

**CITY OF SULPHUR SPRINGS, TEXAS
REGULAR MEETING OF THE
CITY COUNCIL
January 6, 2026
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 Gary Spraggins
Councilman John A. Sellers

Absent: None

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
Jason Ricketson, Chief of Police
Gordon Frazier, H.R. Director
David James, Fire Chief

An Executive Session was held at 6:01 p.m. in accordance with Texas Government Code, Title 5, Chapter 551 - §551.071, Consultation with Attorney; §551.087 Discussion and Deliberations Regarding Economic Development: Status and Negotiations; and Project Superman; §551.074 Personnel Matters specifically in regard to City Manager; and to deliberate the appointment of an individual to the Zoning Board of Adjustments.

RECONVENE

Mayor Law called to order the regular meeting of the Sulphur Springs City Council at 7:07 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 Councilman Spraggins led 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

There were no workers' compensation, liability, or property claims filed in December. A notice of lawsuit was received related to Ordinance No. 2884 regulating skill-based gaming devices. The matter has been forwarded to TMLIRP and city legal counsel.

Thermo 18" Water Line (Capital Construction)

Crews installed 40 feet of 18-inch water main in December, bringing the total installed to 16,297 feet. Two tees and 40 feet of 12-inch line were installed east of the Thermo buildings for future use, along with one new fire hydrant. All installed water line was loaded and placed into service. Materials for the Thermo 21-inch sewer line are fully received and staged.

City Hall Site & Parking

City Hall parking lot sidewalks are complete. Engineering staff continued civil-site design and underground utility tracing for the City Hall addition.

Street Improvement Program (SIP) & 2026 Planning

Routine street maintenance continued while staff finalized planning work for the 2026 Street Improvement Program. The tentative street list has been prepared and coordinated with Water & Sewer and Streets. Contract extension paperwork has been executed, and IWorQ street-condition updates and shapefiles for new streets have been completed.

2026 SIP LIST		
Street	Between	Length
Asphalt/Conc. Repair	various soft spot repairs	1000
Hodge	League to Barbara	1130
Colorado	Longino to Jackson	401
Fleming	Church to Rosemont	428
Putman	Carter to Como	2360
Mulberry	Park to Glover	1299
League	Connally to Houston + curve	1316
Moore	Main to Connally	1193
Gaines	Fuller to Putman	422
Raintree	Loop 301 to Loop 301	2978
N. Lake Rd. and ramp	Peerless Hwy to ramp	3200
Towne	Hinnant to Robertson	412

Lemon	Bill Bradford-McGrede to Sprite	1088
Able and Ava	Putman to Fuller	820
Davis St.	South Davis from RR to Kyle	2149
Southland	Davidson to end	898
Simms	Freeman to end	400
Cranford	Austin to Hodge	891
Total Feet		22385
Total Miles		4.24

Development Projects

Staff continued to support multiple development efforts, including final work at Stonewood Phase I, utility extensions for SSISD Elementary School #2, and ongoing water-main installation along Trinity Parkway. Engineering staff also advanced planning and utility coordination for future developments.

Departmental Activity

Public Works

- Repaired 139 potholes and cleaned storm drains twice.
- Repaired pavement following 12 water or sewer repairs and completed one major street repair on Como Street, including correction of a storm-drain failure that caused a sinkhole.
- Continued the citywide program to trim trees to maintain 14-foot roadway clearance.
- Replaced 200 feet of failed 36-inch storm drain between MLK and Fuller Streets and repaired bridge railing on Jackson Street.
- Repaired or replaced three stop signs and one “No Trucks” sign.
- Hauled street-sweeping spoils to the Maloy Landfill and coordinated milling and paving of the 7th Street railroad crossing.
- Mulched overgrown vegetation along Veterans Drive, Maxwell Street, Holiday Drive, and creek areas between MLK, Maxwell, and Beckham Streets.

Utilities — Water

- Repaired 12 city water-main breaks (1”–2; 6”–9; 8”–1).
- Replaced 14 three-quarter-inch meters and two 2-inch meters; no dead meters reported.
- Located over 1,800 feet of water mains and services for contractors and replaced three broken meter boxes.

Utilities — Sewer (City Lines Only)

- Responded to 16 city sewer calls.
- Repaired one 4-inch and two 6-inch city sewer lines.

- Washed over 83,000 feet of city sewer mains as part of the F.O.G. program.
- Located approximately 1,810 feet of sewer mains for contractor coordination.

