

City Council
City of Hillsboro, Texas
Minutes of Regular Meeting
June 04, 2024

Present were:

Eric Fleming, Councilmember	Megan Henderson, City Manager
Frances Zarate, Councilmember	Dale Snyder, Finance Director
Larry Lloyd, Councilmember	Tony Cain, Asst. City Manager
Dana Robinson, Councilmember	Richard Reinhardt, Planning Official
Leann Richmond, Mayor Pro Tem	Allyson Cliett, Special Projects Coordinator
Christi Ward, Communications & Executive Assistant	
Justin Dyer, Library Director	

Mayor Scott Johnson, Councilmember Jay Jolly, and City Secretary Jasmine Guy were absent

Others present:

Shannon Cottongame, the Reporter
Sergeant Dominique Anderson, Hillsboro Police Department
Rev. Daniel Tanguma-First Baptist Church

Mayor Pro Tem Richmond called the meeting to order at 6:02p.m.

Invocation was completed by Reverend Daniel Tanguma

Councilmember Eric Fleming led the Pledge of Allegiance.

Hear Statements from Persons Wishing to Address Council.

None of the attendees addressed council.

Consent Agenda

Mayor Pro Tem Richmond informed Council that agenda numbers five (5) and 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 Special Meeting and Regular Meeting on May 15, 2024 and May 21, 2024.

(Agenda Item #6)

Act on the Approval of Bills.

Consent agenda items. There were no items removed from the Consent Agenda. On a motion by Councilmember Robinson and second by Councilmember Fleming, Consent Hillsboro City Council – Regular Meeting

Agenda Items #5 and #6 were accepted and approved.

On roll call, the following votes were cast:

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

Nays: none Absent: Jolly

Regular Agenda

(Agenda Item #7)

Hold a Public Hearing, Second Reading, and Deliberate and Act on a Proposed Ordinance Amending Chapter 13, Utilities, Article 13.200, Rates and Charges, Section 13.202, Deposits, Connection and Transfer Fees for Water Service, and Section 13.207, Rate Schedule for Water Usage; and Repealing All Ordinances or Parts of Ordinances in Conflict Herewith; Containing a Severability Clause; and Providing for Publication and an Effective Date

City Manager, Megan Henderson presented the agenda item. She shared that she will be highlighting the most important aspects on what will be done and why. She shared that the City has two out of eight strategic goals (Build Better Infrastructure and Deliver Basic Services) that will be addressed. In order to meet those goals, the City must develop a rate structure that is able to pay for the effective operation of its water system. As of today, the existing rate structure does not cover the cost needed to deliver effective water services. Water rates will need to be increased to compensate for the additional improvements needed within the water system. Current annual water expenses exceed current revenues by over \$1 million. Aquilla Water Supply District will be increasing the City's requirement by approximately \$2 million per year. A second set of increases are expected and will be scheduled once the City is made aware of their debt services requirements. City Manager discussed the immediate need for extra staff to address water system issues specifically and contractor services to handle extensive water services improvement projects. City Manager Henderson was able to reference the PowerPoint showing a graph to indicate the City's current water revenue (\$3,267,735.00,) the projected amount accrued from first water rate increase (\$5,318,992.11,) and the total cost (\$7,818,992.11.) City Manager Henderson described the rate design and referenced the PowerPoint to show how customers have been paying a disproportionate share regarding usage and billing. The new rate design will have residents paying for their share of the amount of water they are using. Low-volume residential users' bills would increase by \$4 - \$9. Low volume business bills would increase by about 30%. High-volume residential or business bills could double or more. City Manager presented some statistics comparing the City of Hillsboro's rates to peer cities and how the proposed rates will look compared to those cities. City Manager Henderson presented the draft new rates as follows:

Base Rates:

Residential \$41-\$200 (based on meter size)

Nonresidential \$60-4,400 (based on meter size)

Volumetric Charges:

Residential: \$5.50-\$10.50 per 1,000gal

Nonresidential: \$6.50 – 10.50

Balance % usage with % billing for Irrigation & fire suppression \$9-\$10.50
residential customers

Hydrants \$10.00

City Manager Henderson was able to show council a chart indicating the amount of water usage by number of accounts. Majority of the residents and commercial businesses in Hillsboro use 1,000 gallons of water or less. City Manager Henderson concluded by presenting draft bills for residential, commercial, and industry classes based on the amount of gallons used.

There were no further questions or comments from council. Mayor Pro Tem Richmond opened the public hearing at 6:21PM. A resident was able to ask if trash was included. City Manager shared that trash/garbage is a separate cost. There were no further questions or comments, the public hearing was closed at 6:23PM. On a motion by Councilmember Robinson and second by Councilmember Lloyd, the ordinance was accepted and approved

On roll call, the following votes were cast:

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

Nays: none Absent: Jolly

Ordinance No. O2024-06-10

(Agenda Item #08)

Hear and Deliberate on City Manager's Report.

