

City Council
City of Hillsboro, Texas
Minutes of Regular Meeting
December 5, 2023

Present were:

Scott Johnson, Mayor	Megan Henderson, City Manager
Leann Richmond, Mayor Pro Tem	Jasmine Guy, City Secretary
Dana Robinson, Councilmember	Tony Cain, Assistant City Manager
Jay Jolly, Councilmember	Richard Reinhardt, Planning Official
Frances Zarate, Councilmember	Susan Mann, Library Director
Larry Lloyd, Councilmember	Justin Dyer, Assistant Library Director
Eric Fleming, Councilmember	
Art Mann, Community and Economic Development Director	

Councilmember Frances Zarate was absent.

Others present:

Shannon Cottongame, Reporter
Officer Dominique Anderson, Hillsboro Police Department

Mayor Johnson called the meeting to order at 6:01p.m.

Invocation was omitted.

Councilmember Fleming led the Pledge of Allegiance.

Hear Statements from Persons Wishing to Address Council.

Mr. William Van Winkle Jr, a Hillsboro citizen and resident at 1940 Old Brandon Rd informed Council of his concerns regarding the traffic light on Waco and Franklin St. Mr. Van Winkle was able to share his concerns about the timeframe of the light. He shared that he takes an alternate route to divert from the light. Mr. Van Winkle added that he has spoken to the engineer of the streetlights. The engineer has reported that there is plan to get new streets lights within the next 1-4 years. Mayor Johnson shared that council is unable to address his comments, but there is City Staff present to make note of his concerns.

Consent Agenda

Mayor Johnson informed Council that agenda numbers 5 through 12 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 November 21, 2023.

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(Agenda Item #6)

Act on the Approval of Bills.

(Agenda Item #7)

Deliberate and Act on a Resolution Establishing Holidays for 2024 According to Section 19.01, General Policy on Holidays of the City of Hillsboro Human Resources Policy.

[HR Coordinator, Evah Montes provided Council with the following information in the Council Packets prior to the meeting: Our personnel policies call for Council to approve holidays each year. Historically, regular full-time and regular part-time employees have had eleven paid holidays plus one floating holiday used at the employee's discretion. The holidays for the 2024 calendar year are as follows:

2024 Holidays

Date	Holiday
01-Jan	New Year's
15-Jan	MLK Day
29-Mar	Good Friday
27-May	Memorial Day
19-Jun	Juneteenth
04-Jul	Independence Day
2-Sep	Labor Day
28, 29-Nov	Thanksgiving + Day After
24, 25-Dec	Christmas Eve + Christmas Day

(Agenda Item #08)

Deliberate and Act on a Resolution Approving a Property Lease Agreement By and Between the City and Will Lowrance for Purposes of Outdoor Advertising Along Interstate 35.

[Planning Official, Richard Reinhardt provided Council with the following information in the Council Packets prior to the meeting: On January 3, 2023, Council passed Resolution No. R2023-01-01 authorizing a property lease agreement with Will Lowrance for purposes of outdoor advertisement for an existing 972 square foot billboard pole sign owned by the City and located on Mr. Lowrance's property.

The renewal annual lease is \$3,500 and staff recommends renewal for a term from January 2024 to December 2024.]

(Agenda Item #09)

Deliberate and Act on a Resolution Approving a 2024-2025 Tourism Contract with the Hillsboro Chamber of Commerce.

[City Manager, Megan Henderson provided Council with the following information in the Council Packets prior to the meeting: On December 15, 2009, Council approved Hillsboro City Council – Regular Meeting

Resolution No. R2009-12-67 authorizing the City and Chamber of Commerce to continue a contractual agreement (Tourism Agreement) through September 30, 2014 for the Chamber to manage the collections paid to the City from the Hotel Occupancy Tax for the purpose of promoting tourism, meetings, conventions, arts, and historic preservation with the intent of increasing hotel occupancy in the City of Hillsboro.

