

City Council  
City of Hillsboro, Texas  
Minutes of Regular Meeting  
July 18, 2023

Present were:

|                                                     |                                  |
|-----------------------------------------------------|----------------------------------|
| Dana Robinson, Councilmember                        | Scott Johnson, Mayor             |
| Larry Lloyd, Councilmember                          | Megan Henderson, City Manager    |
| Leann Richmond, Councilmember                       | Tony Cain, Asst. City Manager    |
| Frances Zarate, Councilmember                       | Dale Snyder, Finance/HR Director |
| Richard Reinhardt, Planning Official                | Jasmine Guy, City Secretary      |
| Art Mann, Community and Economic Development        |                                  |
| Christi Ward, Communication and Executive Assistant |                                  |
| Samantha Montes, Director of Parks and Recreation   |                                  |
| Honorable Bob McGregor, Judge Retired               |                                  |

Councilmember Fleming was absent.

Others present:

Shannon Cottongame, Reporter  
Officer Dominique Anderson, Hillsboro Police Department  
Rev. Michael Nemec of Christ Lutheran Church  
Jay Jolly, Newly Appointed Councilmember, Place 6

Mayor Johnson called the Regular Meeting to order at 6:02p.m

Invocation was given by Rev. Michael Nemec of Christ Lutheran Church.

Councilmember Richmond led the Pledge of Allegiance.

**Hear Statements from Persons Wishing to Address Council.**

None

**Consent Agenda**

Mayor Johnson informed Council that agenda numbers (5) through (7) 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 June 20, 2023.**

**(Agenda Item #6)**

**Act on the Approval of Bills.**

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(Agenda Item #7)

**Deliberate and Act on a Resolution Regarding the Annual Review of the City's Investment Policy.**

Consent Agenda Items. There were no items removed from the Consent Agenda. On a motion by Councilmember Robinson and second by Councilmember Lloyd, Consent Agenda Items #5 through #7 were accepted and approved.

On roll call, the following votes were cast:

Ayes: Lloyd, Robinson, Zarate, and Richmond,

Nays: None Absent: Fleming

Resolution No. R2023-07-51

**Regular Agenda**

(Agenda Item #8)

**Deliberate and Act on a Resolution for the Administration of the Oath of Office to the Newly Appointed City Council Member, Place 6, At-Large.**

A motion was made by Councilmember Richmond and second by Councilmember Robinson to approve the administration of the Oath of Office to Jay Jolly as the newly appointed City Councilmember, Place 6, At-Large.

On roll call, the following votes were cast:

Ayes: Lloyd, Robinson, Zarate, and Richmond

Nays: None Absent: Fleming

Resolution No. R2023-07-52

The Honorable Bob McGregor administered the Oath of Office in the absence of Judge Nicole Crain. Upon completion of the Oath of Office, Councilmember Jolly took the Place 6 seat for the remainder of the meeting.

(Agenda Item #9)

**Hold a Public Hearing, Second Reading and Deliberate and Act on an Ordinance Establishing Regulations for Bed and Breakfast and Short Term Rental Facilities in the City of Hillsboro.**

Planning Official, Richard Reinhardt presented the second reading of the ordinance. The proposed ordinance established requirements for Bed and Breakfast and Short Term Rental Facilities. It establishes five types of Bed and Breakfast and Short Term Facilities. Planning Official noted that the five types were explained in detail during the previous council meeting and offered to reiterate the types if there were any questions from Council. There were none. Planning Official Reinhardt explained that the proposed ordinance also includes the licensing process and regulations for signage, parking, and lighting. He added that there will be a separate ordinance to address the amendments for the zoning ordinance to specify where the Bed and Breakfast and Short Term Rental Facilities can be located. Planning Official Reinhardt opened for questions from Council.

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Councilmember Richmond presented a question regarding signage and its purpose/limitations. Planning Official Reinhardt explained that it will be used to specify what type of signage will be permitted based on the area in which it is located. He provided an example and closed once no further questions were received.

With no further questions or comments from the Councilmembers, the Mayor opened the Public Hearing at 6:10p.m. No one else spoke for or against the proposed ordinance. The Public Hearing was closed at 6:11p.m. and the Mayor declared the second reading of the ordinance complete.

On motion by Councilmember Lloyd and second by Councilmember Zarate, the ordinance was approved.

