

City Council
City of Hillsboro, Texas
Minutes of Regular Meeting
March 4, 2025

Present were:

Scott Johnson, Mayor	Megan Henderson, City Manager
Leann Richmond, Mayor Pro Tem	Tony Cain, Assistant City Manager
Larry Lloyd, Councilmember	Jasmine Guy, City Secretary
Jay Jolly, Councilmember	Richard Reinhardt, Planning Official
Frances Zarate, Councilmember	Justin Dyer, Library Director
Dana Robinson, Councilmember	
Christi Ward, Communications & Executive Assistant	

Councilmember Eric Fleming was absent

Others present:

Shaninon Cottongame, the Reporter
Hillsboro Police Department
Pastor Kenny Kennedy-Trails to the Cross Church

Mayor Johnson called the meeting to order at 6:02p.m.

The invocation was completed by Pastor Kenny Kennedy of the Trails to the Cross Church

Mayor Johnson 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 (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
March 4, 2025**

(Agenda Item #6)

Act on the Approval of Bills.

(Agenda Item #07)

Deliberate and Act on a Resolution Approving a Joint Election Agreement By and Between the City of Hillsboro and the Hillsboro Independent School District to Conduct a Joint Election on May 3, 2025 and Authorizing the City Secretary and City Manager to Execute All Necessary Documents.

[City Secretary, Jasmine Guy provided council with the following information within the council packet prior to the meeting: City Secretary was recently contacted by HISD on Feb 19th regarding a joint election. The City has not held a joint election with HISD since 2008. City Secretary met with HISD on February 26th to discuss terms and conditions of the joint election to produce a Joint Election Agreement. The City and HISD will share a common polling location (Historic City Hall) and both entities will share half of the total expenditures for the election (election workers, equipment, etc.)]

(Agenda Item #08)

Deliberate and Act on a Resolution Accepting the Recommendations of the Planning and Zoning Commission to Re-Plat a Portion of Lot 31, Sweeney Addition, Becoming Lot 31-R, Sweeney Addition, in the City of Hillsboro, Being the Same Property by Reference as Recorded in Volume 1997, Page 186 of the Official Public Records of Hill County, Texas. Also Known as 306 3rd Street.

[Planning Official, Richard Reinhardt provided council with the following information within the council packet prior to the meeting: The property located at 306 3rd Street is owned by the City and is being platted prior to being sold to an adjacent property owner. The property was one of eight properties subject to a Request for Proposals in 2022. Seven of eight lots have already been sold and developed with single family dwelling units. This is the eighth and final lot. The Planning and Zoning Commission reviewed the Final Plat for Canaan Estates at their meeting on Monday, February 24, 2025 and forwarded their recommendation of approval.]

(Agenda Item #09)

Deliberate and Act on a Resolution Creating a Capital Improvements Advisory Committee and Appointing Members to the Committee

[City Manager, Megan Henderson provided the following information within the council packet prior to the meeting: To ensure the city can effectively manage and finance infrastructure expansion necessitated by new development, we are initiating the process to adopt impact fees under Chapter 395 of the Texas Local Government Code. As a required first step, the city must appoint a Capital Improvements Advisory Committee to review land use assumptions, evaluate the Capital Improvements Plan, and provide recommendations on the implementation of impact fees to help fund water, wastewater, drainage, and roadway improvements.]

(Agenda Item #10)

Deliberate and Act on a Resolution Appointing a Member to the Zoning Board of Adjustment

[Planning Official, Richard Reinhardt provided the following information within the council packet prior to the meeting: The Board of Adjustment has one vacancy. An application has been submitted by Bret Burgess expressing an interest in serving on the Zoning Board of Adjustment. His experience indicates that he is qualified to serve on the Zoning Board of Adjustment. Staff's recommendation is that he be appointed to a term expiring in 2026. If appointed, the Board of Adjustment will be complete with no vacancies.]

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: Lloyd, Robinson, Zarate, Richmond, and Jolly

Nays: none Absent: Fleming

Resolution No. R2025-03-11,12, 13, and 14

Regular Agenda

(Agenda Item #11)

Deliberate and Act on a Resolution to Grant Conditional Consent to the Creation of the Hillsboro Municipal Management District No. 1 and the Inclusion into Said District of 293.84 Acres of Land, 293.84 Acres of Which is in the City's Corporate Limits.