In 2014 it was determined that the agreement would be for a one-year term so that a timely review will be made by both parties, ensuring all requirements are being followed and modifications can be made if necessary. The agreement has been updated and approved by resolution each year since then. The proposed resolution would extend the agreement through September 30, 2024.]

(Agenda Item #10)

Deliberate and Act on a Resolution Authorizing the Acceptance of a Texas Historical Commission Preservation Grant for Improvements to the Historic Hillsboro City Library Building and Authorizing the City Manager to Execute all Necessary Documents.

[Susan Mann, Library Director provided Council with the following information in the Council Packets prior to the meeting: The library staff has been working with the Texas Historical Commission to try to secure a grant to help refurbish the front façade of the library building. The library staff was successful in their grant request and has successfully navigated two funding tiers to be offered this grant opportunity.

The grant is for \$30,000.00 and requires a match of \$30,000.00 that the Friends of the Hillsboro City Library has offered to provide. The scope of work is to replace the existing sets of double exterior wood doors with doors that replicate the entry doors of the original 1912 building, while providing for modern glazing and hardware. Replacing the doors will require contractors to remove the old doors and transoms, build new doors and install them. The restoration of the three wood casement windows is also included in this project. The project budget is \$62,900.00.

If the estimated cost of construction is realized and exceeds the \$60,000.00, the library director will absorb the cost from the library operating budget, use funds from the library's special fund account, or return to the Friends of the Library for the additional funding needed.]

(Agenda Item #11)

Act on an Ordinance Accepting the Recommendations of the Planning and Zoning Commission to Vacate and Abandon a Twenty (20) Foot Alley Between Lot 14B and Lot 15A, Abney Addition, in the City of Hillsboro, According to the Plat Recorded in Volume 41, Page 6 of the Official Public Records of Hill County, Texas. Also Known as the Alley Bound on Both Sides by 304 Francis Street.

[Richard Reinhardt, Planning Official, provided council with the following information in the Council Packets prior to the meeting: Out of an abundance of caution, this was added to the agenda for action to be taken in order to ensure that all requirements were met.

The applicant is requesting to abandon a short section of alley that bisects the property at

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304 Francis Street for the purpose of developing a single family dwelling. The alley runs north and south between Francis Street and an alley running east and west that is parallel with Francis Street. There are no utilities in the alley and it does not serve a public purpose.

A nearby property owner was present at the meeting and asked why they did not receive the notification. Staff reviewed the map with the property owner and found that their property was right outside of the notification area. Their concern was in regards to the density of homes being built in the area as it relates to drainage issues.

The Planning and Zoning Commission reviewed this request at their meeting on October 23, 2023 and they forwarded their recommendation for approval.]

(Agenda Item #12)

Act on an Ordinance 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 O2023-09-18), Whereby the Purpose is to Allow Single Family Dwellings and Multifamily Dwellings by Specific Use Permit in the Neighborhood Commercial (NC) Zoning District.

[Planning Official, Richard Reinhardt provided council with the following information in the Council Packets prior to the meeting: Out of an abundance of caution, this was added to the agenda for action to be taken in order to ensure that all requirements are met.

Residential uses are not permitted in the Neighborhood Commercial (NC) zoning district. However, each location of Neighborhood Commercial (NC) zoning in the City is adjacent to areas that are developed as residential or zoned for residential uses. It is being proposed that single family dwellings and multifamily dwellings be allowed with a Specific Use Permit (SUP) in the Neighborhood Commercial (NC) zoning district.

The Planning and Zoning Commission reviewed this request at their meeting on October 23, 2023 and they forwarded their recommendation for approval.]

Consent Agenda Items. There were no items removed from the Consent Agenda. On a motion by Councilmember Robinson and second by Councilmember Richmond, Consent Agenda Items #5 through #12 were accepted and approved.

On roll call, the following votes were cast:

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

Nays: None Absent: Zarate

Resolution No. R2023-12-80,81,82,83

Ordinance No. O2023-12-24 & 25

Regular Agenda

(Agenda Item #13)

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Hold a Public Hearing, First Reading and Deliberate on a Proposed Ordinance Establishing Regulations for Smoke Shops and Tobacco Stores in the City of Hillsboro.

