business offices as a low intensity range of uses allowable. PO is the lowest level of commercial zoning in the Zoning Ordinance. Stepping up to Light Commercial does expand the opportunities for potential uses that would be allowed by right.

Under the prior request in January 2024, a neighborhood petition signed by over 50 people opposed the request from the neighborhood. The minutes from the P&Z and City Council meeting are attached for reference purposes.

CURRENT PO DISTRICT EXAMPLES	PROPOSED LC DISTRICT EXAMPLES
Municipal & Governmental Offices	Retail & Restaurants
Banks and Business Offices	Banks & Business Offices
Medical or Dental Offices	Gas Stations and tire shops
	Welding & machine shops
	Mattress and upholstery repair
	Lumber yards and mortuaries

Staff sent 15 certified letters to surrounding property owners within 200 feet.

Below is a response summary:

- In Favor Of: 3
- Opposed To: 7
- Undecided On: 1
- Other 31

P&Z MEETING 03-18-24 MEETING:

There were a couple of notable changes from the prior request. The applicant combined the three lots into one by replatting the property and put a restriction on the plat that no access from Azalea Ln and the property is only be accessible from Highway 19 aka Hillcrest. The applicant did indicate that they wanted to restrict the zoning to a gym use only during the submission process. However, outside council indicated that would be considered contract zoning which is not permissible in Texas. Therefore, all land uses in LC would need to be considered.

The public raised concerns with traffic safety, light pollution, children safety, property values, and encroachment of commercial development adjacent to the neighborhood. There were also several members from the public that were in support of having a gym at that location and to make investments into the community.

The P&Z indicated that the Land Use Plan along Highway 19 in this area shows to be commercial in the future and allowing it to be changed to Light Commercial can be consistent with the Land Use Plan. The P&Z considered the prior vote of City Council almost passing the request along with the efforts made by the applicant to address the neighborhood concerns with traffic safety by limiting access to the property. In regards to other factors such as light pollution, there are bank buildings that could be built in PO that can be just as invasive with lighting in the Light Commercial District. They observed that the Woodbridge development across the street is commercial and see that Highway 19 will be commercial in the future. There will be privacy fencing required between LC and SF-6 zoned property as well for additional screening from the neighborhood.

To be approved by City Council, it will only require a simple majority vote.

The P&Z unanimously recommended to change the zoning from PO to LC.

Seth Loyd, Scott Hemby and Jenna Tolleson, all spoke in favor of the rezone request stating that the property has been replatted, there is no entry off of Azalea and supported the gym that would be built. Mayor Sellers noted that this is the third time we have addressed this rezone and we are not supposed to vote with what is intended to be built in mind since property can be sold and used for another business that fits the zoning. He stated that no other residential subdivision has commercial at the entrance besides Woodbridge but it is laid out differently. Councilman Julian was concerned with zoning change next to an established residential area. He explained that from a zoning standpoint, that the hierarchy and flow of residential to private office to light commercial is a good fit. If the end user outgrows it, the property

changes hands and it has been changed to light commercial it opens it up to retail restaurants, banks, welding shops, lumber yards etc. There was a lengthy discussion. Councilman Spraggins made a motion to approve the rezone as presented on the first reading. Councilman Law seconded and the vote was as follows:
Ayes: Nash, Aguilar, Harrison, Spraggins, Law
Noes: Julian and Sellers

The motion carried.

DISCUSSION/ACTION ON FIRST READING OF ORDINANCE 2855 SPECIAL USE PERMIT PROCESS
Community Development Director/Assistant City Manager Niewiadomski presented the staff report. Over the past several months the Planning & Zoning Commission has reviewed the entire Special Use requirements and has made the following changes:
1. Added clear procedure and data required for applications.
2. Changed final decision authority from ZBA to City Council.
3. Added standards for approval so that the public and city council can better understand the nature of a request and the potential impacts the development can be reviewed by consistently.
4. Addressed the effect of denials and validity of permits.
5. Addressed approval conditions, expansions, and non-conformities
6. Reviewed the table of uses considered by special use.
7. Added definitions in the Zoning Ordinance to clarify uses that were not previously identified.