City Manager Henderson shared with council that the Hillsboro Economic Development Corporation (EDC) currently owns 293 Acres to the north of town that is within the city limits. She stated that council has been able to consult with project representatives while in closed session and now the request has been made to create a Municipal Management District that will allow the project to have certain tools to be a part of negotiation. She shared that in order to do that, the application must follow a certain protocols and chain of command. City Manager Henderson introduced J. Haus from Provident Realty Advisors. He was able to present council with an overall project summary with a visual of the data center before opening for questions.

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

On roll call, the following votes were cast:

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

Nays: none Absent: Fleming

Resolution No. R2025-03-16

(Agenda Item #12)

Hear and Deliberate on a Presentation by Emilie Zalfini regarding the National League of Cities Service Line Warranty Program.

City Manager Henderson was able to introduce Emilie Zalfini from National League of Cities. She was able to provide council with an overview of their Service Line Warranty Program. She reviewed the program's benefits, coverage, and marketing approach. The overall goal of the program is to help homeowners save on the high cost of repairs to broken, leaking or clogged water and sewer lines while also addressing the aging infrastructure in communities. She informed council that this program has saved Texas residents over \$31 million in costs for repairs. She shared the 48 cities within Texas that utilizes the program. She reiterated that the program is a warranty and not an insurance. It is offered at no cost to cities and municipalities. However, the city will be able to contribute through marketing for the program. She then opened for questions.

Councilmember Richmond asked Ms. Zalifini if she would be able to review the costs again. Ms. Zalfini reviewed the cost and Councilmember Richmond determined that the program will cost residents about \$24.50 per month. Mayor Johnson was able to ask about billing. It was shared that the customers will be billed separately per month with no involvement from the city. There were no further questions or comments. There was no action taken. Presentation only.

(Agenda Item #13)

Hold a Public Hearing, First Reading of an Ordinance and Deliberate on Naming a Portion of Highway 81 and State Spur 579 as North Waco Drive in the City of Hillsboro.

Planning Director, Richard Reinhardt was able to present the agenda item. He shared that Several businesses along Highway 81 and State Spur 579 (from LB Foster to Gate Precast and businesses in between) are addressed off Highway 77, which was previously re-routed by TxDOT. Multiple business within this area have reported concerns stating that when someone enters the address into a GPS it takes them to a location out of town. He reported that one solution for this is to designate the section of highway as North Waco Street. He was able to reference the PowerPoint to show a map of the area and the area in which is designated to be changed. It will begin at the northern extent of North Waco Street at the cemetery to the interstate. He expressed that this change will take time, but it will be able to solve the current addressing issues. The projected changed will most likely be effective as of January 1, 2026. He concluded and opened for questions.

Councilmember Lloyd was able to ask Planning Director Reinhardt if the area will still be TxDOT's responsibility and Planning Official Reinhardt confirmed that it would be. There were no further questions or comments from council. Mayor Johnson opened the public hearing at 6:30p.m. No one spoke for or against the ordinance. Mayor Johnson closed the public hearing at 6:31p.m. The first reading of the ordinance was declared complete.

Ordinance No. O2025-03- 03

(Agenda Item #14)

Hold a Public Hearing, First Reading, and Deliberate on an Ordinance on Amending Ordinance No. O2024-05-08 Comprehensive Fee Schedule, as Amended, Adopted on May 7, 2024, by Amending Department 32, Sanitation Services.

City Manager Henderson presented the agenda item. She shared that an agreement has been formulated with Frontier Solid Waste Management and their rates associated. However, those rates are not the same as what residents will be being charged. She shared that the attached rates are the recommended residential and commercial rates. City Manager Henderson reviewed the monthly costs and amount differences from the current rates before opening for questions.

There were no questions or comments from council. Mayor Johnson was able to open the public hearing at 6:34p.m. No one spoke for or against the ordinance. Mayor Johnson closed the public hearing at 6:35p.m. The first reading of the ordinance was declared complete

Ordinance No. O2025-03-02

(Agenda Item #15)

Hear and Deliberate on the City Manager's Report

City Manager Megan Henderson presented the following update on Goals 1, 2, and 4. Assistant City Manager, Tony Cain presented on goal #3



2022-2027 STRATEGIC PLAN

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.

