

City Council
City of Hillsboro, Texas
Minutes of Regular Meeting
May 19, 2026

Present were:

Scott Johnson, Mayor	Megan Henderson, City Manager
Dana Robinson, Councilmember	Tony Cain, Asst. City Manager
Eric Fleming, Councilmember	Jasmine Guy, City Secretary
Edgar Hernandez, Councilmember	Richard Reinhardt, Planning Director CD
Leann Richmond, Mayor Pro-Tem/ Councilmember	Justin Dyer, Library Director
Larry Lloyd, Councilmember	Jessica Trew, Executive Director HEDC
	Tiffany Barron, Main Street Manager

Councilmember Brianna Garner was absent.

Others present:

Shannon Cottongame, the Reporter
Hillsboro Police Department
Marshall Hines, Creative Director-Verdunity
Lynette Hearrell-Director-Hillsboro Chamber of Commerce
Reverend Michael Nemec-Christ Lutheran Church

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

Rev. Michael Nemec completed the invocation and Councilmember Robinson led the Pledge of Allegiance.

Hear Statements from Persons Wishing to Address Council.

- Greg Walker-Hillsboro, TX-made comments regarding the data center project-provided credentials and background experience relating to data centers and environmental factors-expressed concerns regarding long-term stability of AI Data Centers-encouraged council to strongly consider the recommendations he provided.

Consent Agenda

Mayor Johnson informed Council that agenda numbers five (5) through ten (10) 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 the Approval of the Minutes for the Regular Meeting on May 5, 2026.

(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) to Add to the Single Family Dwelling at 612 West Elm Street, Which is Located in the Light Industrial (I-1) Zoning District. Single Family Dwellings are Only Allowed with a Specific Use Permit (SUP) in the Light Industrial (I-1) Zoning District.

[Planning Director, Richard Reinhardt provided council with the following information in the council packet prior to the meeting: An application has been submitted to add onto an existing single family dwelling at 612 West Elm Street which is located in the Light Industrial (I-1) Zoning District. The existing residential use is a legal nonconforming use. However, in order to add onto the existing dwelling, a Specific Use Permit (SUP) is required. The Planning and Zoning Commission reviewed this request at their meeting on Monday, May 11, 2026 and forwarded their recommendation of approval.]

(Agenda Item #8)

Deliberate and Act on a Resolution Accepting the Recommendations of the Planning and Zoning Commission Approving a Specific Use Permit (SUP) for a Single Family Dwelling at 213 South Covington Street, Which is Located in the Commercial (C) Zoning District. Single Family Dwellings are Only Allowed with a Specific Use Permit (SUP) in the Commercial (C) Zoning District.

[Planning Director, Richard Reinhardt provided council with the following information in the council packet prior to the meeting: An application has been submitted to build a single family dwelling at 213 South Covington Street, which is in the Commercial (C) Zoning District. Residential uses require a Specific Use Permit (SUP) in the Commercial (C) Zoning District. The property is vacant. However, there are several single family dwellings on South Covington Street. The proposed residential use is in keeping with existing conditions. The Planning and Zoning Commission reviewed this request at their meeting on Monday, May 11, 2026 and forwarded their recommendation of approval.]

(Agenda Item #9)

Deliberate and Act on a Resolution Accepting the Recommendations of the Planning and Zoning Commission Approving a Specific Use Permit (SUP) for a Single Family Dwelling at 212 North Waco Street, Which is Located in the Central Business District (CBD). A Single Family Dwelling is Only Allowed with a Specific Use Permit (SUP) in the Central Business District (CBD).

[Planning Director, Richard Reinhardt provided council with the following information in the council packet prior to the meeting: An application has been submitted for a single family dwelling at 212 North Waco Street which is located in the Central Business District (CBD). Residential uses require 40% ground floor retail in the CBD. However, a Specific Use Permit (SUP) allows residential uses without the ground floor retail requirement in the CBD. There is an existing structure that was originally a single family dwelling. However, it had been converted into a commercial use and in order to return it to a residential use, renovations are required. Therefore, the applicant is requesting a SUP for a single family dwelling.]

(Agenda Item #10)

Deliberate and Act on a Resolution Accepting the Recommendations of the Planning and Zoning Commission to Approve a Meritorious Exception as Described in the City of Hillsboro Zoning Ordinance, Section 5.33.8 in Order to Allow Exceptions to the Sign Ordinance Pertaining to Signage on Additional Building Walls and Pole Signs, Located at Property Described in a Deed Recorded in Volume 725, Page 345 of the Official Public Records of Hill County, Texas. Also Known as 1400 Corsicana Highway. Submitted by White Signs on Behalf of Wells Fargo Bank.

