

City Council
City of Hillsboro, Texas
Minutes of Regular Meeting
August 6, 2024

Present were:

Scott Johnson, Mayor	Megan Henderson, City Manager
Dana Robinson, Councilmember	Tony Cain, Asst. City Manager
Eric Fleming, Councilmember	Dale Snyder, Finance Director
Leann Richmond, Mayor Pro Tem	Jasmine Guy, City Secretary
Jay Jolly, Councilmember	Frances Zarate, Councilmember
Larry Lloyd, Councilmember	John Graham, Airport Director
Christi Ward, Communications & Executive Assistant	
Richard Reinhardt, Planning Official	
Jessica Trew, EDC Director	

Others present:

Shannon Cottongame, the Reporter
Sgt. Lambert Jefferson-Hillsboro Police Department
Rev. Robert Hopson-Salt & Light Church

Mayor Johnson called the meeting to order at 6:00p.m.

Invocation was completed by Rev. Robert Hopson

Councilmember Jolly led the Pledge of Allegiance.

Hear Statements from Persons Wishing to Address Council.

None of the attendees addressed council at this time

Consent Agenda

Mayor Johnson informed Council that agenda numbers five (5) through nine (9) 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 and Budget Workshop on July 16, 2024

(Agenda Item #6)

Act on the Approval of Bills.

(Agenda Item #7)

Deliberate and Act on a Resolution Accepting the Recommendations of the Planning and Zoning Commission Approving a Specific Use Permit (SUP) for a Park at 107

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East Elm Street, Which is Located in the Central Business District (CBD). Parks are only Allowed by Specific Use Permit (SUP) in the Central Business District (CBD).

Resolution No. R2024-08-49

(Agenda Item #8)

Deliberate and Act on a Resolution Accepting the Recommendations of the Planning and Zoning Commission Approving a Re-Plat of a Portion of Lot 57, Buck Addition and a Tract of Land Located in the J. Carothers Survey, Abstract No. 148, Becoming Lots 57R-1 and 57R-2, Buck Addition, in the City of Hillsboro, Being the Same Property by Reference as Recorded in Volume 2275, Page 669 of the Official Public Records of Hill County, Texas. Also Known as 410 Mark Street.

Resolution No. R2024-08-50

(Agenda Item #9)

Deliberate and Act on a Resolution Accepting the Recommendations of the Planning and Zoning Commission Approving a Re-Plat of 20.56 Acres in the John E. Ross Survey, Abstract No. 750, Including Lots 5-8, Block No. 1, and Lots 7-9, Block No. 2, Park Terrace Addition, Becoming Lots 5-R – 8-R and Lots 9-22, Block 1; Lots 7-R – 9-R and Lots 10-27, Block 2; Lots 1-18, Block 3; Lots 1-10, Block 4; Lots 1-9, Block 5; and Lots 1 and 2, Block 6, Park Terrace Addition in the City of Hillsboro, Being the Same Property by Reference as Recorded in Volume 2280, Page 138 of the Official Public Records of Hill County, Texas.

Resolution No. R2024-08-51

Consent agenda items. There were no items removed from the Consent Agenda. Councilmember Robinson asked a question in regards to agenda item #8 and what is happening with that property. Planning Official Richard Reinhardt was able to reference the PowerPoint to show that location of the property and 200ft notification area. He shared that this has been brought forth regarding a proposed re-plat. Councilmember Jolly asked a question in regards to what is currently at 107 E. Elm. Planning Official Reinhardt provided that it is a current vacant lot called the “truckyard” that is currently utilized for events, concerts, food trucks, etc. Councilmember Robinson asked a question in regards to who currently own that property and it was shared that the property is now owned by The Harrell’s. There were no further questions or comments from council, On a motion by Councilmember Richmond and second by Councilmember Jolly, Consent Agenda Items #5 through #9 were accepted and approved.

