

**CITY OF SULPHUR SPRINGS, TEXAS
REGULAR MEETING OF THE
CITY COUNCIL
October 7, 2025
7:00 p.m.**

The following council members and staff were present:

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

Absent: Councilman Gary Spraggins

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
Gordon Frazier, H.R. Director
James Jordan, Director of Utilities
Bryan Craig, Director of Public Works
Jason Ricketson, Chief of Police
Brad Horton, 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; §551.087 Deliberations Regarding Economic Development: Thermo 4,5,6,7 and 8 and Project Maverick.

The regular meeting of the Sulphur Springs City Council was held at 7:04 p.m. on Tuesday October 7, 2025.

RECONVENE

Mayor Law called to order the regular meeting of the Sulphur Springs City Council at 7:04 p.m.

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

Mayor Law led in the pledge of allegiance to the United States Flag and the Texas Flag, and the invocation.

PRESENTATIONS, PROCLAMATIONS, AND ANNOUNCEMENTS

None.

MANAGER'S REPORT WILL INCLUDE A STATUS REPORT OF CAPITAL IMPROVEMENTS, MUNICIPAL OPERATIONS, ACCIDENTS AND CLAIMS FOR THE MONTH, AND A REVIEW OF EXPENDITURES AND REVENUES

CLAIMS – We had one workers' compensation claim in September for a broken ankle.

THERMO WATER LINE – Crews have now installed a total of 15,517 feet of new water main. During September, they completed cleanup on several properties along the route and placed rip-rap at the creek crossing for erosion control. Nine valve locations have been secured with concrete pads. We are currently awaiting a contractor to perform the remaining bore crossings needed to finish the project.

STREET IMPROVEMENT PROGRAM (SIP) – The 2025 SIP street program is completed. All planned street segments have been repaved. City staff have already prepared a tentative list of streets for the 2026 Street Improvement Program, and this draft list has been shared with the Water & Sewer and Streets departments for review.

CITY HALL CONSTRUCTION – Work continued on the new City Hall facility and parking area. In September, crews installed a concrete dumpster pad on the City Hall grounds and began forming and pouring new sidewalks for the parking lot. Meanwhile, our engineers are finalizing the civil site plans for the City Hall addition, including locating and tracing existing underground utilities to tie into the new construction. The City Hall project remains on schedule as we complete the parking lot and exterior site work.

DEVELOPMENT PROJECTS – Several development and capital projects progressed during the month. The Stonewood subdivision Phase I – a new 130-lot residential development at Como Street and Veterans Drive – received final plat approval in September, and construction of streets and utilities in Phase I is now finishing up. City engineering staff also coordinated on utility extensions for a new SSISD Elementary School #2, including a water line connection, and continued installing water mains along Trinity Parkway to serve upcoming developments in that area.

MIRACLE LEAGUE FIELD – Re-design work is underway for the proposed Miracle League Field at Buford Park.

Elsewhere around the city, employees:

Public Works:

- Repaired 359 potholes.

- Cleaned out storm drains three times.
- Replaced or repaired two STOP signs.
- Removed two fallen trees from city roadways.
- Mowed and weed-eated city lots.
- Sprayed Roundup at multiple bridge and culvert locations.
- Weed-eated the Camp Street ditch.
- Hauled street-sweeping spoils to the Malloy Landfill.
- Repaired pavement at seven water or sewer repair sites.
- Made two major street-failure repairs.
- Excavated and cleaned drainage ditches on Holiday Drive, Van Sickle Street, and Easy Street.
- Hauled two loads of cold-mix asphalt from Terrell and used it to level low areas on 7th Street.
- Trimmed trees blocking stop signs on Bellview and Kyle Streets.
- Cleaned trash and undergrowth along the north boat ramp banks.
- Demolished and cleared four nuisance properties:
 - 1197 Elizabeth Lane
 - 1326 Jefferson Street
 - 355 League Street
 - 904 Sunset Street
- **Water and Sewer Maintenance:** Repaired 23 water main ruptures and replaced 29 water meters during the month. Crews also cleared approximately 26 sewer line blockages and washed 84,000 feet of sewer mains as part of our Fats, Roots, Oils, and Grease (FROG) preventative maintenance program.
- **Wastewater Treatment:** Treated wastewater to an excellent quality, with a monthly average effluent TSS of only 0.37 mg/L (well below permit limits). We hauled 549 tons of sludge from the treatment plant to the landfill in September.
- **Building Inspections & Code Enforcement:** Conducted 83 building inspections (plus 61 electrical, plumbing, and mechanical trade inspections) and issued 27 building permits during the month. City crews demolished and cleared four dilapidated structures as part of ongoing code enforcement efforts.
- **Police (Patrol Division):** Responded to 36 traffic accidents, issued 516 citations, recorded 40 offenses, and made 47 arrests through the Patrol Division in September. The Special Crimes Unit made additional felony arrests (notably in narcotics cases), and overall police activity remained high but steady.
- **Animal Control:** Animal Control responded to 140 complaint calls during September. Officers picked up 16 dogs and cats, accepted 8 owner drop-offs,