City Manager Megan Henderson presented the following update on Goals 1-4. Assistant City Manager, Tony Cain provided an update on Goal #3

a. Update on Strategic Goals 1-4

- 40 Pattons Mill Phase 3 - underway
- 120 Estimated 4-year infill - underway
- 160 Project Buddy P1 – predevelopment
- 60 Park Terrace – predevelopment
- 180 Project Buddy P2 – predevelopment
- 100 Hillsboro Meadows P1 - predevelopment
- 15 Electra – predevelopment
- 67 Canaan Estates – paused, drainage
- 67 Meadow Terrace – predevelopment
- 160 Project Buddy P3 – planned
- 200 Hillsboro Meadows P2&3 - planned
- 300 Project Mark
- 1469 Units in Pipeline

i. Responsible, Equitable Growth

- Water Supply
 - Raising Lake Aquilla
 - \$400,000 needed to update study
 - ½ from US Army Corps of Engineers

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- ½ from Aquilla WSD Board (us)
 - USACE will request funding for their ½
 - Ellzey has added to 2024 Water Resources Development Act
 - 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
 - Call Scheduled with BRA and AWSD later this month
- ii. Foster Transparency and Connection**
- Staff is continuing to prioritize communication regarding city initiatives
 - Tons of communication regarding water rates
 - Videos on City's YouTube channel
 - Letters being drafted to go out this week
 - Communication Advisory Committee met in May
 - Staff Communications Committee to meet in June
- iv. Deliver Efficient, Effective Government**
- WATER
 - Increase maintenance, repair and replacement
 - Install receivers to read meters constantly in order to flag leaks quickly
 - Install valves to allow for isolation within the downtown tower area
 - Fix leaks faster
 - Begin replacement of oldest and most brittle pipes
 - SEWER
 - RfQ prepared for wastewater system study
 - Wastewater stoppages or backups have occurred in several locations due to the extreme rain
 - Smoke testing equipment being employed to identify locations of infiltration and inflow of stormwater into the wastewater system
 - 30 I/I locations identified in one area around Mark Street; as many as possible are being repaired now
 - DRAINAGE
 - El Nino weather pattern, characterized by excessive rain, expected to wrap up within the next month or two. In May it rained 21/31 days.
 - 2023 Jan-May rainfall: 14.8" - 2024 Jan-May rainfall: 37"
 - 2023 May rainfall: 5" - 2024 May rainfall: 13.7"
 - Mark Street Drainage Project kicked off this week
 - Several different areas in town have flooded streets and yards
 - City Park experienced flood conditions on 2-3 occasions
 - Drainage is not a "quick fix." We can, and will, go into existing drainage improvements to clean them out and improve flow.

- Real drainage upgrades will require a study first, then projects
- b. Recent and Upcoming Staff Activities and Events
 - Staff Activity
 - Art and Susan Mann Retirement
 - 3 candidates going through Police Academy
 - Vacancies in Fire, DPS Communicator, and DPS IT
 - Vacancies in Streets and Parks
 - Youth Services Librarian hired



- Events
 - Incognito performed at The Yard downtown on 6/1
 - Upcoming shows include Touch of Grey and Bowling Pin Whiskey
 - Bond's Alley is this weekend

iii. Support Preservation and Beautification

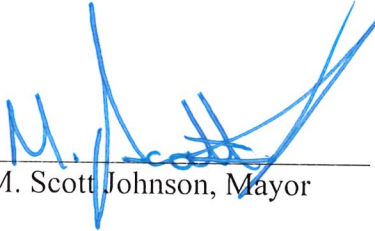
- Code Enforcement efforts continue
- Update on Knox Fuel Stop: *In the process of trying to locate a vendor to demo the old Up in Smoke building, adding a fence around the property, painting the old gas station, and fixing the fuel canopies.*
- Started back on the Mark Street houses
- Burned house on Park Dr. and Park St.: *They have started the demo process but are battling the rain.*
- There is a new contractor for Amigos: *They have submitted a new plan which has been approved. The first step they want to take is to cleanup the*

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property.

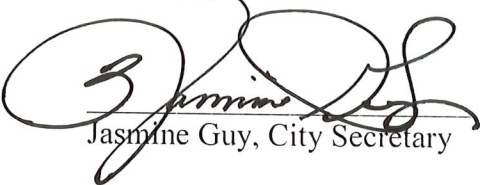
- 81 Motel: *Sprinkler plans have been approved, they are good to continue operations.*
- Building and Standards Board Meeting June 20, 2024 6pm.
- Presenting 2 Properties: *307 Vineyard and 6302 Park Dr.*
- Building and Standards Board has an opening, if anyone is interested please contact City Secretary Jasmine Guy

With no further business to address, Mayor Pro Tem Richmond adjourned the meeting at 6:37PM.



M. Scott Johnson, Mayor

ATTEST:



Jasmine Guy, City Secretary