Wastewater Treatment Plant

- Achieved a monthly average effluent TSS of 1.2 mg/L.
- Hauled 552 tons of sludge to the Maloy Landfill.
- Completed routine and preventative maintenance, including blower troubleshooting, chlorine-hoist inspection, electrical work, and clarifier and pump maintenance.

Community Development — Inspections & Permits

- Conducted 58 building inspections, 18 electrical inspections, 17 plumbing inspections, and 6 mechanical inspections.
- Issued 25 building permits and 62 trade permits.
- No Planning & Zoning or Zoning Board of Adjustment applications were received during the month.

Fire Department

- Responded to 185 total calls, including three structure fires, one vehicle fire, and six non-structure fires.
- Conducted 30 inspections, maintained 76 fire hydrants, and logged 178 hours of continuing education training.
- Responded to 15 fire alarms and provided mutual aid assistance on two county calls.

Police Department

- Recorded 1,752 total calls for service.
- Investigated 35 traffic accidents resulting in seven injuries and no fatalities.
- Issued 480 citations, recorded 56 offenses, and made 58 arrests during the month.

Animal Control

- Responded to 125 complaint calls.
- Picked up 19 dogs and cats, accepted nine owner drop-offs, and handled four wild animals (two released).
- Released 13 animals to owners and facilitated 20 adoptions, resulting in an 89% adoption rate.
- Issued 11 citations, responded to one bite report, picked up three deceased animals, euthanized four animals, and ended the month with seven animals in the shelter.

Library

- Recorded 3,651 visitors, checked out 3,165 items, and logged 241 public computer sessions.
- Served 204 eBook users with 808 digital checkouts.

Parks & Recreation

Downtown / Plaza

- Completed routine maintenance, seasonal banner changes, irrigation repairs, and assisted with multiple community events.

Parks & Facilities

- Maintained Coleman Lake and Buford Park, cleaned the plaza fountain wet vault, striped the Imagination Mountain parking lot, and completed multiple irrigation and equipment maintenance tasks.

Grays Building & Senior Center

- Prepared the Grays Building for 17 rentals.
- Assisted with 124 senior activities, hosted a chili cook-off with 60 attendees, and a Christmas party with 85 attendees.

Airport & Tourism

- Recorded 1,710 aircraft operations (average 55 per day).
- Sold 3,496 gallons of AvGas and 10,050 gallons of Jet-A fuel.
- Tourism staff continued distributing visitor information and assisted with Christmas events and local organization support.

Finance Director/Assistant City Manager Smith presented YTD Financial Summary.

DISCUSSION/ACTION ON CONSENT AGENDA

City Secretary Burling presented the staff report. Consider for approval the City Council Regular meeting minutes of 12/02/2025; Economic Development Meeting Minutes of 10/27/2025; Downtown Revitalization Board Meeting Minutes of 11/18/2025; and 380 agreements for 103 W. Ross Street, 115 & 125 Randolph Street, 835 Finney Street, 921 and 923 Putman Street, and 960 & 962 College Street.

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

The motion carried.

DISCUSSION/ACTION ON SECOND AND FINAL READING OF ORDINANCE NO. 2896 TO VACATE AND ABANDON UNIMPROVED RIGHT OF WAY ALONG THE EAST SIDE OF 1300 E. SHANNON ROAD

Community Development Director/Assistant City Manager Niewiadomski presented the staff report. The city previously approved the abandonment of the same right of way last year that was part of the Hill Addition (Ordinance 2867) just north of this described

property. It is identified as a 17.25' wide old public roadbed (unimproved) that is 538.18' long included in the property on the east side of it. Staff does not have any records of this being dedicated as a city right of way and it is too narrow for a public road right of way for the city to use. There is no present use or reasonable future use of this right of way being dedicated as public. There was a brief discussion. Councilman Julian made a motion to approve the ordinance as presented. Councilman Nash seconded and the vote was unanimous.

The motion carried.

DISCUSSION/ACTION ON FIRST READING OF ORDINANCE NO. 2897 AMENDING THE SANITATION RATE ORDINANCE SETTING NEW SANITATION RATES

Finance Director/Assistant City Manager Smith presented the staff report. Sanitation rates were not changed in September so that more accurate rates could be set based on the actual CPI-W that our contract rates will increase at. The proposed rates bring the ordinance into alignment with the contractor's current charges and ensure the City recovers its cost.