[Planning Director, Richard Reinhardt provided council with the following information in the council packet prior to the meeting: An application for a meritorious exception to the sign ordinance has been submitted by White Signs on behalf of Wells Fargo. The regulations for signs in the Zoning Ordinance allows for signage on the primary wall and on the secondary wall. However, a sign plan has been submitted showing signage on three building walls and on the drive thru canopy. Additionally, there are two existing pole signs. The ordinance allows for either a pole sign or a monument sign. The proposed area for the wall signage and canopy signage is less than what would have otherwise been allowed on the primary and secondary walls. The Planning and Zoning Commission reviewed this request at their meeting on Monday, May 11, 2026 and they forwarded their recommendation of approval.]

Consent agenda items. There were no items removed from the Consent Agenda. There were no further questions or comments. On a motion by Councilmember Richmond and second by Councilmember Robinson, Consent Agenda Items #5 through #10 were accepted and approved.

On roll call, the following votes were cast:

Ayes: Fleming, Lloyd, Robinson, Hernandez, Richmond

Nays: none Absent: Garner

Resolution No. R2026-05-38,39,40,41

Regular Agenda

(Agenda Item #11)

Deliberate and Act on a Resolution Approving the Hillsboro Downtown Activation Plan.

Main Street Manager, Tiffany Barron gave a brief introduction before Marshall Hines of Verdunity gave a presentation on the agenda item. Marshall Hines was able to introduce himself to Council as the Creative Director for Verdunity. He provided background information regarding Verdunity and several ways in which Verdunity has been involved within the Hillsboro community. He discussed the relationship between the Hillsboro Downtown Activation Plan and the Hillsboro Comprehensive Plan. Mr. Hines provided an overall overview of the Hillsboro Downtown Activation Plan that included the plan's purpose, fiscal findings, opportunity findings, and implementation/activation strategies.

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

On roll call, the following votes were cast:

Ayes: Fleming, Lloyd, Robinson, Hernandez, Richmond

Nays: none Absent: Garner

Resolution No. R2026-05-42

(Agenda Item #12)

Deliberate and Act on a Resolution Appointing Members to the Parks Advisory Board.

Assistant City Manager, Tony Cain Presented the agenda item. He shared that the Parks Advisory Board currently has two vacancies due to recent resignations. Barry Beaver and Ben Craig have submitted applications to serve on the board. Assistant City Manager Cain added that staff's recommendation is to appoint both members to fill the vacancies with both terms ending in 2027.

There were no further questions or comments from council. 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, Hernandez, Richmond

Nays: none Absent: Garner

Resolution No. R2026-05-37

(Agenda Item #13)

Deliberate and Act on a Resolution Approving the Water Conservation Plan for the City of Hillsboro.

City Manager Henderson presented the agenda item. She expressed that staff is currently recommending to take no action on the item as numbers are still currently being configured. She added that the item will be brought back to council once the needed changes have been made and numbers have been updated. Mayor Johnson announced that no action will be taken on the item.

(Agenda Item #14)

Deliberate and Act on a Resolution Selecting a Contractor for the Texas Theater Roof Replacement Project.

City Manager, Megan Henderson presented the agenda item. She shared that the Texas Theater is currently experiencing some structural concerns with the first priority being the roof. She expressed that staff anticipated costs for the roof replacement to exceed \$100,000, but the lowest bid received was \$42,000. She reported that staff went back to collect additional bids and received the lowest bid from Cen-Tex Roof Systems. She expressed that staff is recommending the selection of Cen-Tex Roof Systems to receive the bid for the project.

There were no further questions or comments from council. 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, Robinson, Hernandez, Richmond

Nays: none Absent: Garner

Resolution No. R2026-05-36

(Agenda Item #15)

Hold a Public Hearing, Second Reading and Deliberate and Act on an Ordinance, Amending the Regulations for Flood Damage Prevention, Article 3.600, Whereby the Purpose is to Amend Section 3.607, Basis for Establishing the Areas of Special Flood Hazard by Incorporating Best Available Data.

Planning Director, Richard Reinhardt presented the agenda item. He mentioned that this week was Flood Awareness Week within the state of Texas and the item is fitting to have on the agenda tonight. He expressed that he has several maps to present in addition to further information about how Fathom Flood Data is generated. Planning Director Reinhardt also shared that he has some follow up information addressing some of the questions that came up during the April 21st council meeting. Planning Director Reinhardt provided a detailed overview of Fathom Flood Data and its uses. He referenced the PowerPoint to show the various maps (FEMA, base-level engineering, and Fathom Flood Data) that indicated flood areas with the city and their correlations/differences. He explained that the maps only show the 100 year as it prompts the necessity for a flood development permit. Planning Director Reinhardt presented further information regarding several other areas with the city and provided responses to the concerns raised regarding flood insurance and

property values. Planning Director Reinhardt emphasized that the purpose of incorporating best available data is to ensure that future development considers existing conditions in order to reduce flood damage in the case of an event in the future before opening for questions.