and handled 3 wild animals, all of which were safely released. Eight animals were reclaimed by their owners, while five were adopted through the shelter, producing an overall adoption rate of 76%. Officers issued eight citations, responded to three animal-bite reports, and removed two dead animals from city rights-of-way.

- **Fire Department:** Answered 225 fire/rescue calls, including 2 structure fires and 2 vehicle fires, in September. Fire crews conducted 30 fire safety inspections and performed maintenance on 74 fire hydrants to ensure reliability. Firefighters also logged 176 hours of continuing education training in various firefighting and rescue skills.
- **Public Library:** Welcomed 5,029 patrons at the Sulphur Springs Public Library and checked out 4,390 items to borrowers, plus 838 eBooks downloaded by online users. (September was designated a “fine-free” month, during which the library waived nearly \$1,800 in late fees to encourage the return of materials.)
- **Parks and Recreation:** Maintained city parks and the downtown plaza, with daily cleaning of restrooms, regular mowing and landscaping, and tree trimming in our public spaces. Parks crews cleaned the fountain in the plaza and made irrigation repairs at Coleman Park, and they prepared the Gray’s Building for 9 rental events during the month. The department also assisted with two downtown special events by providing logistical support and cleanup.
- **Senior Center & Community Events:** The Senior Citizens Center was very active, as staff hosted a “Senior Olympics” event with 130 participants in September and facilitated 125 other activities for seniors ranging from regular classes to special programs. Our staff also continued to distribute local tourism information and assist community organizations with event planning and execution.
- **Airport:** The Sulphur Springs Municipal Airport sold 3,914 gallons of AvGas and 6,260 gallons of Jet-A fuel to aircraft in September. The airport recorded 2,163 take-offs and landings during the month (average of 72 operations per day) as general aviation activity remained strong.

Overall, September was a productive month for the City of Sulphur Springs. We made significant progress on major capital projects, continued to improve our infrastructure, and provided a high level of service across all departments. We will remain focused on these projects and initiatives as we move into the fall season.

DISCUSSION/ACTION ON CONSENT AGENDA

City Secretary Burling presented the staff report. Consider for approval the City Council Regular meeting minutes of 09/02/2025; City Council Special Meeting Minutes of 08/28/2025; City Council Special Meeting Minutes of 09/18/2025;

Economic Development Corporation Meeting Minutes of 08/25/2025; Planning and Zoning Board Meeting Minutes of 08/18/2025; and a request to release a 55.5 acre tract of land from the ETJ by SS&JRS Land Development, LLC.

Councilman Sellers made a motion to accept the consent agenda as presented. Councilman Harrison seconded and the vote was unanimous.

The motion carried.

DISCUSSION/ACTION ON SECOND AND FINAL READING OF ORDINANCE NO. 2883 PROHIBITING THE SALE, USE, POSSESSION, AND DISTRIBUTION OF 7-HYDROXYMITRAGYNINE (7-OH) AND 7-OH-CONTAINING PRODUCTS WITHIN THE CITY OF SULPHUR SPRINGS