The two sanitation contracts have different methods used for calculation of the allowed increase. The landfill contract is based on the CPI-W for October. The federal government is not releasing CPI-W for October because of the federal government shutdown during that period because all data was not collected. For the increase, we will use September's CPI-W of 2.9% because it is the most recently published data.

The collection contract uses a rolling 12-month CPI-W average increase for October 2024-September 2025. That increase came in at 2.56%.

Landfill expenses represent approximately 40% of the City's sanitation costs, and collection services represent approximately 60%. Applying these proportions results in a weighted average increase of 2.69%. Staff is proposing a 2.69% increase in sanitation rates to match these contractual cost increases.

$$(0.40 \times 2.9\%) + (0.60 \times 2.56\%) = 2.69\%$$

Staff has rounded rates to the nearest five cents for simplicity and consistency in billing. Councilman Spraggins made a motion to approve the Ordinance as presented. Councilman Harrison seconded and the vote was unanimous.

The motion carried.

DISCUSSION/ACTION ON RESOLUTION NO. 1505 APPOINTING A CHAIRMAN FOR THE BOARD OF DIRECTORS OF CITY OF SULPHUR SPRINGS TAX INCREMENT FINANCING REINVESTMENT ZONE #1 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. The Board of

Directors for TIRZ Zone #1(downtown area) is comprised of 3 directors appointed by the City Council, 1 by the Hospital District, and 1 by Hopkins County. 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. In 2024, the City Council appointed 3 directors (Gary Spraggins, Oscar Aguilar, and John A. Sellers) with Oscar Aguilar being named chairman. This resolution is to designate the chairman only. Board members meet in January of each year. Other than the annual January meeting, meetings are only held as needed.

Sonja Bolton of Charles Street request that the council table the appointments for chairman of the TIRZ boards until the public is aware of all the details of a Tax Increment Reinvestment Zone and qualifications of the board members. Councilman Sellers explained that the board and members have already been formed and appointed. He let her know this is not a new member appointment, that it is appointing the Chairman from members already on the board. Finance Director/Assistant City Manager Smith explained that members are appointed every two years and the Chairman is appointed yearly. She explained that it was needed for the January meeting. There was a brief discussion.

Councilman Spraggins made a motion to nominate Oscar Aguilar. Mayor Law seconded and the vote was unanimous.

The motion carried.

DISCUSSION/ACTION ON RESOLUTION NO. 1506 APPOINTING 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. The Board of Directors for TIRZ Zone #2(Thermo) is comprised of 3 directors appointed by the City Council, 1 by the Hospital District, and 1 by the County. 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. In 2024, the City Council appointed 3 directors (Gary Spraggins, Oscar Aguilar, and John A. Sellers) with Oscar Aguilar being named chairman. This resolution is to designate the chairman only. Board members meet in January of each year. Other than the annual January meeting, meetings are only held as needed.

Councilman Spraggins made a motion to appoint Oscar Aguilar as Chairman. Councilman Harrison seconded and the vote was unanimous.

The motion carried.

DISCUSSION/ACTION ON AUTHORIZATION TO PAY DELINQUENT

**PROPERTY TAXES RELATED TO FORMER SULPHUR SPRINGS TMA, LLC
BUILDING R000028420 AT THE WASTEWATER TREATMENT PLANT**

Finance Director/Assistant City Manager Smith presented the staff report. The City of Sulphur Springs entered into an Industrial Lease and Sludge Treatment Agreement with Sulphur Springs TMA, LLC for sludge-related operations at the Wastewater Treatment Plant. As part of that agreement, the lessee constructed and occupied a building on City-owned property. Pursuant to Section 17 (Taxes) of the agreement, the lessee was solely responsible for payment of all ad valorem taxes on the improvements. The lessee failed to pay property taxes for tax years 2016–2022. Following repeated notices of non-compliance for other issues, the City took possession of the structure on or about April 1, 2022. The structure is a metal warehouse-type building constructed in 2013 over existing drying beds at the Wastewater Treatment Plant, consisting of approximately 11,820 square feet of improvements classified as improvements only on City-owned land (Hopkins County Appraisal District Property ID R000028420). The delinquent taxes total \$49,436.07 if paid in January and are currently the subject of a pending tax suit. Under the Texas Tax Code, ad valorem tax liability attaches to taxable property as of January 1 of each tax year and remains enforceable regardless of subsequent changes in ownership. Although the City is a tax-exempt governmental entity, the exemption applies prospectively only and does not extinguish delinquent taxes, penalties, interest, or court costs that accrued prior to City possession. Failure to resolve the delinquency exposes the City to continued litigation, additional penalties and interest, and potential impairment of clear title to a municipal utility asset. The City is not responsible for property taxes from the date of possession forward, as the property reverted to municipal use and is tax-exempt. The timing of this request reflects the completion of legal review, verification of assessments, and appraisal district coordination with all taxing entities to resolve all outstanding liabilities accurately and in a single council action. Payment is required under the Texas Tax Code to satisfy enforceable pre-possession tax liabilities, resolve a pending tax suit, clear title to municipal property, and mitigate legal, financial, and audit risk to the City.