There were no questions or comments from council. Mayor Johnson opened up the public hearing at 6:36PM. There were several members from the audience with additional questions and concerns regarding the agenda item and its impact on homeowners, properties, and future development. Additional discussion was held addressing the comments and concerns. Mayor Johnson closed the public hearing at 6:47PM. On a motion by Councilmember Fleming and second my Councilmember Richmond, the ordinance was accepted and approved.

On roll call, the following votes were cast:

Ayes: Fleming, Lloyd, Robinson, Hernandez, Richmond

Nays: none Absent: Garner

Ordinance No: O2026-05-04

(Agenda Item #16)

Hold a Public Hearing, First Reading and Deliberate on an Ordinance, Amending Article 1.900, Historic Landmarks and Districts, in the City Code of Ordinances, Whereby the Purpose is to Add a Section for Definitions of Historic Terms. Planning Director, Richard Reinhardt presented the agenda item. He provided that the proposed amendment to the Historic Districts and Landmarks Ordinance, Article 1.900 of the City Code of Ordinances, is to add a section for definitions and to define historic terms. He added that presently, definitions of historic terms are located in the Historic Preservation Resource Manual and Design Guidelines. Planning Director Reinhardt reported that The Historic Preservation Commission has been working on ways to simplify the guidelines and believe one option is to move the definitions out of the design guidelines and into the Historic Landmarks and Districts Ordinance. He reported that the Historic Preservation Commission reviewed the proposed amendment at their meeting on Thursday, May 7, 2026 and recommended approval.

There were no questions or comments from council. Mayor Johnson opened the public hearing at 6:49PM. No one spoke for or against the ordinance. Mayor Johnson closed the public hearing at 6:50PM. The first reading of the ordinance was declared complete.

Ordinance No: O2026-06-05

(Agenda Item #17)

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



OUR VISION

A vibrant small city where people can easily connect with what matters: each other, diverse businesses and activities, beautiful spaces, and larger markets a short drive away.

OUR MISSION

To offer reliable services, refreshing public spaces, and plentiful economic and social opportunities so that our residents feel secure, connected, and optimistic about the future of Hillsboro.

OUR GOALS



Ensure responsible and equitable growth.



Foster transparency and connection.



Support preservation and beautification.



Deliver efficient and effective government.



Build better infrastructure.



Deliver essential services.



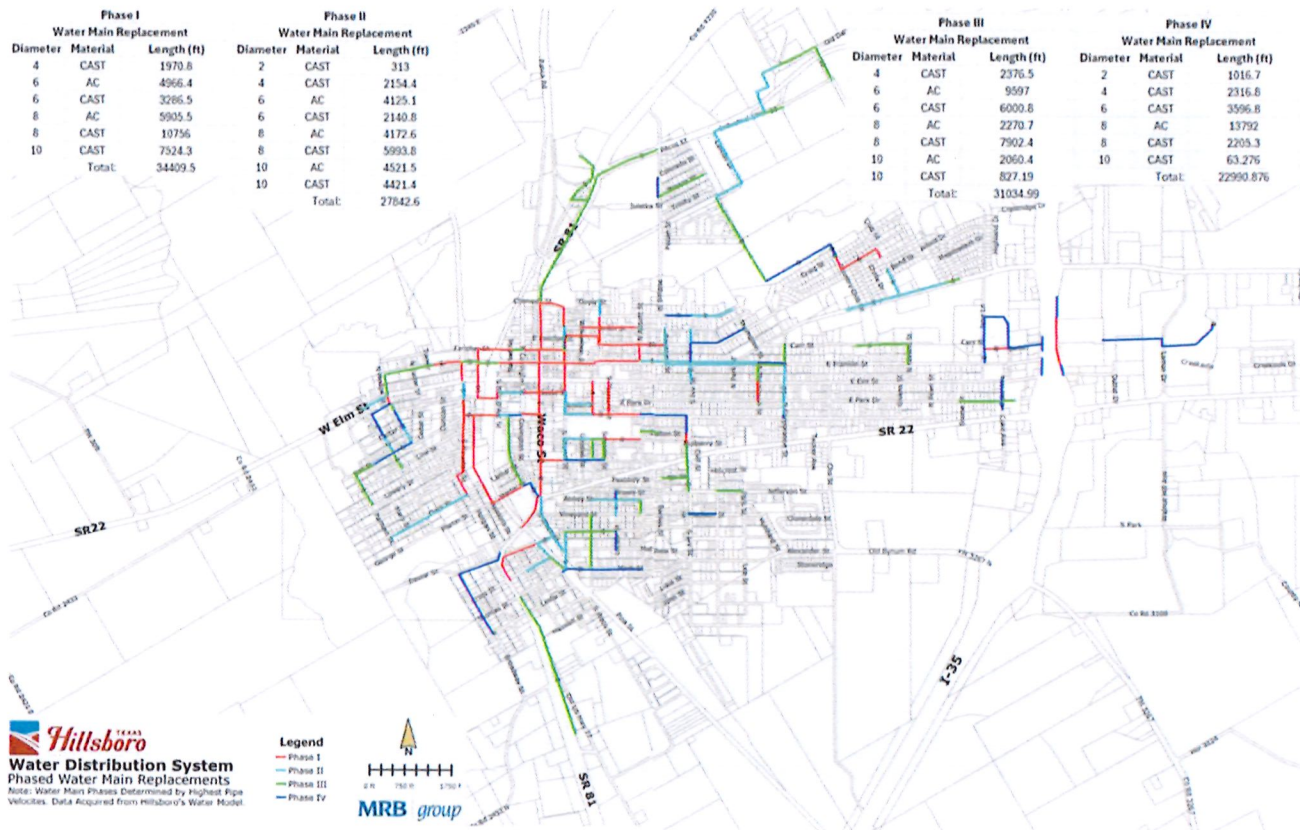
Boost economic development.