The land use attorney reviewed the ordinance and made some minor changes to the language of the ordinance for syntax along with savings and repeal clauses. NOTE: Since the P&Z meeting, the attorney reviewed the ordinance and did provide the following updates:
1. Updated the non-conformities section to better define uses in existence prior to May 7, 2024 were not intended to be made non-conforming by this ordinance and were still regulated under the previous ordinance.
2. In addition, staff noticed that in prior versions of the ordinance that the SUP would run with the land. Rather the land use attorney did indicate that we can make the SUP owner specific. This will be important to note that when a property changes hands, that the new owner would need to obtain a new Special Use Permit. It is presented in this draft ordinance that a SUP be owner specific. A new owner may have a different operational plan which may change conditions. Staff recommends that we implement this change.

Staff recommends Approval of Ordinance 2855 with the two changes presented by the Land Use Attorney listed under Special Conditions. There was a lengthy discussion.

Councilman Julian made a motion to approve the item as presented on the first reading. Mayor Pro Tem Nash seconded and the vote was unanimous.

The motion carried.

DISCUSSION/ACTION ON FIRST READING OF ORDINANCE 2856 FOR ZONING AMENDMENT PROCEDURE AND REAPPLICATION TIMEFRAME

Community Development Director/Assistant City Manager Niewiadomski presented the staff report. Over the past year, there have been multiple zoning cases brought back within months of a denial to be reconsidered for the same request. It is typical in most cities that there is a waiting period before an applicant can reapply for a request following a denial. Some cities vary between 12 months to 24 months to be reconsidered for the same request. Having a consequence for denial puts more emphasis on the applicant to provide more thought and consideration into making a request. Staff is proposing to add a provision #6 under Article 28.101 Procedure that states: Limitation on Reapplication: When a proposal is denied by the City Council or when the applicant has withdrawn after a recommendation of denial of the proposal by the Planning & Zoning Commission, no new applications of like nature shall be accepted by the city or scheduled for a hearing by the Planning & Zoning Commission within a period of 12 months of the date of denial or withdrawal. The only exception would be a city initiated rezoning request. Seth McDaniel addressed the council to speak out against this amendment. He stated that he had been denied and brought it back and was approved. He stated that a year is a very long time to have to wait to readdress concerning a rezone request. Community Development Director/ACM Niewiadomski explained that it is for residents. When the same rezone comes back several times residents are not sure if they need to respond or show up multiple times. There was a lengthy discussion. Councilman Spraggins made a motion to approve the ordinance on the first reading with 2 changes being the time period of one year not two and that the city is not exempt from this rule. Councilman Law seconded and the vote was as follows:

Ayes: Nash, Aguilar, Harrison, Spraggins, Law, Sellers
Noes: Julian

The motion carried.

DISCUSSION/ACTION ON RESOLUTION NO. 1415 AUTHORIZING THE CITY MANAGER TO EXECUTE AN AGREEMENT BETWEEN HOPKINS COUNTY AND THE CITY OF SULPHUR SPRINGS, SETTING THE TERMS BY WHICH HOPKINS COUNTY WILL PARTICIPATE IN THE CITY OF SULPHUR SPRINGS TAX INCREMENT REINVESTMENT ZONE NUMBER TWO, AND PROVIDING AN EFFECTIVE DATE

Finance Director/Assistant City Manager Smith presented the staff report. Hopkins County

approved participation in TIRZ #2 at their March 11, 2024 meeting. This resolution authorizes the City Manager to sign the agreement with Hopkins County setting the terms of their participation at 75% through their fiscal year ending in 2055. There was a brief discussion. Councilman Spraggins made a motion to approve the resolution as presented. Councilman Aguilar seconded and the vote was unanimous.
The motion carried.

DISCUSSION/ACTION ON RESOLUTION NO. 1416 AUTHORIZING THE CITY MANAGER TO EXECUTE AN AGREEMENT BETWEEN HOPKINS COUNTY HOSPITAL DISTRICT AND THE CITY OF SULPHUR SPRINGS, SETTING THE TERMS BY WHICH HOPKINS COUNTY HOSPITAL DISTRICT WILL PARTICIPATE IN THE CITY OF SULPHUR SPRINGS TAX INCREMENT REINVESTMENT ZONE NUMBER TWO, AND PROVIDING AN EFFECTIVE DATE.
Finance Director/Assistant City Manager Smith presented the staff report. Hopkins County Hospital District approved participation in TIRZ #2 at their March 20, 2024 meeting. This resolution authorizes the City Manager to sign the agreement with Hopkins County Hospital District setting the terms of their participation at 75% through their fiscal year ending in 2055. Councilman Spraggins made a motion to approve the Resolution as presented. Councilman Law seconded and the vote was unanimous.

The motion carried.

