

City Council
City of Hillsboro, Texas
Minutes of Regular Meeting
February 7, 2023

Present were:

Eric Fleming, Councilmember
Larry Lloyd, Councilmember
Dana Robinson, Councilmember
Frances Zarate, Councilmember
Leann Richmond, Councilmember

Megan Henderson, City Manager
Tony Cain, Assistant City Manager
Richard Reinhardt, Planning Official
Sharon McFadden, City Secretary
Christi Ward, Admin. Assistant

Mayor, Andrew Smith and Mayor Pro-Tem, Scott Johnson were absent.

Others present:

Shannon Cottongame, Reporter
Lynette Finley, Chamber Executive Director
Chris Cary, Fire Inspector
John Graham, Airport Manager
Glen Carter, Airport Board Member
Richard Trawick, Airport Board Member

Councilmember Larry Lloyd called the Regular Meeting to order at 6:00 p.m. Councilmember Lloyd led the invocation. Councilmember Robinson led the Pledge of Allegiance.

Hear Statements from Persons Wishing to Address Council.

No attendees addressed Council.

Consent Agenda

Councilmember Lloyd informed Council that agenda numbers five (5) through six (6) require no formal public hearing and are subject to being approved in a single motion. However, any City Councilmember 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 Approval of the Minutes for the Regular Meeting on January 3, 2023.

(Agenda Item #6)

Act on the Approval of Bills.

Councilmember Lloyd asked Council if there were any questions or comments regarding the Consent Agenda Items. There were no responses. On a motion by Councilmember Robinson and second by Councilmember Fleming, Consent Agenda Items #5 through #6

were accepted and approved.

On roll call, the following votes were cast:

Ayes: Fleming, Lloyd, Zarate, Richmond, Robinson

Nays: None Absent: Johnson

Regular Agenda

(Agenda Item #7)

Hold a Public Hearing, Second Reading of an Ordinance, and Deliberate on an Ordinance of the City Council of the City of Hillsboro, Texas, Designating a Contiguous Geographic Area Within the City as a Reinvestment Zone Pursuant to Chapter 311 of the Texas Tax Code, to Be Known as Reinvestment Zone Number Two, City of Hillsboro; Describing the Boundaries of the Zone; Creating a Board of Directors for the Zone; Establishing a Tax Increment Fund for the Zone; Containing Findings Related to the Creation of the Zone; Providing a Date for the Termination of the Zone; Providing that the Zone Take Effect Immediately Upon Passage of the Ordinance; Providing a Severability Clause; and Providing an Effective Date.

The City Manager said the agenda item has been discussed at several meetings and it will be discussed once more the topic is scheduled for a second public hearing. There will not be a lot of time spent because people are largely familiar. Tax increment financing is a technique that enables local governments to use the increment from expenses in development to fund improvements to an area that are impairing the sound development of that local government. The City (of Hillsboro) has heard loud and clear from citizens in a thorough public process that the Outlet Mall is a priority and should be a priority for redevelopment. There is an adjacent property that is undeveloped and it is of interest for further development of the areas the City is creating, with the intention of this ordinance for the reinvestment zone. There are more steps in the process. There was a public hearing on January 31, 2023 and it was advertised seven (7) days in advance in the newspaper (The Reporter). There is another public hearing tonight (February 7, 2023). The City Manager asked if there were any questions from Council. Councilmember Lloyd stated the opening of the public hearing at 6:04 p.m. and asked if there were any questions or comments. There were no comments made from the public. Councilmember Lloyd announced closure of the public hearing at 6:05 p.m. Councilmember asked if there were any questions from Council. There was no response from Council. Councilmember Lloyd said the item is not for action.

(Agenda #8)

Deliberate and Act on a Resolution Calling for a Municipal Election to be Held on May 6, 2023 for the Purpose of Electing the Mayor, Elected at Large, Three (3) City Councilmembers; Place One (1), Precinct #1; Place Three (3), Precinct #3; Place Five (5), Precinct #5; Establishing the Location, Days and Times Where Early Voting by Personal Appearance Will Be Conducted and Establishing the Location, Day and Time Where Election Day Will Be Conducted; Designating Where Applications for Ballot by Mail Should Be Mailed; and Naming the City Secretary as the Early Voting Clerk.

Deliberar y actuar en una resolución Deliberar y actuar en una resolución llamado para una elección municipal que se llevara a cabo el 6 de Mayo 2023 con el propósito de elegir al alcalde, elegido al libertad, tres miembros del concilio de la ciudad; lugar 1, municipio #1, lugar 3, municipio #3, lugar 5, municipio #5, establecer la ubicación, días y tiempos donde se llevara a cabo la votación adelantado en persona, se llevará a cabo estableciendo la ubicación, día y tiempo donde la elección sera conducida, designar donde deben enviarse las aplicaciones de boletas por correo y nombrar la secretaria de la cuidad como secretaria de votación anticipada.