On roll call, the following votes were cast:

Ayes: Lloyd, Robinson, Zarate, Richmond, and Jolly

Nayes: Absent: Fleming

Ordinance No. O2023-07-14

(Agenda Item #10)

**Hold a Public Hearing, First Reading and Deliberate on an Ordinance Accepting the Recommendations of the Planning and Zoning Commission Amending the Terms of the 2007 Zoning Ordinance Known as Ordinance O2007-01-01 (Last Amended by Ordinance O2023-06-12), Whereby the Purpose is to Define Zoning Requirements and Locations for Different Types of Bed and Breakfast and Short Term Rental Facilities**

Planning Official Richard Reinhardt presented the first reading of this ordinance. It was explained that this ordinance goes hand in hand with the previous agenda item. The proposed amendments to this zoning ordinance will establish zoning districts that the various types of Bed and Breakfast and Short Term Rental Facilities can be located by permitted or specific use. The amendments will take place in the permitted use table in section 2.11 of the Zoning Ordinance. Planning Official Reinhardt listed and described the five different types of facilities. 1. Bed and Breakfast Homestay Establishment that is owner occupied and no more than five (5) guest rooms. 2. Bed and Breakfast Inn, resident managed property with no more than fifteen (15) guest rooms. 3. Short-term Rental Type I, owner occupied with one group at a time per dwelling. 4. Short-term Rental Type II, not owner occupied with one group at time per dwelling. 5. Short-term Rental Type III, not owner occupied with multifamily or one group at a time per dwelling. All would be subject to follow the licensing process as established in the ordinance in the previous agenda item. Section 2.12 of the Zoning Ordinance under Supplemental Conditions, Condition #29 (as it relates to Bed and Breakfast) has been updated to reference the City Code that was approved in the previous agenda item. The signage section of the zoning ordinance will also be updated to reference the approved City Code as well. Planning Official Reinhardt referenced Article 7 in the ordinance to show the addition of definitions describing the different types of usage for the different types of Bed and Breakfast and Rental Facilities.

With no further questions or comments from the Councilmembers, the Mayor opened the

Public Hearing at 6:16p.m. No one else spoke for or against the proposed ordinance. The Public Hearing was closed at 6:17p.m. and the Mayor declared the first reading of the ordinance complete.

Ordinance No. O2023-08-15

(Agenda Item #11)

**Hold a Public Hearing, First Reading and Deliberate on an Ordinance Accepting the Recommendations of the Planning and Zoning Commission to Rezone Property Located to the East of South Waco Street, West of South Church Street and South of 421 South Waco Street from Heavy Industrial (I-2) to Single Family Residential (SF-7); All that Certain Lot, Tract or Parcel of Land Located in Hill County, Texas and Being a Portion of Lot 1 and Lot 39, Buck Addition, in the City of Hillsboro, According to the Plat Recorded in Volume 34, Page 108 of the Official Public Records of Hill County, Texas.**

Planning Official Reinhardt presented the first reading of the ordinance. He referenced the Power Point that displayed the 200ft notification area of the proposed rezone. Planning Official Reinhardt reported that he did not receive any responses to the notification nor did anyone show up from the area to the Planning and Zoning Commission's meeting to speak for or against the rezone request. Planning Official referenced the Future Land Use Map that showed the industrial area to conflict with residential use surrounding it and recommended the area to be rezoned from industrial to residential. The proposed rezone will move the residential boundary to South Waco Street instead of South Church St.

With no further questions or comments from the Councilmembers, the Mayor opened the Public Hearing at 6:18p.m. No one else spoke for or against the proposed ordinance. The Public Hearing was closed at 6:19p.m. and the Mayor declared the first reading of the ordinance complete.

Ordinance No. O2023-08-16

(Agenda Item #12)

**Hold a Public Hearing, First Reading and Deliberate on an Ordinance Accepting the Recommendations of the Planning and Zoning Commission to Vacate and Abandon a Ten (10) Foot Alley Beginning at the North Right of Way Line of Abney Street and Ending at the South Right of Way Line of Brown Street and Following the East Line of Lot 27A, Quickenstedt Addition to the City of Hillsboro According to the Plat Recorded in Volume 48, Page 274 of the Official Public Records of Hill County, Texas. Also Known as the Alley Along the East Property Line of 209 Abney Street.**

Planning Official Reinhardt presented the first reading of the ordinance. He referenced the Power Point to show the 200 ft. notification area. He reported that he received no responses to the notification however, there was a couple that showed up to the Planning and Zoning meeting after this item was discussed. They were not opposed to the request one further clarification was provided. Planning Official Reinhardt referenced the Power

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Point again to show the location of the proposed alley abandonment. The alley extends North of Abney Street and South of Brown Street cutting across the property of 209 Abney Street. The property owner has requested for abandonment of the alley so that the property can be used for private use. The Planning and Zoning Commission reviewed the request at their meeting on July 10, 2023, and forwarded a recommendation for approval.

