

City Council
City of Hillsboro, Texas
Minutes of Regular Meeting
June 18, 2024

Present were:

Scott Johnson, Mayor
Frances Zarate, Councilmember
Eric Fleming, Councilmember
Dana Robinson, Councilmember
Larry Lloyd, Councilmember
Jay Jolly, Councilmember

Megan Henderson, City Manager
Dale Snyder, Finance Director
Tony Cain, Asst. City Manager
Richard Reinhardt, Planning Official
Jasmine Guy, City Secretary
Justin Dyer, Library Director

Councilmember/Mayor Pro Tem Leann Richmond was absent

Others present:

Shannon Cottongame, the Reporter
Sergeant Dominique Anderson, Hillsboro Police Department
Todd Pruitt, Pattillo, Brown, & Hill, L.L.P
Armand Hunt, MRB Group

Mayor Johnson called the meeting to order at 6:04p.m.

Councilmember Jay Jolly led the Pledge of Allegiance.

Hear Statements from Persons Wishing to Address Council.

None of the attendees addressed council.

Consent Agenda

Mayor Johnson informed Council that agenda numbers five (5) through twelve (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 June 04, 2024.

(Agenda Item #6)

Act on the Approval of Bills.

(Agenda Item #7)

Deliberate and Act on a Resolution to Adopt Economic Development Incentive Policies

Resolution No. R2024-06-36

Hillsboro City Council – Regular Meeting

June 18, 2024

Page 1 of 1

(Agenda Item #8)

Deliberate and Act on a Resolution Accepting the Recommendations of the Planning and Zoning Commission Approving a Specific Use Permit for a Museum at 50 West Elm Street, Which is Located in the Central Business District (CBD). Museums are only Allowed by Specific Use Permit (SUP) in the Central Business District (CBD).

Resolution No. R2024-06-37

(Agenda Item #9)

Deliberate and Act on a Resolution Accepting the Recommendations of the Planning and Zoning Commission Approving a Re-Plat of a Portion of Lot 5, Block H, Valley View addition, Section Four, and a Portion of a Called 5.29 Acre Tract Located in the John E. Ross Survey, Abstract No. 750 Becoming Lot 5-R, Block H, Valley View Addition, Section Four, in the City of Hillsboro, Being the Same Property by Reference as Recorded in Volume 2006, Page 644 of the Official Public Records of Hill County, Texas. Also Known as 201 Falcon Lane.

Resolution No. R2024-06-38

(Agenda Item #10)

Deliberate and Act on a Resolution Accepting the Recommendations of the Planning and Zoning Commission to Approve the Final Plat, Raquel's Place, Phase 2, in the City of Hillsboro on a Certain Tract of Land Being 0.25 Acres Situated in the J. Carothers Survey, Abstract No. 148 in Hill County, Texas. Being the Same Property by Reference as Recorded in Volume 2266, Page 729. Also Known as 105 Anderson Street.

Resolution No. R2024-06-39

(Agenda Item #11)

Deliberate and Act on a Resolution Accepting the Recommendations of the Planning and Zoning Commission to Approve the Final Plat, Solomon Premier Estates, Phase 2, in the City of Hillsboro on a Certain Tract of Land Being 0.152 Acres Situated in the J. Carothers Survey, Abstract No. 148 in Hill County, Texas. Being the Same Property by Reference as Recorded in Volume 2218, Page 539. Also Known as 413 John Street.

Resolution No. R2024-06-40

(Agenda Item #12)

Deliberate and Act on a Resolution Accepting the Recommendations of the Planning and Zoning Commission to Approve the Final Plat, Somerset Addition, Phase One, in the Extra-Territorial Jurisdiction (ETJ) of the City of Hillsboro on a Certain Tract of Land Being 33.59 Acres Situated in the F.M. Wright Survey, Abstract No. 964 in Hill County, Texas. Being a Portion of the Same Property by Reference as Recorded in Volume 306, Page 258 of the Official Public Records of Hill County, Texas. Also Known as the Property South of Old Bynum Road and East of Cho Street (Hill County Road 3101).

Resolution No. R2024-06-41

Hillsboro City Council – Regular Meeting

June 18, 2024

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

On roll call, the following votes were cast:

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

Nays: none Absent: Richmond

Regular Agenda

(Agenda Item #13)

Hear and Deliberate on a Presentation of the 2022-2023 Fiscal Year Audit by Pattillo, Brown, and Hill.