DISCUSSION/ACTION ON RESOLUTION NO. 1417 APPOINTING DIRECTORS AND A CHAIRMAN FOR THE BOARD OF DIRECTORS OF CITY OF SULPHUR SPRINGS TAX INCREMENT REINVESTMENT ZONE #2 AND PROVIDING AN EFFECTIVE DATE
Finance Director/Assistant City Manager Smith presented the staff report. When a Tax Increment Reinvestment Zone is created, the zone is managed and controlled by the City Council based on recommendations of the Board of Directors of that zone. As established by Ordinance 2853 which created TIRZ #2, the Board of Directors for TIRZ Zone #2 is comprised of 5 directors. Each taxing unit that participates in the zone gets one appointment. If a taxing unit chooses not to participate in the zone, the City Council appoints directors in their place. Because SSISD and CPCISD have elected not to participate in the Zone, the City will appoint 3 directors. The Hospital District has appointed Tammy Wright, and Hopkins County has appointed Judge Robert Newsom. The directors serve two year terms. The City Council is also responsible for appointing one of the directors as the Chairman of the Board. The chairman serves in that position for 1 year. Board Members will meet over the next few months to finalize the project and financing plan to be adopted by the City Council. After that, it is expected that meetings will take place once a year immediately following the TIRZ #1 meetings. Current board members

appointed by the City Council for TIRZ #1(downtown) are Oscar Aguilar, John Sellers and Gary Spraggins. Oscar Aguilar is the chairman of that board. Staff recommends appointing the same members to TIRZ #2. Councilman Law made a motion to approve the resolution as presented. Mayor Pro Tem Nash second and the motion carried. Councilman Sellers made a second motion to reappoint the same board and chairman as TIRZ #1. Councilman Law seconded and the vote was unanimous.

The motions carried.

DISCUSSION/ACTION ON BIDS AND AWARD OF CONTRACT FOR HOLIDAY DRIVE CIP WATER LINE BORE

Finance Director/Assistant City Manager Smith presented the staff report. As part of the originally adopted CIP, boring under Interstate 30, from Holiday Dr. to Fisher St. was included on the Holiday Dr. project. This bid is for the labor and material related to installing a 12-inch water line connecting the two sides of I-30. City staff published notices in the newspaper on March 6, 2024 and March 16, 2024 and sent out notices to potential bidders. The bid notice was also posted on CivCast and BidNet Direct where plans were downloaded by 30+ contractors or suppliers. The City opened bids on March 21, 2024. We received 2 bids. Sisk Boring and Tunneling had the low bid of $177,664. This bid came in under the City Engineer's estimate.

Total Bid	Sisk Boring & Tunneling	S-Co Incorporated
Total Bid	$177,664.00	$307,976.00

Staff recommens awarding bid to Sisk. Total financial impact of $177,664 in Utility Funds. Councilman Spraggins made a motion to approve awarding the bid to Sisk. Councilman Law seconded and the vote was unanimous.

The motion carried.

DISCUSSION/ACTION ON BIDS AND AWARD OF CONTRACT FOR SUPPLY OF STORM DRAIN MATERIALS FOR HOLIDAY DRIVE CIP

Capital Construction Director Bryan Craig presented the staff report. Staff placed bid notices in the News Telegram. Emails were also sent to inform prospective bidders. Bids were opened on March 28, 2024. Bid Tabulation is attached. Materials in the bid tabulation are for the installation of a new storm drain system for Holiday Drive CIP. Staff recommends awarding contract for Storm Drain Materials for Holiday Drive to Burgin Pipe and Supply as the lowest qualified bidder. This is a financial impact of $55,134.97 in funds as adopted in the Capital Improvements Plan for utility projects. Councilman Law made a motion to approve awarding the bid to Burgin Pipe and Supply. Councilman Spraggins seconded and the vote was unanimous.

The motion carried.

<u>DISCUSSION/ACTION PRELIMINARY PLAT CASE PPL#240301 BEING A REQUEST BY ROXTON PROPERTIES LLC FOR A PRELIMINARY PLAT 26.424 ACRES OF LAND INTO 250 RESIDENTIAL LOTS CALLED THE STONEWOOD GENERALLY LOCATED AT THE NW CORNER OF COMO STREET AND VETERANS DRIVE</u>