Planning Official, Richard Reinhardt presented the first reading of the agenda item. He shared that the Zoning Ordinance does not say much regarding smoke shops and tobacco stores. The proposed ordinance would add a section within the Code Enforcement to create regulations/requirements for smoke shops and tobacco stores. This ordinance will then be followed by a future ordinance to make the proposed changes to the Zoning Ordinance to reflect the new regulations and identify locations where said uses would be permitted by right or allowed with a Specific Use Permit (SUP). One of the changes being made includes creating two classifications of smoke shops and tobacco stores. Planning Official Reinhardt provided that the first definition consisted of defining the type of smoke shops that the City of Hillsboro already has. The second will define the type of establishment that retails cigars and pipe tobacco. Smoke shops and tobacco stores would be subject to a one thousand (1,000) foot distance requirement from any place where children will be present (schools, churches, recreational facilities, parks, etc.) Smoke shops and tobacco stores would also be subject to a one thousand (1,000) foot distance requirement, measured property line to property line, from other smoke shops and tobacco stores. The Planning and Zoning Commission will meet on December 11, 2023 to discuss their recommendations regarding the future ordinance for establishing the zoning requirements. The first reading of this ordinance will be presented during council's next meeting.

With no further questions or comments from the Councilmembers, the Mayor opened the Public Hearing at 6:09p.m. Kathy Dellig, a Hillsboro citizen spoke regarding how the ordinance will be help/be applicable for the City of Hillsboro. Planning Official Reinhardt explained that this would put some requirements on the establishments to ensure that they meet the regulations of the ordinance and code enforcements. He added that there are currently no requirements in place. There were no further questions. The Public Hearing was closed at 6:11p.m. and the Mayor Johnson declared the first reading of the ordinance complete.

Ordinance No. O2023-12-26

(Agenda Item #14)

Deliberate and Act on a Resolution Regarding DuPont and 3M PFAS Settlements.

City Manager, Megan Henderson presented the agenda item. She informed council that the City was notified that there has been two lawsuits filed against DuPont and 3M. Both are makers of the PFAS chemicals utilized in the water supply industry. There has now been some question regarding future public health ramifications of those chemicals being in the water. In the future, Public Water Systems may be required to install filtration processes at their treatment plants to get these chemicals out of the water. DuPont and 3M, have been sued by representatives of water systems; and have reached combined settlement of 15 billion dollars. City Manager Henderson provided that if nothing is done, then the City would be eligible to file a claim for compensation or the City could opt out of the settlement. If the City decides to stay in the settlement, the City will be competing

for a limited amount of dollars with every other public water system that also decided to stay in the settlement. Many of which have already completed extensive testing and have discovered the chemicals within their water. The water supply for the City of Hillsboro is treated prior to purchase from Aquilla Water Supply. Aquilla Water Supply District has completed the designated testing for the 29 PFAS substances. It was found that 2 out of the 29 substances were found, however they were not the most dangerous substances and were very well concentrated. The City is unable to prove that any harm has been caused at this time so it will not be practical to file a claim. City Manager Henderson added that if the City does decide to participate in the settlement, the City would not be able to propose a future lawsuit against both manufacturers. She shared that she has consulted with legal counsel for the City of Hillsboro and Aquilla Water Supply District. It was determined that the City of Hillsboro would be best-served not to participate in these Settlement Agreements. City Manager Henderson reported that the deadline to submit the initial formal request to opt out was on December 4, 2023. She added that a second deadline for the following settlement is this week. City Manager Henderson reported that she was able to opt out on behalf of the City of Hillsboro and the resolution would be Council's opportunity to move forward in agreement.

On a motion by Councilmember Robinson and second by Councilmember Fleming, the resolution was accepted and approved.