Enhance quality of life.

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 CDBG	\$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 \$300,000	TWDB DWSRF 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	
Totals	\$5,308,511	\$8,776,769	\$14,085,280	\$4,471,259		\$9,614,021	



	Street	From	To	Existing	Proposed	Distance		
A	Waco	Walnut	Fancher	6	8	1400	120	168,000.00
	Waco	Fancher	Chenault	8	8	1000	120	120,000.00
	Franklin	Church	Houston	8	8	2200	120	264,000.00
	Fancher	Church	W of Bois d'Arc	4	6	1800	100	180,000.00
						6400		732,000.00
			Fire Hydrant			12.8	7500	96,000.00
			Service Connection			64	1000	64,000.00
			concrete/asphalt			1280	150	192,000.00
			testing/cleanup					40,000.00
			mobilization/bonds/insurance					20,000.00
			traffic control					10,000.00
								1,154,000.00

	Fancher	Water Tower Houston	16	16	1100	200	220000
	Franklin	Houston Hedge	6	6	1800	100	180000
	Houston	Elm Abernathy	16	16	2100	200	420000
	Morgan	Abernathy Abbott	16	16	1900	200	380000
D	Houston	Fancher Abernathy	8	8	2700	120	324000
	Morgan	Abernathy Abbott	8	8	1900	120	228000
	Chestnut	Walnut Abernathy	6	6	1100	100	110000
	Hawkins	Abernathy Abbott	6	6	1700	100	170000
	Hedge	Elm Hall	6	6	1100	100	110000
	Ivy	Corsicana Walnut	8	8	2200	120	264000
		Corsicana					
	Ivy	Walnut Highway	8	8	900	120	108000
		Corsicana					
F	Ivy	Highway Alexander	8	8	2100	120	252000
	Sycamore	Brown Mark	6	8	1600	120	192000
	Mark	Church Ivy	8	8	2600	120	312000
	Alexander	Ivy Cho	6	8	3100	120	372000
	Total linear feet				27900		3,642,000.00
		Flow meters			5	50000	250,000.00
		SCADA			2	35000	70,000.00
		Fire Hydrant			56	7500	418,500.00
		Service Connection			279	1000	279,000.00
		concrete/asphalt			5580	150	837,000.00
		testing/cleanup					40,000.00
		mobilization/bonds/insurance					70,000.00
		traffic control					60,000.00
		construction monitoring					150,000.00
		contingency					192,450.00
							6,008,950.00

