

City Council
City of Hillsboro, Texas
Minutes of Regular Meeting
September 6, 2022

Present:

Andy Smith, Mayor
Eric Fleming, Councilmember
Larry Lloyd, Councilmember
Dana Robinson, Councilmember
Leann Richmond, Councilmember
Scott Johnson, Mayor Pro-Tem

Megan Henderson, City Manager
Tony Cain, Assistant City Manager
Art Mann, Economic Development Admin.
Richard Reinhardt, Planning Official
Sharon McFadden, City Secretary
Christi Ward, Administrative Assistant

Council Member Frances Zarate was absent.

Mayor Smith called the meeting to order at 6:00 p.m.

The Invocation was given by Reverend Michael McReynolds. Councilmember Johnson led the Pledge of Allegiance.

Hear Statements from Persons Wishing to Address the Council.

1. No one addressed Council at this time.

Consent Agenda

Mayor Smith informed Council that agenda numbers 5 through 8 require no formal public hearing and are subject to being approved in a single motion. However, any City Council Member or the City Manager may remove an item from the Consent Agenda to allow discussion and voting on the item individually.

(Agenda Item #5)

Deliberate and Act on the Approval of the Minutes for the Regular Meeting on August 16, 2022.

(Agenda Item #6)

Act on the Approval of Bills.

(Agenda Item #7)

Deliberate and Act on a Resolution Accepting Recommendations of the Planning and Zoning Commission Accepting a Preliminary Plat, Solomon Premier Estates, in the City of Hillsboro on a Certain Tract of Land Being 0.982 Acres Situated in the J. Carothers Survey, Abstract No. 148 in Hill County, Texas; Being the Same Property by Reference as Recorded in Volume 1838, Page 107 of the Official Public Records of Hill County, Texas. Also Know as 418 Luke Street and the Property to the Southeast of Paul Street and Luke Street and a Portion of Property on the North of John Street.

[Planning Official Richard Reinhardt provided Council with the following information in the Council packets prior to the meeting: A preliminary plat has been submitted for the property located on Lake Street and John Street. The applicant is requesting to 0.982 acres into four lots

for the purpose of single family residential development. This matter was presented to the Planning and Zoning Commission on August 22, 2022 to deliberate and forward their recommendation. The Commission forwarded their recommendation of approval of the preliminary plat.]

Resolution No. R2022-09-66

(Agenda Item #8)

Deliberate and Act on a Resolution Authorizing Award of CSJ #0909-37-071 Hillsboro Junior High School Safe Routes to School Phase 2 Project Construction to H.C.S., Inc. Contingent Upon TxDOT Concurrence, and Authorizing the City Manager to Negotiate and Execute All Necessary Documents.

[Planning Official Richard Reinhardt provided Council with the following information in the Council packets prior to the meeting: The City of Hillsboro solicited bids for project construction for the Hillsboro Middle School Safe Routes to School Phase 2 Project under the oversight of the Texas Department of Transportation. Bids were publicly opened at 2:00 p.m. on Tuesday, August 16, 2022 at the City Administration Building, 214 East Elm Street. Bid tabulation results as follows:

- H.C.S., Inc. - \$344,246.00
- JR West Texas Concrete, LLC - \$358,884.50

MRB Group submitted the bid tabulation and a letter recommending awarding the construction to H.C.S., Inc. of Waco, Texas. The Planning Official requested a move to approve the resolution authorizing award of the construction contract to H.C.S., Inc. for project construction pertaining to the Safe Routes to School Phase 2 Project, and authorizing the City Manager to execute all necessary documents.]

Resolution No. R2022-09-67

On a motion by Councilmember Richmond and second by Councilmember Lloyd, the consent agenda was approved for agenda items #5, #6, #7, and #8.

On roll call, the following votes were cast:

Ayes: Fleming, Lloyd, Robinson, Richmond, Johnson

Nays: None Absent: Zarate

Regular Agenda

(Agenda Item # 9)

Hold a Public Hearing, First Reading of an Ordinance and Deliberate on Changing the Name of Cercon Drive to Skeeter Way.

