**CITY OF SULPHUR SPRINGS, TEXAS**
**REGULAR MEETING OF THE**
**CITY COUNCIL**
**April 1, 2025**
**7:00 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

Absent: Councilman John A. Sellers

Staff: Marc Maxwell, City Manager
Natalie Burling, City Secretary
Nate Smith, City Attorney
Tory Niewiadomski, Director of Community Development/Asst City Manager
Lesa Smith, Finance Director/Assistant City Manager
Joey Baker, Director of Aviation and Tourism
Chris Brown, Director of EDC
Tony Crouse, Sulphur Springs Police Department

An Executive Session was held at 6:30 p.m. in accordance with Texas Government Code, Title 5, Chapter 551 - §551.071, Consultation with Attorney; Deliberations Regarding Economic Development: Thermo 4,5,6,7 and 8 and Project Maverick; and §551.072 Negotiations about Real Property.

**RECONVENE**
Mayor Nash 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 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 Julian.

**PRESENTATIONS PROCLAMATIONS AND ANNOUNCEMENTS**

## 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,** Harold Nash Sr., 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.

It is so proclaimed this the 1st day of April 2025.

**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.

**REVENUES AND EXPENDITURES -** Finance Director/ Assistant City Manager Smith presented the monthly report of revenues and expenditures.

**CLAIMS** – We had 2 workers compensation claims in March for police officers who were exposed to blood. We did not have any liability claims. The City filed a claim of its own for wind damage to the animal Shelter.

**COMPREHENSIVE PLAN –** Kimley Horn is collecting data for their baseline. They will also attend the Claws For a Cause event on April 26 where they will be seeking input from the public.

**MIRACLE LEAGUE FIELD** – I expect 100% construction drawings this week.

**THERMO WATER** – The Capital Construction Division has installed 1,600 feet of 18' water main into the site. It will replace an old 8" main. This will be the first water project of many at Thermo.

**THERMO ROAD –** All of the concrete road for this project is complete. All that remains is some work on the shoulders. This $4.4 million project is partially funded by a $2.4 million grant from the Economic Development Administration (EDA).


**COLEMAN BALLFIELD LIGHT UPGRADE –** This $250,000 grant from the State Energy Conservation Office (SECO) to upgrade the ballfield lights to LED is on again, off again. It's currently somewhere in between. We've been told to select our contractor to do the work, but not to spend any money yet. This may still happen.

**MIDFIELD APRON** – This concrete pavement/drainage improvement is approximately 90% complete.

This project includes drainage improvements as well as repaving the midfield apron in concrete. Total project cost is $5.28 million, of which 90% is funded by a grant through TXDOT.

**WASTEWATER CHLORINE CONTACT CHAMBER –** Hayter Engineering is presently designing the new chlorine contact chamber. Everything we are hearing reinforces staff's belief that we will be able to re-rate the plant to at least 10 MGD.

This $2.2 million project will repurpose a former (abandoned) sand filter turning it into a chlorine contact chamber. Chlorine contact time is a bottleneck at the wastewater treatment plant (WWTP). The WWTP has a rated capacity of 5.4 MGD. Staff believes we can increase the capacity to 10 MGD when the project is completed. The increase will require TCEQ approval, but staff thinks it is feasible. The project is being funded from the Enterprise Fund balance.

**STREET IMPROVEMENT PLAN (SIP)** – Following is a list of projects for the 2025 SIP. Highlighted segments have been completed.

| **2025 Street Improvement Program** | | |
|---|---|---|
| **Street** | **From/To** | **Length** |
| Hodge | Davis to Fisher and Texas to Brinker | 925 |

| | | |
|---|---|---|
| South Davis | Lee to Industrial | 1047 |
| Debbie/Kayla/Price | Camp thru Cul de sac | 961 |
| Foscue | Jefferson to Weaver | 808 |
| Middle | Church to Mulberry | 918 |
| Turtle Creek | Main to end | 702 |
| Village | Linda to End | 301 |
| Ponder | Connally to Van Sickle | 702 |
| Sunset | Houston to RR | 1193 |
| Sprite | End to End | 1109 |
| Stacy/Beckton/C P Alley | Fuller to College | 1244 |
| Tate | Texas to Brinker | 570 |
| Michel | College to Gena | 850 |
| McGrede | Sprite to Lemon | 1660 |
| Lilly/Bird Cir. | MLK to Cul de sac | 570 |
| Ponder | Van Sickle to Houston | 449 |
| Levi/Cottonwood | End to End | 988 |
| Ingram | Texas to Locust | 359 |
| Locust | Tate to Bellview | 449 |
| Asphalt/Concrete repairs | Various | 1000 |
| Coleman Parking | Expansion | 250 x 190 |
| Camp | Texas to Brinker | 550 |
| Kimberly | End to end | 675 |