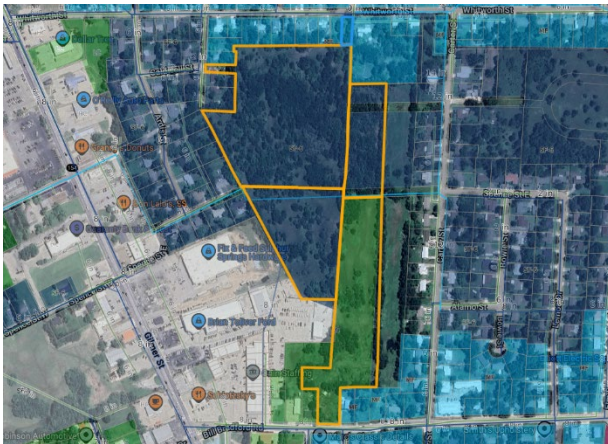
Attorney Nate Smith presented the staff report. Synthetic 7-hydroxymitragynine (7-OH) is a psychoactive and concentrated alkaloid isolated as a chemically altered byproduct and/or synthesized to imitate the chemical qualities of the naturally occurring and pure form of 7-OH found in the kratom plant (*Mitragyna Speciosa*) and/or its leaves. This Synthetic 7-OH is often found in high concentrations in products for sale such as gummies, pills, extracts, and many other forms of products intended for individual consumption or use of Synthetic 7-OH. The Synthetic form of 7-OH is distinct from the natural and pure kratom plant and/or its leaves, which is regulated and considered a traditional herbal product. Conversely, Synthetic 7-OH is classified by the Food and Drug Administration (FDA) as a controlled substance due to its potential for misuse and addiction, as well as the growing reports of 7-OH poisoning in the state of Texas, as well as across the nation. Medical experts recognize the dangers for individuals to consume or use the high potency products which contain Synthetic 7-OH and medical experts further consider Synthetic 7-OH as being substantially more potent than morphine or mitragynine. Synthetic 7-OH is not significantly derived from the natural, pure kratom plant and/or its leaves. While natural kratom leaves do in fact contain trace amounts of the naturally occurring form of 7-OH, the chemical is not the primary active compound in natural and pure kratom leaves or in products containing the natural, pure form of the kratom plant and/or its leaves. In scientific laboratory testing and chemical analyses, Synthetic 7-OH is distinctly different in its chemical makeup when compared to the regulated herbal and pure forms of the natural kratom plant and/or its natural leaves. This ordinance is not intended to prohibit the legal sale or legal distribution of products containing only natural and pure forms of the kratom plant and/or its leaves. Synthetic 7-OH is not regulated or approved by the United States FDA, as well as the Texas State Department of State Health Services, who have each determined that Synthetic 7-OH poses risks to public health and safety, including the potential for addiction, withdrawal, respiratory depression, seizures, and overdose. Furthermore, the FDA has classified Synthetic 7-OH as an opioid. Lastly, the Texas legislature signed into state law Texas Health and Safety Code, Chapter 444, effective September 1, 2023. This law explicitly bans the sale of kratom products that contained unnaturally high levels of 7-OH or any Synthetic 7-OH at all in the state of Texas. Jeffery Stokes of Saltillo addressed the council in support of the ban and Ordinance No. 2883.

Councilman Sellers made a motion to approve the ordinance as presented. Councilman Nash seconded and the vote was unanimous.

The motion carried.

DISCUSSION/ACTION ON PUBLIC HEARING AND FIRST READING OF ORDINANCE NO. 2894 ON A REZONE REQUEST (#PUD 250901) BY TLSS HOLDINGS LLC FOR A PLAN UNIT DEVELOPMENT FOR PROPERTY LOCATED AT 303 W A STREET (PARCEL#3641), 0 SPENCE STREET (PARCEL #3654), AND 0 CARTER STREET (PARCEL #4228) FROM SINGLE FAMILY, 207 BILL BRADFORD STREET (PARCEL #6240) FROM LIGHT COMMERCIAL, AND 325 WHITWORTH STREET (PARCEL #3656) FROM MULTI-FAMILY TO PLANNED UNIT DEVELOPMENT #3

Community Development Director/Assistant City Manager Niewiadomski presented the staff report. Discussion/Action on first reading of Ordinance 2894 on a rezone request (#PUD 250901) by TLSS Holdings LLC for a Plan Unit Development for property located at 303 W A Street (Parcel#3641), 0 Spence Street (Parcel #3654), and 0 Carter Street (Parcel #4228) from Single Family, 207 Bill Bradford Street (Parcel #6240) from Light Commercial, and 325 Whitworth Street (Parcel #3656) from Multi-Family to Planned Unit Development #3.



Don Rountree was present for any questions from the council. There was a brief discussion. There was no one else to speak to the issue. Councilman Sellers made a motion to approve the Ordinance as presented. Councilman Aguilar seconded and the vote was as follows:

AYES: NASH, AGUILAR, HARRISON, LAW, SELLERS

NOES: JULIAN

The motion carried.

DISCUSSION/ACTION ON RESOLUTION NO. 1495 FINDING THAT ONCOR ELECTRIC DELIVERY COMPANY LLC'S APPLICATION TO CHANGE RATES WITHIN THE CITY SHOULD BE DENIED

Manager Maxwell presented the staff report. On June 26, 2025, Oncor Electric Delivery Company LLC ("Oncor" or "Company") filed an application with cities retaining original jurisdiction seeking to increase system-wide transmission and distribution rates by about \$834 million or approximately 13% over present

revenues. The Company asks the City to approve a 12.3% increase in residential rates and a 51.0% increase in street lighting rates. If approved, the impact of this requested increase on an average residential customer would be about \$7.90 per month.

