

**CITY OF SULPHUR SPRINGS, TEXAS
SPECIAL MEETING OF THE
CITY COUNCIL
March 25, 2025
12:00 p.m.**

The following council members and staff were present:

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

Absent: None

Staff: Marc Maxwell, City Manager
Natalie Burling, City Secretary
Nate Smith, City Attorney
Lesa Smith, Finance Director/Assistant City Manager

CALL TO ORDER

Mayor Nash called the meeting to order at 12:07 p.m.

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

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

**PUBLIC HEARING FOR PROPOSED ADOPTION OF AMENDED TAX
ABATEMENT POLICY**

Mayor Nash opened the public hearing at 12:08 p.m. There was no one to speak to the issue. Mayor Nash closed the public hearing at 12:09 p.m.

**DISCUSSION/ACTION ON RESOLUTION NO. 1478 ADOPTION OF AMENDED
TAX ABATEMENT POLICY**

Director of E.D.C. Brown presented the staff report, State law requires that communities that wish to participate in tax abatements must have a policy in place. The current policy was readopted in March of 2024. The proposed amendments help to provide more detail

and expand the Council's options when considering a 312 Agreement. Councilman Julian 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. 1479 380 AGREEMENT FOR PROPERTY LOCATED AT 100 ASSURANCE COURT

Director of E.D.C. Brown presented the staff report. Liberty Trailers has made a commitment to construct a new 150,000 sf facility and create over 75 new jobs. This constitutes a significant investment within the city and the proposed 380 Agreement is in line with previous agreements for other industries. Councilman Julian questioned the use of 380 agreement instead of an abatement. Director Brown explained this started 2 years ago when the abatement was more common practice. Councilman Law made a motion to approve the 380-agreement, granting the City Manager the authority to make changes as needed. Councilman Spraggins seconded and the vote was unanimous.

The motion carried.

DISCUSSION/ACTION ON ACCEPTANCE OF FISCAL YEAR 2024 AUDIT

Director of Finance/Assistant City Manager Smith presented the staff report. In accordance with Texas Local Government Code Section 103.101, cities in Texas are required to conduct an annual independent audit of their financials within 180 days of the end of the Fiscal Year. The Fiscal Year 2024 Audit has been completed by the firm of Vail & Park, P.C.. Once the final version of the report is available, it will be uploaded to the agenda dropbox. The entire annual comprehensive financial report will also be available on the City's website on the Finance Department's page. <http://www.sulphurspringstx.org/departments/finance.php>. Mike Vail, CPA and Tung Pham, CPA from Vail & Park P.C., made a brief presentation and were available to answer questions. Councilman Julian asked about what internal protocols are in place to correct findings. There was a brief discussion. Councilman Julian made a motion to approve the audit as presented. Councilman Law seconded and the vote was unanimous.

The motion carried.

ADJOURN INTO EXECUTIVE SESSION

Councilman Sellers made a motion to move into executive session at 12:43 p.m. Councilman Law seconded and the vote was unanimous.

The motion carried.

RECONVENE

Mayor Nash reconvened the meeting into open session at 1:10 p.m.

DISCUSSION/ACTION ON EXECUTIVE SESSION ITEM, IF ANY

None.

DISCUSSION/ACTION ON MOTION TO APPROVE A RELEASE OF OBLIGATIONS TO LUMINANT FOR SWF-1992-00184, SWF-1997-00365, SWF-2001-00189 AND SWF-2006-00542 AND FURTHER TO AUTHORIZE THE CITY MANAGER TO PETITION THE U.S ARMY CORPS OF ENGINEERS TO TRANSFER RESPONSIBILITY FOR THE NAMED PERMITS TO THE CITY

City Manager Maxwell presented the staff report. Luminant is currently responsible for stream and wetland mitigation with respect to SWF-1992-00184, SWF-1997-00365, SWF-2001-00189 and SWF-2006-00542 at Thermo. The City cannot develop the site unless we control the permits, and there is a great deal of interest from industrial developers. The proposed release would release Luminant from its obligations to build any streams or wetlands under the permits and the City would become responsible. Luminant retains responsibility for SWF-2016-00027. It does not transfer to the city. The site has more wetlands than it needs by 85 acres. The site is deficient in stream beds by 10.1 acres. Councilman Sellers made a motion to approve the release of obligations as presented and to approve the City Manager to sign said release. Councilman Law seconded and the vote was as follows:

Ayes: NASH, AGUILAR, HARRISON, SPRAGGINS, LAW, SELLERS

Noes: NONE

ABSTAIN: JULIAN

The motion carried.

ADJOURN

With all business complete the meeting was adjourned at 1:12 p.m.