Elsewhere around the city, employees:

- Patched 130 potholes.
- Performed 1 major street repair following an Atmos repair.
- Cleaned storm catch basins 5 times.
- Installed 2 no parking signs and replaced 3 stop signs.
- Removed 8 fallen trees from roadways.
- Installed 528 feet of Curbs and 5 new driveway approaches on Alabama.
- Received 8600 feet of water pipe for Thermo.
- Conducted 89 building inspections, 21 electrical inspections, 19 plumbing inspections, and 5 mechanical inspections.
- Issued 28 building permits, and 69 trade permits.
- Responded to 172 fire/rescue calls including 2 structure fires, 1 vehicle fire and 11 grass fires.
- Performed 45 fire inspections.
- Performed preventative maintenance on 78 fire hydrants.

- Treated wastewater to a daily average total suspended solids reading of 0.79 mg/L.
- Hauled 651 tons of sludge to the landfill.
- Repaired 11 water main ruptures.
- Replaced 13 water meters.
- Repaired 4 sewer mains.
- Washed 81,000 feet of sewer mains.
- Performed preventative maintenance and repairs on water treatment and wastewater treatment items.
- Filled in tree wells on College/Main.
- Sprayed for weeds on athletic fields.
- Prepped ball fields for 74 youth games.
- Rented the Grays building 16 times.
- Installed 6 new scoreboards at Coleman Park.
- Made repairs at Kids Kingdom.
- Planted 6 Bur Oaks in Colman Park (North Side).
- Responded to 201 Animal Control calls while achieving a 76% adoption rate.
- Made 0 felony arrests in the Special Crimes Unit.
- Responded to 30 accidents, issued 444 citations, recorded 38 offences and made 49 arrests in the Patrol Division.
- Checked out 4,064 items from the library plus 1,028 eBooks.
- Sold 3,619 gallons of AvGas and 8,356 gallons of JetA fuel.
- Accommodated 1,841 takeoffs/landings at the airport.

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

**DISCUSSION/ACTION ON CONSENT AGENDA**

City Secretary Burling presented the staff report.

Consider for approval the City Council Regular meeting minutes of 03/04/2025; City Council Special Meeting Minutes of March 11, 2025; EDC Regular Meeting Minutes of 02/24/2025**;** and 380 agreements for 901 and 905 Carter Street.

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

**The motion carried.**

**DISCUSSION/ACTION ON PUBLIC HEARING AND SECOND AND FINAL READING OF ORDINANCE NO. 2873 (AX-25-001) FOR ANNEXATION OF PROPERTY OWNED BY THE SULPHUR SPRINGS ISD CONSISTING OF 19.5 ACRES OF LAND, MORE OR LESS DIRECTLY ADJACENT TO THE LAKE HIGHLANDS ADDITION ALONG COLLEGE STREET (FM 1870) ABUTTING THE EXISTING CITY LIMITS AND IS WITHIN THE ETJ**

Community Development Director/Assistant City Manager Niewiadomski presented the staff report. This is the second and final reading of Ordinance 2873 (AX-25-001) for Annexation of property owned by the Sulphur Springs ISD consisting of 19.5 acres of land, more or less directly adjacent to the Lake Highlands Addition along College Street (FM 1870) abutting the existing city limits and is within the ETJ. Sulphur Springs ISD has petitioned to be annexed into the city limits. The city council adopted a resolution in February to establish the process and timeline for annexation. The public hearing was held on March 4, 2025 regarding this request. The applicant intends to build a new school on the property if annexed into the city limits. The applicant has reviewed the proposed municipal services agreement and has no objections to the terms of said agreement and has declined a non-annexation agreement. There was no one else to speak to the issue. Councilman Law made a motion to approve the ordinance on the first reading. Councilman Julian seconded and the vote was unanimous.