Todd Pruitt of Pattillo, Brown, and Hill gave the presentation. He provided thanks to the council for allowing Pattillo, Brown, and Hill L.L.P the opportunity to perform the audit. Special thanks was given to Dale Snyder and City Staff for assisting throughout the course of the audit by providing the requested information. Mr. Pruitt was able to provide an overview of the results of the audit for the 2023 Fiscal Year. He shared that audit was performed in two parts. The first part was composed of the financial statements and the second part is an audit of the city's Federal Grant Board programs. The city of Hillsboro was able to receive an unmodified opinion also known as a "clean opinion." There were no deficiencies found in the city's internal controls within its financial statements. There were no instances of noncompliance with laws, regulations, or grant requirements. In regards to the Federal Grant Awards, there were no findings or question cost. The City was found to be compliant with all of the program requirements. Mr. Pruitt congratulated the city on receiving clean results and opened for any questions. There were no questions or comments from council.

(Agenda Item #14)

Hear and Deliberate on a Presentation of the City of Hillsboro Water System Study performed by MRB Group Engineers

Armand Hunt of MRB Group gave the presentation. He shared that MRB Group was authorized by the City of Hillsboro to prepare a Water Model and Water System Improvements Plan. The study was able to identify areas within the city that has historically high maintenance, high water leak potential, and the lack of capacity to maintain potential growth within the future. The water system improvements plan will seek to reduce future water loss and repair efforts. The objective of this Water System Improvements Plan is to analyze the City's water system for undersized components, possible points of failure, and items out of compliance or nearing out of compliance with TCEQ regulations. Mr. Hunt shared that using the water model, 5 velocities have been collected. Mr. Hunt added that he has been working with the Public Works department and they will be focusing on the cast iron and asbestos cement pipes first as those are the most fragile. Mr. Hunt referenced the PowerPoint to reference some maps that indicated the existing water system, pressure planes, pipe velocity, water distribution system, flow meters, water main extension, and potential elevated tank sites. It was recommended for 5 flow meters to be placed at strategic locations. The meters in addition to water meter data

Hillsboro City Council – Regular Meeting

will be able to help locate areas within the city that are experiencing water loss. Mr. Hunt presented additional recommendations of installing a 10 inch water main along the east side of Interstate 35 starting with an 8 inch connection north of Hillview Dr and will head south until connecting to an existing 10 inch on Interstate 35 across from WalMart. This will ensure that full water capacity is accessed for the potential development within the area. Mr. Hunt added that an elevated storage tank would eventually be added. Mr. Hunt shared that an application has been submitted to the Texas Water Develop Board's EDAP program. The program consist of 70% loan forgiveness and 30% loan. The total estimated cost would be around \$30 million. There were no questions or comments from council.

(Agenda Item #15)

Deliberate and Act on a Resolution Selecting an Engineering Firm to Design Water System Improvements Including a New Water Supply Line

City Manager, Megan Henderson presented the agenda item. She shared that there is a "donut hole" of area that is west of Interstate 35, east of Abbott Avenue, and south of Central Hillsboro (outside of city limits) that is currently undeveloped. She added that the city of Hillsboro is anticipating growth and future development for this area. Therefore, the area will need to be serviced with water and sewer infrastructure. The city has asked MRB Group to consider this area for additional development in their Water System Improvements Plan. Staff has conducted a Request for Qualifications where three proposals were received. Out of the three proposals, the city is recommending MRB Group be selected to develop a design.

There were no questions or comments. On a motion by Councilmember Fleming and second by Councilmember Lloyd, the resolution was accepted and approved.

On roll call, the following votes were cast:

Ayes: Fleming, Lloyd, Zarate, and Jolly

Nays: None Absent: Richmond

Sustain: Robinson

Resolution No. R2024-06-42

(Agenda Item #16)

Hold a Public Hearing, First Reading of an Ordinance and Deliberate on a Voluntary Annexation Request to Institute Annexation Proceedings to Enlarge and Extend, Including Zoning Designation, All That Certain Lot, Tract or Parcel of Land, Being 49.57 Acres, Situated in the F.M. Wright Survey, Abstract No. 964, Hill County, Texas, Being a Portion of a Certain Tract of Land Described as 128.18 Acres and Recorded in Volume 306, Page 258 of the Official Public Records of Hill County, Texas.