[Planning Official Richard Reinhardt provided Council with the following information in the Council packets prior to the meeting: The City received a letter from Skeeter Brush Trucks requesting Cercon Drive be renamed to Skeeter Way. Skeeter Brush Trucks is a growing business and the name change will not affect any other properties.] The Planning Official briefly reviewed the map and explained details of the request and offered to answer questions. With no further questions or comments from the Councilmembers, the Mayor opened the Public Hearing at 6:07 p.m. No one spoke for or against the proposed ordinance. The Public Hearing was closed at 6:08 p.m. and the Mayor declared the first reading of the ordinance completed. The second reading on the ordinance would be held at the September 20, 2022 Regular Council meeting.

Proposed Ordinance No. O2022-09-10

(Agenda Item # 10)

Hold a Public Hearing, First Reading of an Ordinance and Deliberate on Accepting the Recommendation of the Planning and Zoning Commission to Vacate and Abandon a Portion of an Easement Located Adjacent to Lot 9, Block 8, Moore Addition in the City of Hillsboro Which was Retained by the Byars Street Abandonment as Recorded in Volume 1941, Page 560 in the Official Public Records of Hill County, Texas.

[Planning Official Richard Reinhardt provided Council with the following information in the Council packets prior to the meeting: John Saunders recently re-platted property in the Moore Addition for the purpose of developing six (6) single-family dwellings. A portion of Lot 9-R, Block 8 of the Moore Addition is located in the former right-of-way of Byars Street which was abandoned in 1978. When the abandonment took place, the City retained an easement for the future maintenance of any utilities. The City also obtained an additional utility easement to the east of the former right-of way for Byars Street. Mr. Saunders is requesting a portion of the utility easement that remained from Byars Street abandonment, be abandoned in order to allow for the development of a house with a greater width. The City would still have five (5) feet of utility easement remaining around the perimeter of Lot 9-R, Block 8 of the Moore Addition, the eastern half of the former Byars Street right-of-way that was retained as an easement, and an additional twenty (20) feet of easement. One person from the two-hundred (200) foot notification area contacted staff. Upon clarification, they were in support of the request because it would allow for the construction of a house with a greater width as opposed to a narrower width. This matter was presented to the Planning and Zoning Commission on August 22, 2022 to deliberate and forward their recommendation to the City Council. The Commission forward their recommendation to the City Council for approval.] The Planning Official explained details regarding the request and offered to answer questions. With no further questions or comments from the Councilmembers, the Mayor opened the Public Hearing at 6:10 p.m. No one spoke for or against the proposed ordinance. The Public Hearing was closed at 6:11 p.m. and the Mayor declared the first reading of the ordinance completed. The second reading on the ordinance would be held at the September 20, 2022 Regular Council meeting.

Proposed Ordinance No. O2022-09-11

(Agenda Item # 11)

Hold a Public Hearing Regarding Madison Highlands Apartments and Issuance of Bonds by the Hillsboro Housing Finance Corporation Related Thereto.

[City Manager Megan Henderson provided Council with the following information in the Council packets prior to the meeting: The Housing Finance Corporation is planning to refinance the bonds associated with Madison Highlands Apartments. The proposed refinance would result in a faster payback and a significant savings. Holding the public hearing and approving the ordinance will permit the refinance to go ahead. One additional provision allowed by this process is to have broader income limits for Madison Highlands residents. If approved 90 percent of the units will need to be leased to persons who meet the “low to moderate income” definition approved by the Housing Finance Corporation Board of Directors. Currently, more than 90 percent of residents meet that definition.] The City Manager explained:

- The Housing Finance Corporation is planning to refinance the bonds associated with Madison Highland Apartments.