The City Secretary requested the resolution be considered and approved for calling the election on May 6, 2023. There is also a Notice of Election that is required and will be posted for public view. The election calendar was also provided in the packet. Election code requires all documents to be provided in Spanish and that is included in the Council packet. On a motion by Councilmember Fleming and second by Councilmember Richmond, the Order of Election was accepted and approved.

On roll call, the following votes were cast:

Ayes: Fleming, Lloyd, Zarate, Richmond, Robinson

Nays: None Absent: Johnson

(Agenda #9)

Deliberate and Act on a Resolution Directing the City Manager to Increase Employee Salaries in Public Works and Public Safety Departments and Prepare an Amendment to the 2022-2023 Operating Budget Reflecting the Changes.

The City Manager said discussion took place at the last meeting (January 17, 2023) about the competitive nature of the employment opportunities with the City (of Hillsboro). The ability for staff to deliver the services citizens count on staff for, we have got to be able to retain employees in key positions. Finance and Human Resources have worked together on recommendations for salaries in public works and public safety departments. The anticipated salary increases are expected to be covered by the increase in the sales tax revenue. There are additional details in the resolution provided in the Council packet. The salary changes are not only warranted, but also necessary for staff to deliver the quality services that citizens are expecting and deserve. There will be a budget amendment presented in the future to reflect the changes. On a motion by Councilmember Richmond and second by Councilmember Lloyd, the resolution was accepted and approved.

On roll call, the following votes were cast:

Ayes: Fleming, Lloyd, Zarate, Richmond, Robinson

Nays: None Absent: Johnson

(Agenda #10)

Deliberate and Act on a Resolution Directing Increases in Hanger Rates at the Hillsboro Municipal Airport.

The Airport Manager said it has been quite some time since hangar rates have been discussed. The Hillsboro Municipal Airport rates are significantly lower than other airports in our area. TX DOT Aviation rules and FFA rules, airports must have competitive rates for facilities that are charged. A survey was provided in the Council packet from airports in the area. In October 2022,

the Airport Board deliberated and provided consistent fees. Another Airport Board meeting took place in November, 2023, and the basis consensus was to charge twenty (20) cents per square foot. The rate was determined by the comparison to some of the smaller airports in the area. The Airport Board provides their approval to increase the hangar rate fees for single hangars. The T-Hangars the City has are currently \$150 and will increase to \$200. Depending upon the electricity, sometimes the city provides electricity which could cost up to \$45. There is one (1) hangar that has storage space which will increase to \$250 or \$275. Box Hangar rates are the only rates close to being competitive with other are airports. The Airport Board recommends a flat rate with current rate at eight (8) cents per foot and the commercial rate to fifteen (15) cents per square foot. The request is to get Hillsboro Airport in compliance with the FFA and TX DOT require in comparison to other airports in our area. Two Airport Board members (Glen Carter and Richard Trawick) were present to answer any concerns Council may have. Councilmember Richmond asked if twenty (20) cents per square foot was the rate being requested. The Airport Manager confirmed twenty (20) cents was the correct amount. On a motion by Councilmember Fleming and second by Councilmember Dana Robinson, and the resolution was accepted and approved.

On roll call, the following votes were cast:

Ayes: Fleming, Lloyd, Zarate, Richmond, Robinson

Nays: None Absent: Johnson

(Agenda #11)

Deliberate and Act on a Resolution Directing the City Manager to Designate a Utility Relief Fund of up to \$50,000 in American Rescue Plan Act Funds to be Administered by Hillsboro Interfaith Ministries.

The City Manager said the majority of funds received by the City (of Hillsboro) for the America Rescue Plan Act will be and should be used toward our strategic goals. This is a time when people are feeling the squeeze from inflation and rising costs. There is a partnering organization in town called Interfaith Ministries that operates a small fund for utility assistance. Staff thought it may be appropriate to designate a small, but significant amount of these dollars that could be used over the remaining period of eligibility. The eligibility goes beyond this fiscal year and ends in December 2023. If the resolution meets approval, then we will move forward with putting together an understanding with the non-profit. The City Manager anticipates looking at something like a gradual draw-down so that we can monitor how the funds are being used. It may be appropriate to respond at this moment. Councilmember Robinson asked if the funds would be for (City of) Hillsboro or Hill County. The City Manager said these dollars will be designated for the City of Hillsboro so funds are to be used for City of Hillsboro residents. Councilmember Richmond asked if the dollars will be used for water bills. The City Manager said that is something Council would need to direct and currently the program only includes water bills. Due to the limitations of funding, the amount does not exceed 90 dollars and water bills can be much higher than that amount. Councilmember Lloyd asked if there were any comments from Council. There was no response. Councilmember Robinson made the first motion, second motion was made by Councilmember Richmond, and the resolution was accepted and approved.