Planning Official, Richard Reinhardt presented the agenda item. He referenced the PowerPoint to show the proposed location of the annexation along with the 200ft notification area. This area was also the same area that was considered during the consent agenda for the Somerset Addition Phase 1 development. Planning Official Reinhardt shared that this annexation is 49.57 acres and will consist of two annexations. The first

Hillsboro City Council – Regular Meeting

phase of the subdivision plat will be 33.59 acres that will accommodate 156 lots for single-family homes. Planning Official Reinhardt shared that one response was received from the 200ft notification area and the reason was for clarification purposes only. Planning Official Reinhardt referenced the PowerPoint to show the map of the zoning of the surrounding area and future land use map. The Planning and Zoning Commission reviewed the proposed annexation at their meeting on June 10, 2024 and forwarded their recommendation for approval.

With no further questions or comments from the Councilmembers, the Mayor opened the Public Hearing at 6:29p.m. No one spoke for or against the ordinance. The Public Hearing was closed at 6:30p.m. and the Mayor Johnson declared the first reading of the ordinance complete.

Ordinance No. O2024-07-11

(Agenda Item #17)

Hold a Public Hearing, First Reading and Deliberate on an Ordinance Accepting the Recommendations of the Planning and Zoning Commission to Amend the Terms of the 2007 Zoning Ordinance, Known as Ordinance O2007-01-01, Whereby the Purpose is to Amend Section 5.33, Sign Regulations by Incorporating LED Signs into the Schedule for Permanent Signage and Defining LED Signs.

Planning Official Richard Reinhardt presented the agenda item. He shared that presently, the city's sign regulations do not address LED signage. This proposed ordinance would incorporate LED signs into the Schedule for Permanent Signage by allowing billboards to have LED signage, creating a new category of signage for LED signs and applying maximum height, area and number of signs based on the type of sign where it is located. The proposed ordinance also defines LED sign as, "a sign that uses an array of light-emitting elements to create images or words that are intended to be legible to passing motorists. An LED sign is generally located on another type of sign (pole/pylon signs, monument signs, wall signs, etc.). The ordinance will also include language from TxDOT under requirements stating that, "messages must be displayed for at least eight seconds. A change of message must be accomplished within two seconds and must occur simultaneously on the entire sign face." The Planning and Zoning Commission reviewed the proposed overlay at their meeting on June 10, 2024 and forwarded their recommendation for approval.

Councilmember Lloyd was able to ask a question in regarding to TxDOT requirements for level of brightness. Planning Official Reinhardt could not provide Councilmember Lloyd with a definite answer, but provided that he will have that information during the second reading. There were no further questions or comments from the councilmembers, the Mayor opened the Public Hearing at 6:33p.m. No one spoke for or against the ordinance. The Public Hearing was closed at 6:34p.m. and the Mayor Johnson declared the first reading of the ordinance complete.

Ordinance No. O2024-07-12

Hillsboro City Council – Regular Meeting

June 18, 2024

Page 5 of

(Agenda Item #18)

Hold a Public Hearing, First Reading and Deliberate on an Ordinance Accepting the Recommendations of the Planning and Zoning Commission to Amend the Terms of the 2007 Zoning Ordinance, Known as Ordinance O2007-01-01, Whereby the Purpose is to Amend Section 4.30B.6 by Establishing Sign Regulations for the OMR, Outlet Mall Redevelopment Overlay District.

Planning Official Richard Reinhardt presented the agenda item. He reported that presently, the only off premise signs that are permitted within the City are billboards along Interstate 35. The proposed ordinance would allow off-premise signs for businesses within the Outlet Mall Redevelopment (OMR) Overlay. Planning Official Reinhardt provided and explained the proposed sign requirements. The Planning and Zoning Commission reviewed the proposed overlay at their meeting on June 10, 2024 and they forwarded their recommendation of approval.

With no further questions or comments from the Councilmembers, the Mayor opened the Public Hearing at 6:36p.m. No one spoke for or against the ordinance. The Public Hearing was closed at 6:37p.m. and the Mayor Johnson declared the first reading of the ordinance complete.

Ordinance No. O2024-07-13

(Agenda Item #19)