On roll call, the following votes were cast:

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

Nays: None Absent: Zarate

Resolution No. R2023-12-84

(Agenda Item #15)

Hear and Deliberate on City Manager's Report.

City Manager Megan Henderson presented the following update on Goals 1, 2, and 4; Assistant City Manager Tony Cain presented the update on Goal 3. Goal 3 was presented first.

Update on Strategic goals 5-8

iii. Support Preservation and Beautification

- Go Hillsboro projects continue to move forward
 - Curb cleanup Educational Awareness
- Code Enforcement efforts continue
 - Knox Fuel Station Building
 - We will not have a Building and Standard meeting this month
 - Staff is working on another mow list
 - Update on Mark Street Houses
- City Wide Clean Up will be March 02, 2024
 - Recycled asphalt
 - Fog or slurry seal

i. Responsible, Equitable Growth

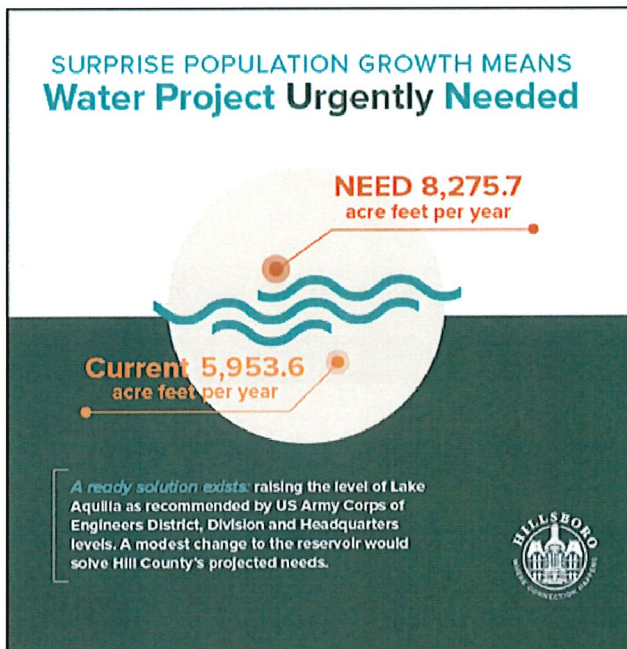
- 40 Pattons Mill Phase 3

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- 120 Estimated 4-year infill
- 67 Canaan Estates
- 67 Meadow Terrace
- 15 Electra
- 300 Hillsboro Meadows
- 300 Project Mark
- 400 Project Buddy
- 60 Park Terrace
- 300 Project Broadway
- 1669 Units in Pipeline
- Water Supply
 - Raising Lake Aquilla
 - \$400,000 needed to update study
 - ½ from Army Corps of Engineers
 - ½ from Aquilla WSD Board (us)
 - Ellzey has added to 2024 WRDA
 - Water Supply Study
 - Reduce water loss to free up more water
 - Walker Partners has sent a request to BRA for more water
 - Reallocation of Lake Whitney
 - BRA is pursuing this study heavily, and it's going well



ii. Foster Transparency and Connection

- Christi is posting videos of council meetings online
- Communications Advisory Group met last month and is very interested in communicating about upcoming work on water rates.

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iv. Deliver Efficient, Effective Government

- Working with Centrica Business Solutions to conduct energy audits and develop potential cost savings projects. Centrica has identified some projects that would be revenue-neutral, that would improve efficiency and generate enough savings to pay for themselves. We are meeting next week to review.
- Contract with Republic Services for solid waste disposal will be up for renewal in April of 2024
- Preliminary review of water and sewer rates offers the following conclusions:
 - We are drastically undercharging for water. Water rates need to increase, but not necessarily for all users.
 - We have been using sewer revenues to subsidize water system maintenance. Sewer rates are probably OK but may make sense to restructure in line with water rates.
 - Reducing water waste creates dollars as well as development opportunities. We might hire a dedicated line replacement crew with the goal to cut waste in half.
 - If successful this would save ~340,000 gallons/ day, enough for 600 residential units + associated business/industry.