With no further questions or comments from the Councilmembers, the Mayor opened the Public Hearing at 6:21p.m. No one else spoke for or against the proposed ordinance. The Public Hearing was closed at 6:22p.m. and the Mayor declared the first reading of the ordinance complete.

Ordinance No. O2023-08-17

(Agenda Item #13)

**Hear and Deliberate on a Report by the Director of Parks and Recreation Samantha Montes.**

Samantha Montes, Director of Parks and Recreation presented the agenda item. She provided Council with a detailed report regarding the Hillsboro Sports Association (HSA) baseball season at Wallace Park, the estimated number of games and spectators, and overall field usage. The volleyball and soccer season is underway for HSA and it is estimated that 300 soccer games will be held at Wallace Park for the season. The City Park hosted its biggest Easter egg hunt in April with over 24,000 eggs prepared and hunted. A variety of age groups were able to participate along with a large number of families attending from the surrounding areas. Fun in the Park occurs during the months of June and July at Sesquicentennial Park and Carter Davis Park. Free hot dogs, chips, drinks, and popsicles are given to all attendees. 50-80 children attended the Fun in the Park in June. The next Fun in the Park event will be held on July 21<sup>st</sup>. Movies in the park occur every Saturday during the months of June, July, September, and October. Concessions available to the community. Parks and Recreation also host drive-in movies during the month of December with concessions. Ms. Montes closed her presentation by welcoming everyone to attend the upcoming National Night Out event that will be held on August 1<sup>st</sup>.

(Agenda Item #14)

**Hear and Deliberate on City Manager's Report**

City Manager Megan Henderson presented the following update on Goals 5-8

- a. Update on Strategic Goals 5-8

v. Build Better Infrastructure

| Estimated Engineering, Surveying, and Construction Costs |                    |                    |                     | Funding                  |                             |                    |           |
|----------------------------------------------------------|--------------------|--------------------|---------------------|--------------------------|-----------------------------|--------------------|-----------|
| Street                                                   | General            | W/WW               | Total               | Agency Grant/ Loan Funds | Source                      | Local Funds        | Source    |
| Church Street                                            | \$868,283          | \$803,350          | \$1,671,633         |                          |                             | \$1,671,633        | COs       |
| Old Brandon Road                                         | \$1,179,773        | \$151,050          | \$1,330,823         |                          |                             | \$1,330,823        | COs       |
| Park Drive                                               | \$942,576          | \$396,000          | \$1,338,576         | \$227,000                | TDA COBG                    | \$1,111,576        | COs       |
| Walnut Street                                            | \$1,130,765        | \$1,003,350        | \$2,134,115         |                          |                             | \$2,134,115        | COs       |
| Meter Project                                            |                    | \$1,652,501        | \$1,652,501         |                          |                             | \$1,652,501        | Financing |
| Water Tower                                              |                    | \$4,770,518        | \$4,770,518         | \$3,150,000<br>\$300,000 | TWDB DWSRF<br>Hillsboro EDC | \$1,320,518        | COs       |
| Downtown Sidewalk Project                                | \$592,855          |                    | \$592,855           | \$500,000                | TDA MS                      | \$92,855           | Gen Fund  |
| Safe Routes to Schools                                   | \$594,259          |                    | \$594,259           | \$594,259                | TxDOT SRTS                  | \$0                |           |
| <b>Totals</b>                                            | <b>\$5,308,511</b> | <b>\$8,776,769</b> | <b>\$14,085,280</b> | <b>\$4,471,259</b>       |                             | <b>\$9,614,021</b> |           |