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

Project Progress			
Concept Funding Prof Svc Procurement Pre-Design Design Bidding Award Construction			
Street	Total	Status	Notes
Park Drive (WP)	\$6,083,741	Park Drive: Near Completion OBR: Near Completion Walnut: Utilities and Street Underway Church: Utilities Underway	Park Drive: 7 driveways have slope issues creating a problem for tying into adjacent sidewalks. Staff and engineers walked the project and have made recommendations; once sheets are done/ handed off, the work can be done. - Intersections with Ivy and Thompson are tricky; sheets are done and contractor is approving. Once that's done they'll be prepped for asphalt.
Old Brandon Rd (WP)			OBR: shoulders are being graded and base repair is starting this week. Once base repair is complete it will be ready for asphalt, which will happen at the same time as Ivy/Park and Thompson/Park intersections.
Church Street (WP)			Walnut: - Lime is being redone on western portion due to rain and traffic keeping it torn up since last time. - Driveways have been torn out in preparation for concrete - Western section is closed for this work to be completed.
Walnut Street (WP)			Church: Stormwater and other utility work is underway but currently waiting on Atmos to move their facilities.
Hillsboro City Council – Regular Meeting			
Water Tower (WP)	\$4,770,518	Phase I: Closing Out Phase II: Construction Phase III: Construction	Tank is up and Phase I is functionally complete. Pump station startup scheduled for June 26 Phase III is complete.

vi. Deliver Essential Services

- Previous/ Current
 - Water Utility Rates
 - Initial rate increase has been approved; highest-increase residential customers have been notified separately; and additional notifications are going out.
 - Water System Improvements
 - We have applied for Loan/ Grant Funds of up to \$30M per study
 - Additionally we are collecting costs for meter receivers, valves
- Upcoming
 - Utilities Preparation for Development:
 - 10" water line for new residential development
 - Engineering approved; funding discussions next
 - Current Projects will need to contribute \$200/ lot
 - Staff will review additional need for impact fees
 - Road extension at industrial park
 - Request for Qualifications completed; staff will recommend engineers at July 2 Council meeting
 - Sewer System Study
 - Request for Qualifications is out now; proposals due Thursday; staff will recommend engineers at July 2 Council meeting

vii. Boost Economic Development

- 7.1 Business Attraction
 - Economic Development team working on Project GO – continued slow progress
 - Responding to two Requests for Information from the Governor's Office
 - Hosted one site visit; we are one of 8 sites being considered
 - Working with one possible additional prospect for Industrial Park
 - Retail Coach continuing to work with prospects
- 7.3 Entrepreneurship and Small Businesses
 - Lolli and Blings Boutique opened at 123B East Elm Street
 - 2 additional prospects are looking at opening businesses downtown
- 7.6 Pursue redevelopment of the Outlet Mall
 - First phase of demolition pushed back
 - Glaser Retail Partners has identified 7 pad sites (6 businesses) and one gas station; three are secure and three are still in play
 - Working with existing tenants to identify possible long-term locations

viii. Enhance Quality of Life

- Parks & Rec
 - Facilities
 - Met with a park planner to discuss possible master plan for

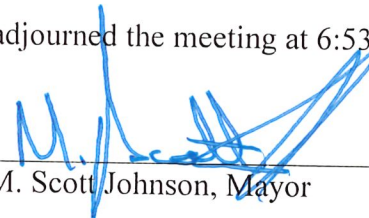
Hillsboro City Council – Regular Meeting

- Wallace Park
 - Some grant funding is available but we need to have a solid plan
- Programming
 - Baseball/ softball season underway
 - 250 people attended event at Sesquicentennial Park last week
 - 50 people attended Movie at City Park Saturday night
- Library
 - Facilities
 - Working with architects and local businesses to right-size expansion plans
 - Working with contractors on alternative costs for plumbing repairs
 - Programming
 - Summer reading program going strong with high attendance
 - New youth services librarian in place
- Hill Pavilion:
 - Leadership Greater Hillsboro installed new landscaping
 - Hill County Farm Stall Market and Trade Days happening monthly

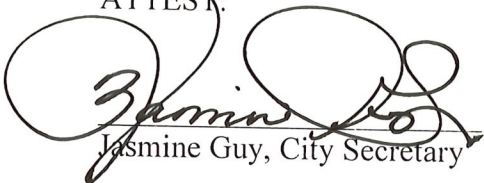
b. Recent and upcoming Staff Activities and Events

- Staff Updates
 - DISC training was conducted for managers and supervisors; additional personality and team training is in the works
 - City offices closed tomorrow for Juneteenth holiday
- Events
 - Bond's Alley event was held by Hillsboro Arts League
 - Weekly concerts held by Hillsboro Chamber, Wranglers, The Yard
 - Late Bloomers Fourth of July Parade July 4th on Corsicana and Craig Streets
 - AutumnFest planned for September 28

With no further business to address, Mayor Johnson adjourned the meeting at 6:53PM.


M. Scott Johnson, Mayor

ATTEST:


Jasmine Guy, City Secretary

Hillsboro City Council – Regular Meeting

June 18, 2024