b. Staff Activity and Events

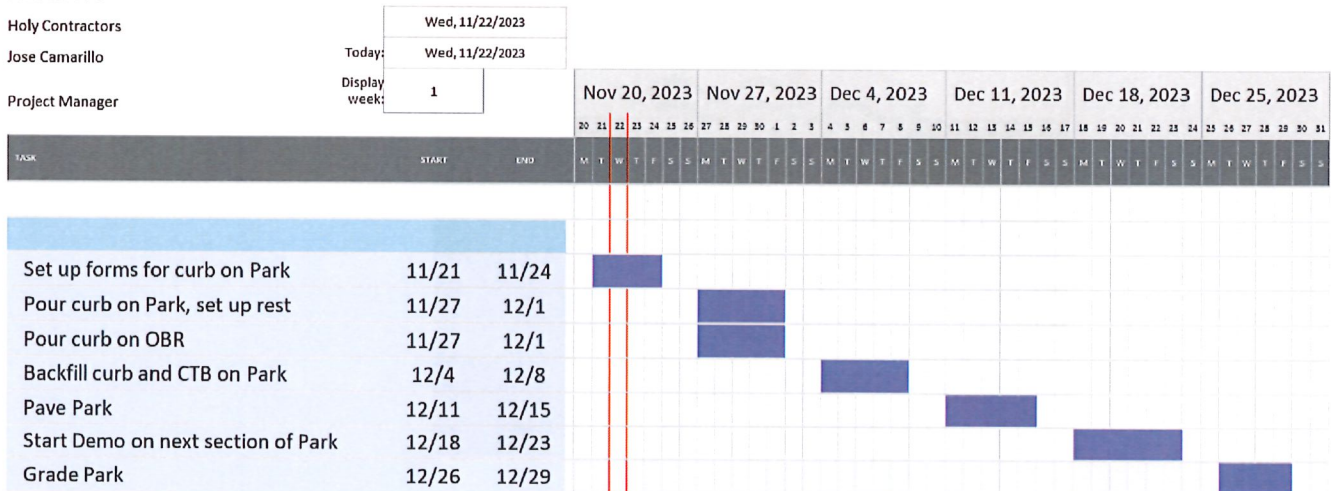
- Staff Activities
 - **Christmas Under the Stars Parade and Tree Lighting** was quite successful. Kudos to all the city department involved in preparations, to the Optimist Club for sponsoring the parade, and to the county for their support and participation. There seemed to be more spectators this year than last year (and last year was a lot!)
- Events

Hillsboro

Holy Contractors

Jose Camarillo

Project Manager



(Agenda Item #16)

Hold a Closed Session Under the Provisions of Section 551.072 and Section 551.087 of the Government Code (Real Property and Economic Development.)

Mayor Johnson announced an entrance into Closed Session at 6:42p.m.

(Agenda Item #17)

Reconvene in Open Session.

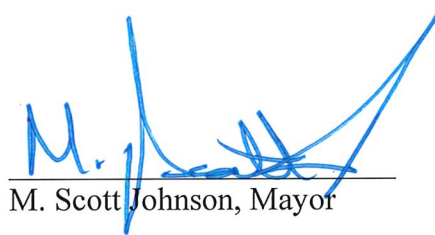
Mayor Johnson announced the exit from Closed Session at 7:20p.m.

(Agenda Item #18)

Deliberate and Act on Matters Discussed in Closed Session, If Any.

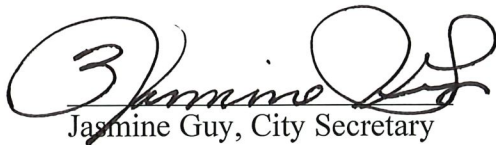
Mayor Johnson announced that there was no deliberation or action needed to be taken from the closed session.

With no further business to address, Mayor Johnson adjourned the meeting at 7:21p.m.



M. Scott Johnson, Mayor

ATTEST:



Jasmine Guy, City Secretary

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