- Project Spotlight: Industrial Water Tower Project
  - Original estimate, 2017: \$2.4 Million
  - Loan from TWDB, 2018: \$3.1 Million
  - Estimated Increased Cost, 2021: \$4.6 Million
  - Estimated Increased Cost, 2022: \$4.7 Million
  - Current View: within that range.

| Project Progress            |             |                                                                      |                                                                                                                                                                                                                                                                                    |
|-----------------------------|-------------|----------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Concept                     | Funding     | Prof Svc Procurement                                                 | Pre-Design   Design   Bidding   Award   Construction                                                                                                                                                                                                                               |
| Street                      | Total       | Status                                                               | Notes                                                                                                                                                                                                                                                                              |
| Church Street (WP)          | \$1,671,633 | Design                                                               | Park Drive Water Line portion of project is nearing completion.                                                                                                                                                                                                                    |
| Old Brandon Rd (WP)         | \$1,330,823 | Design                                                               |                                                                                                                                                                                                                                                                                    |
| Park Drive (WP)             | \$1,338,576 | Design                                                               |                                                                                                                                                                                                                                                                                    |
| Walnut Street (WP)          | \$2,134,115 | Design                                                               | Rest of project is out to bid; bids due August 3                                                                                                                                                                                                                                   |
| Meter Project (Core & Main) | \$1,652,501 | Construction                                                         | This project is finished and next month we'll put together a results report.                                                                                                                                                                                                       |
| Water Tower (MRB)           | \$4,770,518 | Phase I: Closing Out<br>Phase II: Construction<br>Phase III: Pre-Con | Tank is up and we are closing out that portion of the project. Pump station should be ready in about 9 months. The industrial park water line is awarded and pre-construction conference will be this Thursday; notice to proceed will be issued at that time and work will begin. |

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vi. Deliver Essential Services

- Citizen issues: 3 drainage issues still in resolution; several street/ sewer/ issues being resolved
  - Drainage at the end of Corsicana: engineers will send a plan set that shows improvements confined to within the ROW
  - Drainage in the middle of Corsicana: received engineering proposal
  - Drainage south of Mark Street: scheduled to begin moving dirt Thursday to clear a new earthwork drainage route down Locust and west along the alley south of Mark Street.
- Human Resources:
  - Water/sewer staff is up to 12 including the superintendent
  - Street department staff is up to 10 with 2 vacant positions
  - Public Safety staff includes 2 cadets currently working through testing
  - HR/ Finance Staff secured excellent insurance renewal rates and open enrollment will be held in mid-August for all employees.

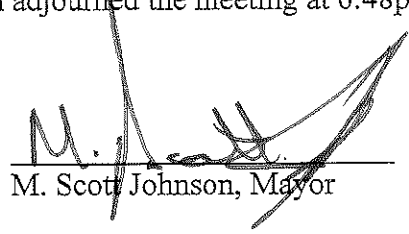
vii. Boost Economic Development

- 7.1 Business Attraction
  - Glaser Retail and our CED team working on prospects for Outlet Mall
  - Billboard space is a priority, as will be key to recruiting key businesses
- 7.2 Business Retention/ Expansion
  - CED Staff has been working with Industrial businesses to accommodate water line project with minimal disruption
  - CED Staff has been working with property management company to update Outlet Mall spaces for existing and prospective tenants, including utilities and fire suppression
  - Rents are being collected and monthly costs/ revenue statements should be accurate beginning as soon as next month
- 7.3 Entrepreneurship and Small Businesses
  - Open seats on the Main Street Advisory Board
  - Main Street committees working on plans for the coming year
- 7.6 Pursue redevelopment of the Outlet Mall
  - Staff is working through a draft scope of work for an engineering demolition plan to allow extended use of North Village Building C

viii. Enhance Quality of Life

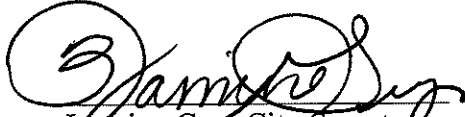
- Parks & Rec gave detailed report; Library will report next month
- b. Recent and Upcoming Staff Activity and Events
- This weekend will be live music at the Hillsboro Truck Yard and Movie in the Park
  - Our next larger City event is Autumnfest in October
  - Still working to prepare for the Eclipse

With no further business to address, Mayor Johnson adjourned the meeting at 6:48p.m.



M. Scott Johnson, Mayor

ATTEST:



Jasmine Guy, City Secretary