Mayor Law asked if we still have the building and use it. Councilman Julian stated it is in poor condition and that the City is responsible for the taxes. He requested it to be paid from contingency in the budget. There was a lengthy discussion. Councilman Spraggins made a motion to pay the delinquent property tax. Mayor Law seconded and the vote was as follows:

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

NO: JULIAN

The motion carried.

**DISCUSSION/ACTION FOR 2019-2023 CAPITAL IMPROVEMENTS PLAN
AMENDMENT #7: WATER TOWER REHABILITATION (COLEMAN AND
COLLEGE)**

Community Development Director/Assistant City Manager Niewiadomski presented the staff report. The City Council approved the 5-year Capital Improvements Program in July 2018 and included 10 projects. Since that time 6 amendments have been approved as outlined below:

	Date	Description	Estimated	Actual
1	9/2018	MLK Drainage	\$84,900	\$42,100
2	2/2021	Pacific Park Drainage	\$62,097.12	\$36,636
3	12/2022	Ramsey (Rookson) Rebuild	\$400,000	\$387,081
4	1/2024	Holiday Drive Drainage	\$308,145	Included below
5	8/2024	Holiday Drive Curb and Gutter with total cost	\$1,735,994	\$1,611,448
6	8/2024	Alabama Street Curb and Gutter with total cost	\$1,442,800	Not completed

Since January 2025, Capital Construction has been working out at the Thermo property and will be busy for the foreseeable future installing water and sewer lines out there. There are other capital expenditures that can be done including maintenance requirements on the water towers for interior/exterior coatings including cleaning, repair, repainting along with adding the city logo on the Coleman Tower and returning them to service. The goal is to have this type of service performed every 15 years on each tower. Last maintenance- Carter = 2013, College = 2006, and Coleman = 2007. This is a specialized activity that will be performed by a third-party contractor and not be performed by the Capital Construction or Utilities Department. If authorized, city staff will prepare the scope of work and bring back actual bids for consideration at a future date. Staff estimates budgeting approximately \$500,000 per water tower. Coleman and College Towers are overdue for maintenance at this time. There was a brief discussion. Councilman Julian made a motion to approve the CIP plan as presented. Councilman Spraggins seconded and the vote was unanimous.

The motion carried.

DISCUSSION/ACTION COMMUNITY FACILITIES CONTRACT FOR E. LOOP 301 BEING A REQUEST BY GRACE METHODIST CHURCH OF THE GRACE ADDITION TO EXTEND SEWER TO SERVE THEIR CHURCH SITE

Community Development Director/Assistant City Manager Niewiadomski presented the staff report. In December 2024 a minor plat was approved to create a 24.5-acre site contingent upon meeting engineering standards. The church has since secured a utility easement east of their property to extend public sewer from Cowboy Truck wash and stub into their property to serve their church facility. The preliminary plans for the sewer have been reviewed by the City Engineer and the contract has been prepared for City Council approval. The plans show installation of approximately: ~570 feet of 8" sewer mains.

The developer is responsible for the cost of installing the utilities. Staff recommended to: Authorize the City Manager to execute the community facilities contract contingent upon: CFC Inspection be paid, Performance guarantee provided, Utility Easement being recorded, and Final stamped plans approved by the City Engineer. Councilman Nash made a motion to authorize the City Manager to execute the community facilities contract with the additional staff recommendations. Councilman Spraggins seconded and the vote was unanimous.

The motion carried.

DISCUSSION/ACTION COMMUNITY FACILITIES CONTRACT FOR STONECREEK PHASE 2 BEING A REQUEST BY OAK NATIONAL DEVELOPMENT FOR A PHASE CONTAINING 8.597 ACRES CONSISTING OF 42 RESIDENTIAL LOTS LOCATED WEST OF THE EXISTING PHASE 1 OF STONECREEK ALONG HIGHWAY 11 W

Community Development Director/Assistant City Manager Niewiadomski presented the staff report. In October 2024 the City Council approved the preliminary plat for the Stonecreek Addition that consisted of 929 residential lots on 281.644 acres of land. The applicant is moving forward with the next phase of the development which will consist of 42 residential lots on 8.597 acres of land.