- Previously Completed: 2% of needed linear feet
- Current Budget Planned Spending: \$200,000, 1% of needed linear feet
- EDC Request: \$400,000, 3% of needed linear feet
- Texas Water Development Board Request: \$7M, 14% of needed linear feet
- Courthouse Project (2027) 3% of needed linear feet
- Total Unique Projects/Requests: 23% of needed linear feet
- Conservative Estimate Loss Reduction: 30% reduced water loss
- Conservative Estimate Saved Gallons: approx. 120,000,000 gallons
- (\$500k)
- 2025 Total Billed Gallons: approx. 313,458,300 gallons



vi. Deliver Essential Services

- Water – Following discussions with S&P and Texas Water Development Board regarding utility fiscal health, rate increases will be needed
- Wastewater Treatment – Rate increase will be needed to compensate for reduced demand as well as need to improve wastewater collection system and reduce infiltration/ inflow
- Drainage – waiting for HALFF engineers to begin citywide drainage study funded by Texas Water Development Board
- Street Maintenance – Ordered Asphalt Zipper and crack sealer; both machines being built currently
- Parks – continuing maintenance of Wallace Park
- Facilities Master Plan – assessments completed of current spaces, existing needs and anticipated future needs. Architects will move forward with creating draft recommendations

viii. Enhance Quality of Life

- Library
 - Door replacement project complete
 - Summer programming scheduled to kick off June 4
 - Regular programming continues, including knitting, chess club, story hour, Club Code, and others
- Parks & Recreation
 - Splash Pad at City Park comes on this weekend
 - Wallace Park
 - Leadership Greater Hillsboro is improving Wallace Park as its project this year and have placed some benches

- keeping up with baseball/softball season
- Texas Theater
 - Project website up and collecting volunteers
 - Architect plans for restrooms expected this week from Texas Historical Commission

b. Staff Activity and Events

Staff Activities

- New hires in various departments
- Several openings

Events

- Starlight Bar Night June 12th
- Bond's Alley Art Festival June 13th

vii. Boost Economic Development

Jessica Trew, Executive Director of Hillsboro Economic Development Corporation gave a presentation on Economic Development Programs and provided an update on Economic Development progress.

Economic Development Programs:

- Tax Increment Reinvestment Zones
- Public Improvement Districts
- Municipal Management Districts

Economic Development Updates:

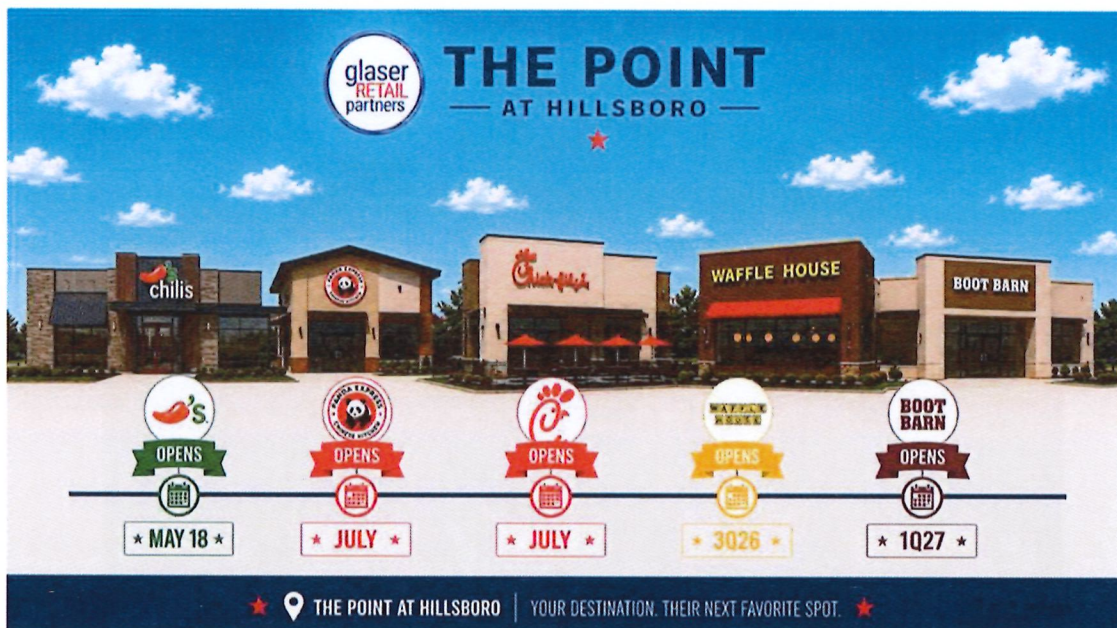
- ChurroFest



- Chili's Grand Opening



- Coming Up:
 - Brewer's Bistro to open in June
 - May 20 – Industry in Motion
 - June 17 – Well's Ribbon-cutting



With no further business to address, Mayor Johnson adjourned the meeting at 7:22p.m.



M. Scott Johnson, Mayor

ATTEST:



Jasmine Guy, City Secretary

Note:

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