- The proposed refinance would result in a faster payback and a significant savings.
- Holding the Public Hearing and approving the ordinance will permit the refinance to go ahead.
- One additional provision allowed by this process is to have broader income limits for Madison Highlands residents.
- If approved, 90 percent of the units will need to be leased to persons who meet the “low to moderate income” definition approved by the Housing Finance Corporation Board of Directors.
- Currently, more than 90 percent of residents meet that definition.

The City Manager offered to answer questions. A Councilmember asked how many years do they anticipate payment of the taxes. The City Manager said they were planning to start immediately. At the last board meeting, the Housing Finance Corporation decided that before writing it into the financials, they would need more solid data and get the all the maintenance to a place where the Board is comfortable. After that, the attention will be punctual. The Mayor stated this a refinance of an existing debt and there is no “cash out” in addition to the refinance. The City Manager said the Mayor’s statement is correct. A Councilmember asked what percentage 2/3rds The City Manager said approximately two-thirds. A Councilmember asked the City Manager if she feels the refinancing is better than seeking offers to buy-out. The City Manager answered the question, “Yes.” A Councilmember asked if she know the 100% income platform will be statewide. The City Manager responded stating approximately \$96,000. A Councilmember asked if all occupants would be required to meet the 150 percent threshold for income and that 90 percent would fall under and meet that definition. The City Manager stated that is correct and is actually closer to 96 to 97 percent and the numbers are very generous. With no further questions or comments from the Councilmembers, the Mayor opened the Public Hearing at 6:21 p.m. No one spoke for or against the proposed ordinance. The Public Hearing was closed at 6:22 p.m.

(Agenda Item # 12)

Consider and Take Appropriate Action Related to Approval of Madison Heights Apartments and Issuance of Bonds by the Hillsboro Finance Corporation Related Thereto.

On motion by Councilmember Fleming and second by Councilmember Floyd, the ordinance was accepted and approved.

On roll call, the following votes were cast:

Ayes: Fleming, Lloyd, Robinson, Richmond, Johnson

Nays: None Absent: Zarate

Proposed Ordinance No. O2022-09-12

(Agenda Item #13)

Hear and Deliberate on City Manager’s Report:

a. Update on Strategic Goals 1-4

i. Ensure Responsible, Equitable Growth

- Pursue residential development
 - Several large, vacant tracks inside City limits
 - Several significant planned developments at outskirts
 - Need to prioritize near-area development to avoid overextending

The City Manager reviewed the map showing the retail and commercial development possibilities. Buc-ee's is a single commercial business but is expected to be very impactful. Commercial growth is necessary but it is also important to balance growth by ensuring the right places in the right proportions. There are negotiations with residential builders on the balances between single-family homes and multi-family housing units. An important factor is the availability of commercial property along Interstate 35. Residential builders are requesting rezoning of commercial space into residential space. The City is pushing back on those requests because the commercial space is needed. The conversations have been over building residential, it will fill up the commercial availability and building commercial causes concern because it is difficult to determine if the leasing spaces will be fully occupied. The community response is with excitement for larger footprint "big box" type of stores. Smaller footprint "strip-center" type designs have been presented. There are concerns as to what best benefits the community. Work with Retail Coach is continuing and they have developed a list of prospects. The list will not be publicly shared at this time. The prospect list does not include "big box" stores but there are mid-size stores that would be a good fit for the future of Hillsboro. Retail Coach is confident that they can approach potential businesses with the numbers and projections that are available. There must be pad sites available for accommodation and parking for those businesses. Those concerns are current topics of discussion with Retail Coach. The map designations (stars and circles) purposes were explained. It is important that undeveloped land within the City limits becomes developed. The stars (on the map presented) designate new commercial development, and what follows is residential development around those commercial businesses. The new developments are wanted and needed. There is an energetic need for creative ways to incentivize things to come into City limits. The results will be to provide the types of products needed in the community.