On roll call, the following votes were cast:

Ayes: Fleming, Lloyd, Zarate, Richmond, Robinson

Nays: None Absent: Johnson

(Agenda #12)

Hold a Public Hearing, First Reading of an Ordinance and Deliberate on Accepting the Recommendations of the Planning and Zoning Commission on an Amendment of the Terms of the 2007 Zoning Ordinance, Known as Ordinance No. O2007-01-01 (Last Amended by Ordinance No. O2022-02-04), Whereby the Purpose is to Amend the Text to Add “Museum” as Being Allowed with a Specific Use Permit in the Single Family Residential (SF-5) Zoning District as Found in Section 2.11, Permitted Use Legend and Table, of the Zoning Ordinance for the City of Hillsboro, Texas.

The Planning Official said there was a letter submitted by “Texas Through Time” requesting that the zoning ordinance be amended to include museums as being allowed with a Specific Use Permit in the Single Family Residential (SF-5) Zoning District. The Hillsboro Independent School District (HISD) is gifting the former Junior College building at 310 East Walnut Street to “Texas Through Time” museum. However, museums are not permitted in residential zoning and that is what it is. Approving the amendment for the zoning ordinance will allow that specific use permit. The Planning and Zoning Commission and the City Council review requests on a case-by-case basis. This discussion is an avenue for the museum to be able to move to that location. The Planning and Zoning Commission reviewed the request at their meeting on January 23, 2023, and they recommended approval. The Planning Official said that for clarification purposes, this request is not for the museum, it is to allow for the discussion to be had later. Councilmember Lloyd announce entering into a public hearing at 6:18 p.m. and asked if there were any comments. There was no response. Councilmember Lloyd announced the public hearing closed at 6:19 p.m. and asked Council if there were concerns. There was no response. Councilmember Lloyd stated the item is not for action.

Agenda Item #13

Hear and Deliberate on City Manager’s Report

a. Update on Strategic Goals 1-4

i. Ensure Responsible, Equitable Growth

- The current residential pipeline is up to 1,331 residential units, which is estimated to be approximately 75 percent of the remaining capacity. Approximately 72 percent are single-family housing and 28 percent are multi-family units.
- Staff is continuing to pursue an increase in the water supply and water supply does limit potential development. Staff is working with Aquilla Water Supply District to summarize needs in print format for presentation to legislators.

ii. Foster Transparency and Connection

- Staff continues to use social media to communicate updates and provide the public with information on what the City (of Hillsboro) is doing.

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- There is a Citizens Communication Committee is scheduled to meet on Thursday, February 9, 2023.

iii. Support Preservation and Beautification

- The Hill County Museum held their strategic planning session last weekend (February 4, 2023). Staff is looking forward to partnering opportunities with them. The City Manager attended and said there were a couple of ideas discussed.
- Work is continuing toward projects identified during the GO Hillsboro tour.
- The Code Enforcement report is in the packet.

iv. Deliver Efficient, Effective Government

- The bowl on the Industrial Water Tower has been elevated.
- There continue to be job openings in various departments. Four (4) new temporary employees have been added to the street department. The functional manpower in streets is now eight (8) employees. There are two (2) crews at two (2) different locations has made streets more efficient. Attracting permanent employees is the next step.
- The asset management software is up and running in a training mode. Most of the staff who will be using the software have been training the past two (2) weeks. The software will be used internally for a while. Ultimately, there is the opportunity to make that a public facing tool. A citizen would be able to enter a report of a problem, such as a water leak. The citizen would then have the opportunity to return and check status.
- Staff continue to respond with TCEQ regarding violations.

b. Recent and Upcoming Staff Activity and Events

- No comments were made for this section.

Agenda Item #14

Hold a Closed Session Under the Provisions of Section 551.087 of the Government Code (Economic Development) Project Windows.

Councilmember Lloyd announced the entrance into Closed Session at 6:24 p.m.

Agenda Item #15

Reconvene into Open Session.

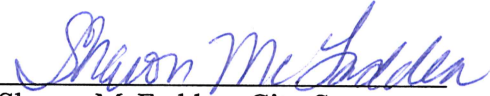
Councilmember Lloyd announced the exit from the Closed Session at 6:50 p.m.

Councilmember Lloyd said there was no deliberation or action to be taken from the closed session, and with no further business to address, the meeting was adjourned at 6:50 p.m.



Andrew L. Smith, Mayor

ATTEST:



Sharon McFadden, City Secretary

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