In a prior City action, Oncor's rate request was suspended from taking effect for 90 days, the fullest extent permissible under the law. This time period has permitted the City, through its participation with the Steering Committee of Cities Served by Oncor ("Steering Committee"), to determine that the proposed rate increase is unreasonable. Consistent with the recommendations of the experts engaged by the Steering Committee, Oncor's request for a rate increase should be denied.

Accordingly, the purpose of the Resolution is to deny the rate change application proposed by Oncor. Once the Resolution is adopted, Oncor will have 30 days to appeal the decision to the Public Utility Commission of Texas ("PUC") where the appeal will be consolidated with Oncor's filing (PUC Docket No. 58306) currently pending at the PUC.

All cities with original jurisdiction will need to adopt the Resolution by October 29, 2025. Councilman Julian made a motion to approve the resolution as presented. Councilman Harrison seconded and the vote was unanimous.

The motion carried.

DISCUSSION/ACTION FINAL PLAT CASE PL#250901 BEING A REQUEST BY SS COMO STREET DEVELOPMENT, LLC FOR A FINAL PLAT ON 14.834 ACRES OF LAND INTO 130 RESIDENTIAL LOTS & 3 HOA OPEN SPACE LOTS CALLED THE STONEWOOD PHASE 1, GENERALLY LOCATED AT THE NW CORNER OF COMO STREET AND VETERANS DRIVE

Community Development Director/Assistant City Manager Niewiadomski presented the staff report. Public improvements are nearing completion on the first phase of this development and the applicant is requesting final plat approve of this phase. This phase consists of 130 Residential Lots and 3 HOA lots. The Residential lots will be constructed to the Single Family Attached (SF-A) standard. The developer has put up a performance bond for the remaining incomplete public improvements in accordance with applicable City requirements. All applicable public improvements are required to be inspected by City Representatives and approved prior to release of the performance bond for the remaining improvements. The developer is responsible for the cost of installing the utilities and streets to serve the development. Once all public improvements are complete the developer will provide and 1 year warranty bond and will be responsible for all public improvements for that once year period. After the one-year warranty period the City will assume maintenance of all public improvements. Staff recommends approval with the following conditions:

1. Developer shall request and have all public improvements inspected and approved upon completion.
2. Developer shall provide 1 year warranty bond on all public improvements upon completion.

3. Developer shall have all HOA documents recorded at the time of filing the final plat and shall provide the recorded copies to the City.

The Planning and Zoning Commission reviewed the case and recommended approval of the plat with Staff's recommendations. There was a brief discussion. Councilman Julian made a motion to approve the plat case as presented. Councilman Nash seconded and the vote was unanimous.

The motion carried.

DISCUSSION/ACTION APPROVING THE BID FOR THERMO SEWER LINE PHASE 1 MATERIALS

Director of Public Works 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 September 23rd 2025. Materials in the bid tabulation are for the installation of Phase 1 of a new sewer line for the Thermo Property. Staff recommends awarding contract for Thermo Sewer Phase 1 Materials to Ferguson Waterworks as the lowest qualified bidder. Councilman Sellers made a motion to approve the bid to Ferguson Waterworks. Councilman Harrison seconded and the vote was unanimous.

The motion carried.

DISCUSSION/ACTION APPROVING THE BID FOR THERMO SEWER LINE PHASE 1 MANHOLES

Director of Public Works 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 September 23rd, 2025. Bid Tabulation is attached. Manholes in the bid tabulation are for the installation of Phase 1 of a new sewer line for the Thermo Property. Staff recommends awarding the contract for Thermo Sewer Phase 1 Materials to Armorock as the lowest qualified bidder. Councilman Julian made a motion to approve the contract with Armorock. Councilman Aguilar seconded and the vote was unanimous.

The motion carried.