**The motion carried.**

**DISCUSSION/ACTION ON PUBLIC HEARING AND SECOND AND FINAL READING OF ORDINANCE NO. 2874 – AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SULPHUR SPRINGS, TEXAS, AMENDING ORDINANCE NO. 2865, THE MASTER FEE SCHEDULE FOR COSTS, FEES AND RATES ASSOCIATED WITH PERMITTING, UTILITY SERVICES AND OTHER SERVICES PROVIDED BY THE CITY; PROVIDING PURPOSE AND INTENT; PROVIDING FOR REDUCTION AND WAIVER OF FEES; PROVIDING FOR REPEAL OF CONFLICTING PROVISIONS; PROVIDING AN EFFECTIVE DATE**

Finance Director/Assistant City Manager Smith presented the staff report. This is the second reading of Ordinance No. 2874, amending Ordinance No. 2865, the master fee schedule for costs, fees and rates associated with permitting, utility services and other services provided by the City; providing purpose and intent; providing for reduction and waiver of fees; providing for repeal of conflicting provisions; providing an effective date. Item Summary: The City has been approached by SSISD about reducing or waiving the fees associated with the construction of the two new elementary schools to be built as part of the $157.15 million bond referendum approved by voters. As the fee ordinance currently exists, there is nothing in it allowing the City to waive or reduce fees. This amendment adds in language that gives the City Council the right to waive or reduce fees for other governmental entities by approving a resolution on a case-by-case basis. If this ordinance is approved on the second reading, the City Council will be asked to consider a resolution either reducing or waiving fees for the district.

There was no motion.

**Ordinance No. 2874 fails for lack of motion.**

Councilman Law wanted to state for the record that he and he believes the entire Council is in favor of education. He also stated that the Council must make the best decision for the citizens of Sulphur Springs. He stated that we had more streets and sewer lines to repair and that the Council cannot consciously take away revenue.

**PUBLIC HEARING AND SECOND AND FINAL READING FOR A REQUEST BY COLE HEITMAN FOR A SPECIAL USE PERMIT MODIFICATION (SUP250201-ORDINANCE 2875) FOR PROPERTY LOCATED AT 1229 LOOP 301, BEING FURTHER DESCRIBED AS LOTS 2, PT. 6, 3, 3-01, 3-02, 3-03, BLOCK 302**

Community Development Director/Assistant City Manager Niewiadomski presented the staff report. The applicant is requesting a modification to Special Use Permit (221102) per Article 20 to be able to construct and operate an RV Resort on the nearly 48 acre site. Since the SUP was amended & granted with conditions in November of 2022, the applicant has completed portions of the required construction items and is seeking to postpone other items. The prior SUP indicated that changes to the plan would require a modification and go back before the P&Z and ZBA. The two changes would be to move bathhouse, laundry and playground facilities to phase 2 and move RV trailer storage facilities to phase 3. The Board recommended leaving the bathhouse, laundry and playground facilities in Phase 1 with an extended timeframe of 12 months to finish building. There was no one else to speak to the issue. Councilman Spraggins made a motion to approve the ordinance as presented with the recommended conditions as presented. Councilman Law seconded and the vote was unanimous.

**The motion carried.**

**PUBLIC HEARING: TO DISCUSS THE ORDINANCE NO. 2876 TERMINATING THE COMMERCIAL INDUSTRIAL REINVESTMENT ZONE NUMBER 2020-01, CITY OF SULPHUR SPRINGS, TEXAS AND DESIGNATING THE REINVESTMENT ZONE KNOWN AS THE SULPHUR SPRINGS SSDC1 LLC REINVESTMENT ZONE NUMBER 25-01**

Public hearing opened at 7:22 pm. There was no one else to speak to the issue. Public hearing was closed at 7:23 pm.

**DISCUSS/ACTION ON AN ORDINANCE NO. 2876 TERMINATING THE COMMERCIAL INDUSTRIAL REINVESTMENT ZONE NUMBER 2020-01, CITY OF SULPHUR SPRINGS, TEXAS AND DESIGNATING THE**

**REINVESTMENT ZONE KNOWN AS THE SULPHUR SPRINGS SSDC1 LLC REINVESTMENT ZONE NUMBER 25-01 PURSUANT TO THE CITY'S GUIDELINES AND CRITERIA UNDER THE PROPERTY REDEVELOPMENT AND TAX ABATEMENT ACT, CHAPTER 312 OF THE TEXAS TAX CODE**

Director of EDC Chris Brown presented the staff report. In 2020, a reinvestment zone was established, defining the entire Thermo Addition as a single reinvestment zone. Since that time, interest in the site has grown, providing increased opportunities for the City. The termination of the original reinvestment zone and the designation of zones for each company or phase allow the City maximum flexibility when considering possible incentives. There was a brief discussion. Councilman Spraggins made a motion to approve the ordinance as presented. Councilman Law seconded and the vote was unanimous.