On roll call, the following votes were cast:

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

Nays: none Absent:

Regular Agenda

(Agenda Item #10)

Hear a Presentation by Rhett Reddell Regarding Sign Limitations, Including Sign Area and Off-Premise Signs

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Rhett Reddell gave the presentation. He shared with council that he is the current owner of R & R Fitness and the city has received an anonymous complaint regarding the signs on the back of his building. Prior to his presentation, he presented council with a photo copy of the back of his building that included local businesses signs. He provided council with the backstory of how he was made aware of the complaint and how/why the signs are posted. He added that he has received about 10 additional calls from other local businesses who are also wanting their signs on the back of his building, but that has been halted due to the one complaint received. He provided council with the history of his building that was built in 1892 and deemed it as one of the oldest standing buildings within the city. He shared that he has been able to consult with city staff and it is believed that he could've possibly violated the zoning ordinance within the off-premise signage section. He expressed that he was not aware that he needed a permit and was not trying to violate any city ordinances. He shared that his sole purpose/intentions for the signs are to promote local businesses. Within his 24 years of service, Mr. Reddell provided council with a vast list of ways that his business has given back to the community. He informed council that Lynette Harrell has been the only one who has taken interest to the back of the wall. He shared that she is now the current owner of the Truckyard and the director of the Chamber of Commerce. He shared with council the conversation that he held with Lynette and that she mentioned the idea of placing a mural on his back wall. He provided that it was a bit odd and coincidental. Mr. Reddell then moved on to the regulation of the sign ordinance. He mentioned not being able to find the definitions of Off-Premise and On-site signage awithin the zoning ordinance. He provided that he does not fit into any of those categories. He suggested that something is missing in the ordinance or there is some language that is needing to be added. He asked that the zoning commission look at this and consider making the necessary changes to better fit the situation that is presented. Mr. Redell then asked who would be the designated city official to get this process started. City Manager, Megan Henderson was able to explain to Mr. Redell and council the process for requesting a Meritorious Exception. She then provided Mr. Redell with clarification regarding the definition for off-premise signage and additional examples. Mr. Redell then asked if there has been any specifications listed regarding temporary signage and permanent signage. Mayor Johnson called upon Planning Official, Richard Reinhardt to answer Mr. Redell's question. Planning Official Reinhardt provided that he wishes to double check the ordinance and is willing to set up an appointment with Mr. Redell to review the ordinance in further detail. Mr. Redell continued further and asked about on premise signage. Planning Official Reinhardt provided that he would be more than happy to address this as well once an appointment is scheduled. Mr. Redell concluded by showing council all of the local businesses that were present at the meeting and suggesting they would be affected by this. There were no further questions or comments.

(Agenda Item #11)

Deliberate and Act on a Resolution to Decrease Hangar Rental Fees and Authorizing City Staff to Execute All Necessary Documents.

Airport Director, John Graham presented the agenda item. He shared that the airport will begin their airport reconstruction project soon. The projected timeframe to begin is between the middle to the end of September. The contract timeframe is 185 days depending on weather. On July 10th, the Airport Board held a discussion during their

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meeting and recommended for rental rates to be cut in half during this period until reconstruction is complete. Some airport tenants have voiced some complaints regarding the rental fees and not being able to access their aircraft during the reconstruction period. Some tenants will also be relocating their aircrafts to different locations and do not want to pay for additional fees. Airport Director Graham referenced the PowerPoint to show a summary of the current and proposed rates. The current total hangar rent for 6 months equals \$43,500. If approved, this will decrease to \$22,650. Airport Director Graham shared that he was able to make a call to TxDOT and conducted some research with other airports within the areas to obtain their rates and the changes they made. He provided the statistics from the City of Madisonville and the Stanton Municipal Airport. He reported that they faced a similar situation and did not participate in a rate reduction. If the rate reduction is approved, it will go into effect as of October 1, 2024.

Mayor Johnson asked if the Airport Board approved this and Airport Director Graham stated yes. There were no further questions or comments from council, on a motion by Councilmember Jolly and second by Councilmember Fleming, the resolution was accepted and approved.

On roll call, the following votes were cast:

Ayes: Fleming, Lloyd, Robinson, Zarate, Jolly

Nays: Richmond Absent:

Resolution No. R2024-08-47

(Agenda Item #12)

Deliberate and Act on a Resolution to Approve a Policy for Procurement Methods Allowed by Federal Regulations to Procure Goods and Services with Federal Grant Funds.

Finance Director, Dale Snyder presented the agenda item. He reported that this is the Federal Procurement Policy for federal grant awards. The policy must meet the guidelines of the Uniform Guidance. Finance Director Dale shared that this policy has been established to meet those requirements.

There were no further questions or comments from council, on a motion by Councilmember Robinson and second by Councilmember Richmond, the resolution was accepted and approved.

On roll call, the following votes were cast:

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

Nays: Absent:

Resolution No. R2024-08-48

(Agenda Item #13)

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 No. O2007-01-01, Whereby the Purpose is to Amend Section 2.11, Permitted Use Legend and Table, by Allowing

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Single Family Dwellings and Multifamily Dwellings with a Specific Use Permit (SUP) in the Light Industrial (I-1) and Heavy Industrial (I-2) Zoning Districts.