DISCUSSION/ACTION TO APPROVE THE PURCHASE OF A NEW VAC-TRON HYDRO-EXCAVATOR TRAILER, FROM VERMEER TEXAS-LOUISIANA, UTILIZING SOURCEWELL PUBLIC UTILITY CONTRACT 110421-VRM

Director of Public Works Craig presented the staff report. The budget was approved by City Council for FY 2026 for the purchase of a new Vacuum Trailer, or Hydro Excavator. This will be used to excavate areas around existing utilities, to minimize the risks of damage. This equipment will be used by both Capital Construction, and the Utility Department. Bids were not requested as this is recommended to be purchased using Sourcewell Public Utility Contract 110421-VRM. Sourcewell is a

national purchasing cooperative that streamlines the procurement process by developing RFPs and IFBs for national, competitive solicitations that meet or exceed local requirements. The City will save approximately \$8,700 by purchasing with the Sourcwell contract instead of directly off of the quote provided by the vendor. The City occasionally utilizes purchasing cooperatives in lieu of requesting sealed bids. Chapter 271 of the Local Government Code authorizes cities to enter into cooperatives for the purpose of procuring goods and services.

Note: There will be a 4% price increase assessed on any purchase made after October 31, 2025. Staff recommends approving the purchase of a new Western Star dump truck, utilizing the Sourcwell Purchasing Cooperative, from Vermeer Texas-Louisiana. Councilman Aguilar made a motion to approve the purchase from Vermeer Texas-Louisiana. Councilman Nash seconded and the vote was unanimous.

The motion carried.

DISCUSSION/ACTION ON BIDS AND AWARD OF CONTRACT FOR CHEMICALS

Director of Utilities Jordan presented the staff report. The City advertised for bids on the following chemicals to be used at the Water Treatment Plant, Wastewater Treatment Plant:

Alum

The bids received on September 16, 2025 are as follows:

Alum

Usalco	\$ 588.18 per dry ton
Chameleon Industries	\$ 412.00 per dry ton
Chemtrade	\$334.90 per dry ton
H&E USA Chemicals	\$375.00 per dry ton

In the event Chemtrade cannot furnish a quality product, H&E can be the alternate supplier. Staff recommends accepting the low bid and an alternate. Councilman Sellers made a motion to approve the low bid and alternate as presented. Councilman Julian seconded and the vote was unanimous.

The motion carried.

DISCUSSION/ACTION ON EXECUTIVE SESSION ITEM, IF ANY

None.

VISITORS AND PUBLIC FORUM

Jamie Mitchell, of Country Club Road, had questions and concerns in reference to the data center project. She submitted a list of specific topics of concern for council's consideration.

Robert Lenington, of Hillcrest Drive, spoke in support of the data center, citing its role in technological and economic growth and cautioning against missed opportunities as some cities did with the railroad.

Michele Barnes, of FM 69, of Dike had questions about the oversight of the company and data center project.

Lisa Lage, of FM 69 S, spoke against the data center project, wanting to keep the small-town feel, citing noise and pollution.

Karey Hayes, of FM 1870, spoke regarding the data center project. She raised questions concerning financial and tax matters and emphasized the importance of involving local Texas companies. Ms. Hayes also noted the growing need for data centers.

Jeff Blackard, of FM 2297, discussed plans to develop a village on the coal mine property adjacent to the data center project. He emphasized the substantial tax revenue and economic benefits the data center project will bring to the city. Mr. Blackard stated he has carefully considered environmental factors, including parks, soil conditions, and EPA compliance. He noted that he has retained his own engineers to conduct independent testing and is willing to share the data upon request.

Glen Hamlin, of CR 3518, spoke against the data centers stating that he worked at Thermo Mine and didn't believe the ground was compact enough to hold the data centers. He

expressed drainage concerns that might affect the county residents.

Tina Stout, of Plano Street, spoke in opposition to the data center project, expressing concerns about the feasibility of constructing and cooling a 3 GW facility in the local humid climate without significant reliance on the electric grid or water resources.

Marion Cox, of CR 2321, spoke against the data center project with concerns of the sound and vibrations emitted from data center project fans.

Melissa Harris, of CR 2326, spoke against the data center project with questions about water and drought issues.

Marion Lewis, FR 3236, spoke against the data center project with concerns of pollution, traffic and noise.

Wayne Garret of CR 2321, spoke against the data center project with concerns over property value, pollution, noise, increasing energy costs, and water consumption.

Kerry Herman, of CR 4807, questioned who did the due diligence for the data center, what their qualifications were and if it can be made public.

Doug Gerard, of I 30 West Brashear, spoke against the data center project citing concerns of housing construction workers, costs to the city, making the city targets for foreign cyber-attacks and fear of changing the community to the metroplex.

Deuce Young, of Turtle Creek Drive, mentioned that Sulphur Springs is spoken of in other towns in exemplary light and thanked the council for their work. He spoke in favor of the data center project stating that AI is coming and the cities that embrace it will flourish and those who don't, won't.

ADJOURN

With all business concluded, Mayor Law closed the meeting at 8:25 p.m.