Phase 2 of the Stonecreek layout is consistent with what was approved during the preliminary plat process. In this case, we have construction plans for the water, sewer, street, and drainage improvements that will work for this lot layout and configuration. The plans have been reviewed by the City Engineer and the contract has been prepared for City Council approval. The plans show installation of approximately:

- 1,163 feet of storm drain
- 1,667 feet of water lines
- 1,613 feet of sewer mains
- 1,665 feet of paving (5,908 square yards)

The final plat will address sidewalk construction at the time of construction by the home builder for residential lots, the wet detention ponds will be privately maintained by the developer or association. The developer is responsible for the cost of installing the utilities and streets to serve the development. There was a brief discussion. Councilman Spraggins made a motion to authorize the City Manager to execute the Community Facilities contract as presented. Councilman Julian seconded and the vote was unanimous.

The motion carried.

DISCUSSION/ACTION OF ENGINE REPLACEMENT OPTIONS FOR FIRE DEPARTMENT UNIT E-3

Fire Chief James presented the staff report. Consideration of two engine replacement options for Fire Department Unit E-3 as provided by Thee Road Service Inc. The options

include (1) installation of a reconditioned engine with an extended manufacturer warranty, or (2) replacement of the short block and cylinder head with limited warranty coverage. Both options address the current mechanical condition of the unit and would return the vehicle to service.

- Unit E-3 is City's reserve fire apparatus and plays a role in daily operational readiness.
- The replacement for this Engine is on order, but 24 – 30 months expected until delivery.
- The two options differ significantly in scope, warranty coverage, and long-term risk exposure.
- Due to the unforeseen extent of repairs required to the vehicle competitive quotes were not obtained.
- Selection of either option will require a budget amendment.

Option 1 – Reconditioned Engine Replacement: \$53,560.49

Option 2 – Short Block and Cylinder Head Replacement: \$40,344.45

There was a lengthy discussion. Mayor Law made a motion to approve option 1, installation of a reconditioned engine with an extended manufacturer warranty. Councilman Spraggins seconded and the vote was unanimous.

The motion carried.

DISCUSSION/ACTION ON APPOINTMENTS FOR TWO VACANCIES TO THE PLANNING AND ZONING COMMISSION AND ONE ALTERNATE IN THE ZONING BOARD OF ADJUSTMENTS AND APPEALS

City Secretary Burling presented the staff report. Haleigh Hill and Mark Beggs stepped down as members, leaving two vacancies on the Planning and Zoning Commissions board that need to be filled. There is still a vacancy for the alternate on the Zoning Board of Adjustments. Jaimon H. Lyons is interested in filling any spot and Emily Nance is interested in the Planning and Zoning Board. There was a lengthy discussion with a discussion of considering the Zoning Board of Adjustments alternate in a future meeting. Councilman Sellers made a motion to appoint Jaimon H. Lyons and Emily Nance to the Planning and Zoning Commission Board. Councilman Spraggins seconded and the vote was unanimous.

The motion carried.

DISCUSSION/ACTION ON EXECUTIVE SESSION ITEM, IF ANY

Councilman Sellers made a motion to direct the City Manager to terminate the contract with project Superman per the contract. Mayor Law seconded and the vote was unanimous.

The motion carried.

VISITORS AND PUBLIC FORUM

Cale McClure of County Road 3341 spoke of the collapse of public trust.

Michelle Barnes of Farm to Market 69 doesn't believe council decisions are in line with what the community wants.

Lisa Lage of Farm to Market 69 South posed questions about the data center, negotiations, and transparency.

Marion Cox of County Road 2321 spoke of being a neighbor in the County and distrust in reference to data center decisions.

Tina Stout of Plano Street posed questions about the data center project and lack of transparency.

Rebecca Wix of County Road 2325 asked for consideration of a town hall meeting in reference to the data center.

Robert Lenington of County Road 3640 spoke in favor of the benefits of the data center and spoke of other citizens in favor but fear retaliation from opposition.

Dakota Cortez of Turtle Creek Drive spoke of wanting to change the zoning for tattoo businesses. He wants the option to open a shop in heavy commercial areas.

ADJOURN

With all business concluded, Mayor Law closed the meeting at 8:04 p.m.