**The motion carried.**

**DISCUSSION/ACTION ON RESOLUTION NO. 1480 - APPROVING A ONE-TIME FEE WAIVER OR REDUCTION FOR THE CONSTRUCTION OF TWO NEW ELEMENTARY SCHOOLS FOR SULPHUR SPRINGS ISD**

No action taken.

**DISCUSSION/ACTION ON APPROVAL OF A NEW AIRPORT GROUND LEASE AGREEMENT FOR LOT 1220-09**

Director of Aviation and Tourism presented the staff report. Joey Baker presented the staff report. This is a new ***Ground Lease Agreement*** between the City and Aeronest Holdings, LP. Their plan is to construct a new building on this lot, approximately 7500 $ft^2$ plus 3000 $ft^2$ of approach apron, to be utilized by American Legend Aircraft for aviation related assembly and storage, and other related activities as permitted by airport policy. The lease will have a 20-year term and four (4) optional five-year extensions, with the lease ending in 2065. Councilman Julian made a motion to approve the lease as presented. Councilman Law seconded and the vote was unanimous.

**The motion carried.**

**DISCUSSION/ACTION ON APPROVAL OF A NEW AIRPORT GROUND LEASE AGREEMENT FOR LOT 1220-11**

Director of Aviation and Tourism Joey Baker presented the staff report. This is a new ***Ground Lease Agreement*** between the City and Aeronest Holdings, LP. Their plan is to construct a new building on this lot, approximately 7500 $ft^2$ plus 3000 $ft^2$ of approach apron, to be utilized by American Legend Aircraft for aviation related assembly and storage, and other related activities as permitted by airport policy. The lease will have a 20-year term and four (4) optional five-year extensions, with the lease ending in 2065. Councilman Law made a motion to approve the lease as presented. Councilman Spraggins seconded and the vote was unanimous.

**The motion carried.**

**DISCUSSION/ACTION ON APPROVAL OF A NEW AIRPORT GROUND LEASE AGREEMENT FOR LOT 1220-02, FORMERLY DESCRIBED AS LOT-IND-1**

Director of Aviation and Tourism Baker presented the staff report. The original Ground Lease Agreement between the City and AO Jet Services, Inc. - now Aeronest Holdings, LP - was executed on 7 March 2002, for the intended purpose of aircraft completions, refurbishments, and component manufacturing, with a 50-year term ending in 2052. Councilman Law made a motion to approve the lease as presented. Councilman Harrison seconded and the vote was unanimous.

**The motion carried.**

**DISCUSSION/ACTION ON APPROVAL OF A NEW AIRPORT GROUND LEASE AGREEMENT FOR LOT 1220-20**

Director of Aviation and Tourism Baker presented the staff report. The original Ground Lease Agreement between the City and Aeronest Holdings, LP was executed on 17 August 2005, for the purpose of aviation related assembly and storage, with a 40-year term ending in August, 2045. Councilman Julian made a motion to approve the lease as presented. Councilman Harrison seconded and the vote was unanimous.

**The motion carried**.

**DISCUSSION/ACTION ON APPROVAL OF A NEW AIRPORT GROUND LEASE AGREEMENT FOR LOT 1220-21**

Director of Aviation and Tourism Baker presented the staff report. The original Ground Lease Agreement between the City and Aeronest Holdings, LP was executed on 17 August 2005, for the purpose of aviation related assembly and storage, with a 40-year term ending in August, 2045. Councilman Law made a motion to approve the lease as presented. Councilman Harrison seconded. The vote was unanimous.

**The motion carried.**

**DISCUSSION/ACTION ON EXECUTIVE SESSION ITEM, IF ANY**

None.

**VISITORS AND PUBLIC FORUM**

None.

**ADJOURN**

With all business complete the meeting was adjourned at 7:35 p.m.