- Pursue additional water resources
 - Working with advisors

The City Manager said hard work is taking place to increase access to water. We are stepping cautiously to ensure good advice is being received. Conversations are taking place with a couple of different firms with differing aspects for the decision-making.

ii. Foster Transparency and Connection

- Interdepartmental meetings are determining how we can best share information and get it where it needs to go

The City Manager said interdepartmental meetings working on communication between different departments within the City. It has been recognized that citizens call various departments and different people for concerns and questions. For example, someone called the police department for concerns on their water bill. Getting information flowing quickly between departments will allow City staff to get information to the public users faster and better. We believe the results will ensure less frustration with a proactive approach. We intend to provide early notification for things such as a disruption of service.

iii. Support Preservation and Beautification

- Code Enforcement report
 - Demolitions ordered/underway, but contractor is backed up

- Hillsboro Pavilion progress

The City Manager complimented Code Enforcement on their accomplishments. There are four (4) and may be up to six (6) demolition orders in effect. The delay is caused by the contractor being behind. The structures will be demolished and hauled off as soon as possible. The Hillsboro Pavilion does not currently have an assigned name. The pavilion is located at Waco Street and Corsicana Highway. That project is proceeding and there was a very small amount of asbestos identified. Removal of the asbestos is being handled in an appropriate fashion within the next week or two (2). The pavilion will progress much quicker once the asbestos problem is resolved.

iv. Deliver Efficient, Effective Government

- Two DPS staff members currently in Police Academy
- Two members just completed Fire Training
- Kennel just passed state inspection
- Openings in Streets, Water and Wastewater departments
- Kelly Hughes is retiring, looking to hire a new HR Coordinator

The City Manager said two (2) staff members currently in the Police Academy and two (2) who just completed the Fire Training. The kennel passed the inspection from the State (of Texas). There are open positions in Streets, Water and Wastewater. HR Coordinator Kelly Hughes is retiring on September 23, 2022 and we wish her well. We are searching for a new HR Coordinator and if they are aware of anyone who is interested, please have them contact the City.

b. Recent and Upcoming Staff Activity and Events

- Mourning the loss of Felipe Moreno

The City Manager said that we said goodbye to a really wonderful street department employee named Felipe Moreno. Mr. Moreno worked for the City approximately fifteen (15) years. He was the best guy who was positive, friendly, humble, and hard-working. Councilmember Robinson was thanked for being there. Council should be very proud of how the City staff attended. Mr. Moreno will be greatly missed.

- Music on the Green
 - Events have been quite successful, with attendance ranging from
 - 40 to 125 people depending on the week
 - Homecoming show
 - Chamber has decided to extend the program through September

The City Manager said Music on the Green takes place every Saturday. Toward the beginning there was low attendance with about 40 to 50 people. Recently there have been 120 to 125 attending the event. There will be a show this Saturday night (September 10, 2022) and it is also Hillsboro Homecoming. The Chamber is excited to extend Music on the Green through the rest of this month (September).

- Softball Camp scheduled for Saturday, September 10, 2022

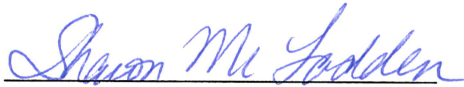
The City Manager said the softball camp will take place at Wallace Park. Ms. Henderson said that concludes her City Manager report and offered to address any concerns. The Mayor asked the City Manager to remind Council of the special meeting will be called on September 27, 2022 for the second reading of the 2022-2023 Budget. The City Manager said there must be two (2) meetings for the budget ordinance that are required to be one (1) week apart. The first budget reading will take place at the regular Council meeting on September 20, 2022. The second budget reading will take place at a special called Council meeting on September 27, 2022. There being no further business, the meeting was adjourned at 6:35 p.m. Ms. Henderson mentioned applications for boards and commission are currently being accepted. There are not a lot of openings because people are engaged and interested in continuing to serve. Boards and commissions are very important, so anyone wanting to serve needs to submit an application.

The Mayor asked if there were any comments by Council. No comments were made. There being no further business, the meeting was adjourned at 6:35 p.m.



Andrew L. Smith, Mayor

ATTEST:



Sharon McFadden, City Secretary

Note:

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