Planning Official, Richard Reinhardt presented the agenda item. He reported to council that there are areas within the city that were zoned for industrial uses that had previously been platted for residential purposes dating back 100 years. Many of those areas were developed with those residential uses. Over time, some of those residences no longer exist. This proposed ordinance would allow a Specific Use Permit to be obtained to allow properties that has originally been platted for residential or that has residential use surrounding them to be developed as residential. The Specific Use Permit process would allow each property to be considered on a case by case basis. The Planning and Zoning Commission reviewed the proposed overlay at their meeting on July 22, 2024 and forwarded their recommendation for approval.

With no further questions or comments from the Councilmembers, the Mayor opened the Public Hearing at 6:34p.m. No one spoke for or against the ordinance. The Public Hearing was closed at 6:35p.m. and the Mayor Johnson declared the first reading of the ordinance complete.

Ordinance No. O2024-07-14

(Agenda Item #14)

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 No. O2007-01-01, Whereby the Purpose is to Amend Section 7.51, General and Land Use Definitions, by Amending the Definition of Smoke Shop and Tobacco Store.

Planning Official Reinhardt Presented the agenda item. He presented that this proposed ordinance would add CBD and hemp products and paraphernalia to the definition of smoke shop and tobacco store. He referenced the PowerPoint presentation to show the definition with the proposed addition. Planning Official Reinhardt explained that this proposed ordinance will require the sellers of CBD and hemp products to meet the same distance requirements as smoke shops and tobacco stores. The Planning and Zoning Commission reviewed the proposed overlay at their meeting on July 22, 2024 and forwarded their recommendation for 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. O2024-07-15

(Agenda Item #15)

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 No. O2007-01-01, Whereby the

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Purpose is to Add “Distillery” to the List of Uses in the Permitted Use Table in Section 2.11 and to Add “Distillery” and “Distilled Spirits” to the List of Definitions in Section 7.51 of the Hillsboro Zoning Ordinance.

Planning Official Reinhardt presented the agenda item. Planning Official Reinhardt shared that the city has received a letter requesting the zoning ordinance be amended to include “distillery” in the list of uses in the Permitted Use Legend and Table. The proposed ordinance would allow distilleries as a permitted use in the Light Industrial (I-1) and Heavy Industrial (I-2) Zoning Districts and with a Specific Use Permit (SUP) in the Commercial (C) Zoning District and in the Central Business District (CBD). Distillery would be defined as “a business that produces distilled spirits and includes operations related to the production and sale of distilled spirits for both on and off-site consumption provided the business holds the current, valid and necessary Texas Alcoholic Beverage Commission (TABC) permits. The Planning and Zoning Commission reviewed the proposed overlay at their meeting on July 22, 2024 and they forwarded their recommendation of approval.

With no further questions or comments from the Councilmembers, the Mayor opened the Public Hearing at 6:38p.m. No one spoke for or against the ordinance. The Public Hearing was closed at 6:39p.m. and the Mayor Johnson declared the first reading of the ordinance complete.

Ordinance No. O2024-07-16

(Agenda Item #16)

Hold a Discussion Regarding the Request for Proposals for Solid Waste Services

City Manager, Megan Henderson presented the agenda item. City Manager Henderson informed council that the City of Hillsboro has had its current solid waste contractor for at least 25 years. She reported that earlier this year, council indicated its desire to seek competitive proposals for Solid Waste Services. Staff has been currently working on developing a Request for Proposal to search for different providers with the best cost savings comparable service. City Manager Henderson shared with the council some of the key draft components with the RfP initiated on Monday, August 12th with a deadline on Tuesday, September 17th. Proposers will be offered the option to match current level and type of services or change to change by adding/providing the following: 1) providing carts for residential trash and recycling. 2) reducing the recycling to every other week if a large, covered cart is provided. 3) adding glass recycling. 4) adding brush pick up. City Manager encouraged council to provide any feedback on any additional services that they would like to recommend to be included. A discussion was held regarding the inclusion of bulk items. Councilmember Richmond shared that a discussion was also held regarding a roll off that would be placed at Morgan St. that would allow any one to dump during business hours and City Manager Henderson stated yes. Mayor Johnson asked if the proposer would be able to provide their different bids based on what they can provide and City Manager Henderson stated yes. City Manager Henderson reported that she has taken a look at some other draft RfP’s created by some other cities and liked the idea of including penalties. The penalties would be implemented to hold the service provider responsible in the event of service interruption or issues. City Manager Henderson

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concluded by encouraging council to provide their feedback and opinions on what they would like to include in the proposal. There were no further questions or comments.