Community Development Director/Assistant City Manager Niewiadomski presented the staff report. The purpose of the preliminary plat is to review staff comments, the physical arrangement of the subdivision and determine the adequacy of street and thoroughfare rights-of-way and alignment and the compliance of the streets and thoroughfares with the Sulphur Springs Comprehensive Plan, the existing street pattern in the area and with any other applicable provisions of the Comprehensive Plan. The Commission shall ascertain that adequate easements for proposed or future utility service and surface drainage are provided, and that the lot size and area comply with the Zoning Ordinance. Approval of a preliminary plat does not constitute approval of the Final Plat. The developer has indicated 50' right of way for the streets which meets our subdivision standards along with 32' wide streets. They will be connecting to Simms Street and will make a transition to tie into that street for connectivity. The development will be built to the Single Family Attached (SF-A) standard which is allowed in the multifamily district. A note on the plat should be provided to clarify the intent of the development. The lots meet the minimum dimensional requirements for the district. Utilities Department cannot determine the sewer adjacent to the site is suitable to connect to and may require off-site extension along Veterans Drive to serve the development. If it is determined that an off-site sewer extension is necessary the cost for design & construction of the sewer extension would be the sole responsibility of the developer. The developer will be connecting to an existing 12" waterline in Como Street and existing sewer manhole in Veterans Drive. Developer will be required to submit engineering plans for water, sewer, and drainage infrastructure in order to determine that the proposed designs are adequate and comply with applicable City standards.

<u>P&Z MEETING 3/18/2024;</u> Staff went over the report. Staff discussed the potential offsite utility implications and the general access and connections to City streets for the project. The P&Z commission did recommend to approve the proposed preliminary plat with the conditions recommended by City Staff. The developer is responsible for the cost of installing the utilities and streets to serve the development.

Staff recommends approval of the preliminary plat with the conditions specified below:

The city receives full engineering plans along with necessary off-site easements for water, wastewater, drainage and streets to be reviewed and approved by the City Engineer prior to Final Plat submittal. The plat provides a note that it will be developed per SF-A Zoning

District Standards. Common areas will be addressed for maintenance by an association during the Final Plat approval. Approval of the preliminary plat does not constitute approval of the Final Plat. There was a brief discussion. Mayor Pro Tem Nash made a motion to approve the plat case with exceptions presented by the city. Councilman Spraggins seconded and the vote was unanimous.

The motion carried.

DISCUSSION/ACTION ON AUTHORIZING THE CITY MANAGER TO EXECUTE CHANGE ORDER NUMBER 3 IN THE AMOUNT OF $83,420 TO A CONSTRUCTION CONTRACT WITH STOLZ MECHANICAL CONTRACTORS, LLC FOR THE WATER TREATMENT PLANT FILTER REHABILITATION PROJECT FOR A REVISED CONTRACT AMOUNT OF $3,211,744.32

Finance Director/Assistant City Manager Smith presented the staff report. On February 7, 2023 the City Council authorized execution of a contract with Stolz Mechanical Contractors, LLC for $3,046,250 for the rehabilitation of the filters at the Water Treatment Plant. This change order increases the contract amount by $83,420 due to unforeseen conditions that were not able to be known until construction started. Once these issues were discovered the associated fees are as follows.
The following table summarizes previous contract action and change orders:

Construction Contract	Date	Amount	Notes
Original Contract	3/7/2023	$3,046,250	-
Change Order No. 1	10/18/2023	$43,900.00	Filter #4 BWW Spool Wall and Spool Material for Filters 1,2,3,5
Change Order No. 2	10/18/2023	$38,174.32	Filter #6 Piping reroute, underdrains, Install #5 dowels in filter floor
Change Order No. 3	Pending	$83,420.00	Backwash Waste Spool Replacements on 4 filters and grout void filling under Filter 4 Floor
Revised Contract Amount	-	$3,211,744.32	-

This project is funded by the American Rescue Plan Act. The City Council set aside $3,580,506.93 of ARPA funds for the Water Treatment Plant. If this Change Order is approved, contracts for the Water Plant will total $3,449,232.32 (contractor and engineering) which leaves $131,274.61 for plant improvements. Staff recommends authorizing the City Manager to execute Changer Order No. 3 in the amount of $83,420. The financial impact is an increase of $83,420 for a total contract of $3,211,744.32. There was a brief discussion.

Councilman Spraggins made a motion to approve the change order as presented. Councilman Law seconded and the vote was unanimous.

The motion carried.

DISCUSSION/ACTION IF ANY, ON EXECUTIVE SESSION ITEM

No action taken.

VISITORS AND PUBLIC FORUM

None

ADJOURN

With all business complete the meeting was adjourned at 8:10 p.m.