(Agenda Item #17)

Hold a Discussion Regarding the Request for Proposals for Planning and Grant Administration Services

City Manager, Megan Henderson presented the agenda item. She shared that she is seeking the council's feedback and ideas about Comprehensive Planning. She expressed that the city is anticipating a lot of development and Comprehensive serves major importance. Funds have been identified from the General Land Office that are available and the city will be eligible to apply. The plan will need to meet the specifications listed while also addressing the city's needs. City staff will have 24 months to get it completed and will require the following: 1) base studies 2) land use plan + map 3) resiliency measures 4) transportation plan + map 5) infrastructure/capital improvements plan + map 6) community facilities plan + map 7) implementation strategies. Additional plan components will include Wallace Park Master Plan and Downtown Redevelopment Plan. City Manager Henderson shared with council the proposed timeline with the grant proposal being projected to submittal this month. Additional information was shared in what's to come within the next few months as well. Councilmember Leann asked if the amount of the grant was known. City Manager Henderson shared that the upper end of the grant award is \$300,000. There were no further questions or comments.

(Agenda Item #18)

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. Ensure 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 1/2
 - **Project was approved** in 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

ii. Foster Transparency and Connection

- Staff has reviewed vendors and recommends migrating to a different website platform. This will take up to 6 months.
- Staff is continuing to prioritize communication regarding city initiatives
- Tons of communication regarding water rates
- Videos on City's YouTube channel
- Staff Communications Committee to met in June and meets again next week
- Citizens Communications Committee will meet again in September

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
 - Meeting will be held next week to kick off wastewater system study

b. Staff Activity and Events

- Employee Benefits Update
 - Blue Cross/ Blue Shield responded with a rate increase, then a modest decrease, then a sharper decrease
 - Based on the initial increase staff conducted a review of options.
 - Staff will recommend changing to a different carrier and different type of plan, which will save money but also improve the employees' experience and coverage levels.

iii. Support Preservation and Beautification

Goal #3 was presented by Assistant City Manager, Tony Cain

- Code Enforcement efforts continue:
- Update on Knox Fuel Stop:
 - Owners are in the process of trying to locate a vendor to

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- demo the old Up in Smoke building,
- add a fence around the property,
- paint the old gas station, and
- fix the fuel canopies.
- They had an asbestos survey done.
- They have until the end of September to make progress, if nothing is done, citations will continue to be issued. So far they have received five.
- All of the dumpsters have been removed and the properties cleaned up on Mark St, and Paul St.
- Burned house on Park Dr. and Park St: They took down the house but haven't fully hauled off all of the debris.
- As of now, Amigos sits in limbo. They had a buyer who was going to remodel but has since sold the property; however we have not heard any plans for the future.
- 81 Motel: Sprinkler plans have been approved, they are good to continue operations.
- Building and Standards Board
- Meeting August 15, 2024 6pm.
- Presenting 2 Properties: 103 Vineyard and 200 Davis St.
- Board has an opening; we have received one notice of interest.
- City Clean Up is August 24, 2024

(Agenda Item #19)

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

Mayor Johnson announced entrance into closed session at 7:07PM

(Agenda Item #15)

Reconvene in Open Session.

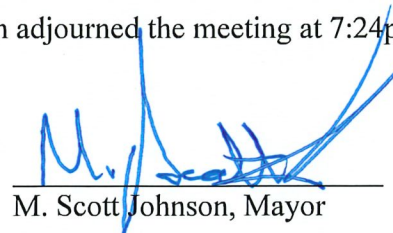
Mayor Johnson announced the exit from closed session at 7:23PM

(Agenda Item #16)

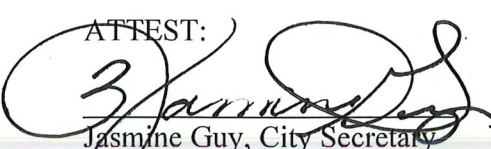
Deliberate and Act on Matters Discussed in Closed Session, If Any.

There were none

With no further business to address, Mayor Johnson adjourned the meeting at 7:24p.m.


M. Scott Johnson, Mayor

ATTEST:


Jasmine Guy, City Secretary

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