- 43 Pattons Mill Phase 3 – underway (2025/26)
- 120 Estimated 4-year infill – underway (2025-29)
- 156 Somerset Phase 1 – underway (2025/26)
- 78 Park Terrace – underway (2025/26)
- 78 Canaan Estates – predevelopment
- 181 Somerset Phase 2 – predevelopment
- 124 Hillsboro Meadows P1 - predevelopment
- 15 Electra – predevelopment
- 65 Meadow Terrace – predevelopment
- 200 Project Soas – predevelopment
- 170 Somerset Phase 3 – planned
- 200 Hillsboro Meadows P2&3 - planned
- 300 Project Mark - planned
- **1730 Units in Active Pipeline**
- **Approximately 2000 additional units contemplated**

- 43 Pattons Mill Phase 3 – onsite by developer
- 120 Estimated 4-year infill – existing
- 334 Somerset Phase 1 & 2
 - New onsite infrastructure by developer
 - Offsite infrastructure
 - Water line from College Tower will be needed to serve this and other additional development in the area, installed via Developer Participation Agreement (DPA)
- 78 Park Terrace –

- New onsite infrastructure by developer
- Offsite infrastructure
 - Water line adjacent to development to be replaced via DPA
- 78 Canaan Estates – onsite by developer
- 124 Hillsboro Meadows P1
 - Requesting City assistance with onsite via TIRZ
- 15 Electra – onsite by developer
- 65 Meadow Terrace – onsite by developer

i. Responsible, Equitable Growth

- Water Supply
 - Raising Lake Aquilla
 - Update Study (\$400k, time)
 - ½ from Corps of Engineers (USACE)
 - ½ from Aquilla WSD Board (us)
 - Get Federal approval for project (done)
 - Seek funding. USACE expects no federal funding
 - Make Better Use of Existing Water
 - Reduce water loss to free up more water
 - Explore reuse of partially treated “grey water” for industry/irrigation
 - Reallocation of Lake Whitney seems to be moving forward

ii. Foster Transparency and Connection

- Staff is continuing to construct the new City website.
- Staff is using in-person, newsletter, newspaper, website and social media to share information regarding city initiatives.
- Meeting videos are on the City’s YouTube channel
- Citizens Communications Committee and Staff Communications Committee meet later this month

iv. Deliver Efficient, Effective Government

- Council/ management collaboration
- Consistency and continuity across departments
 - Comp planning
 - Shared training
- Culture of employee retention and professional development
- Follow and build on the Strategic Plan
 - Implementation Report to Council coming soon
 - Comprehensive Plan
 - Preliminary consulting conversations underway

- Comp plan starting soon if selection/ funding are approved

b. Staff Activity and Events

- Employee Appreciation Day is Friday
- Heavy equipment operator hired for important water crew
- Customer service training continues for citizen-facing employees
- Fire & Ice was a success once again, with increased capacity
- ChurroFest is coming up May 17th

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

iii. Support Preservation and Beautification

- Update on Knox Fuel Stop: Deputy Fire Marshal Cary continues to write citations for substandard buildings.
- Amigos: A Conex trailer has been put on site and a fence has been placed around the property. Plans have been submitted and approved for EV Charging Stations.
- 81 Motel: The general contractor has been terminated, they are looking for a new GC to finish the job.
- Walmart: Will begin a full store remodel April 11.
- Building and Standards Board: Meeting March 20th. Will be taking four properties before the board.
- Hillsboro Operation Welcome Mat: FM Cary provided information to the group about the upcoming City Wide Cleanup and curb cleanup efforts.
- Curb clean-up: Information was shared via social media. Door hangars will begin going out this week.
- O'Reilly Auto parts: Poured the slab and are prepping the parking lot and drives to be poured.
- Southern Star Storage: Beginning to make progress. Will be scheduling inspections in the next week or two.

(Agenda Items #16)

Hold a Closed Session Under the Provisions of Sections 557.071 of the Government Code (Economic Development.)

Item was omitted

(Agenda Item #17)

Reconvene in Open Session

Item was omitted

(Agenda Item #18)

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

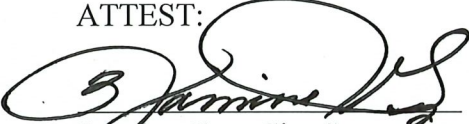
Item was omitted

With no further business to address, Mayor Johnson adjourned the meeting at 6:48p.m.



M. Scott Johnson, Mayor

ATTEST:



Jasmine Guy, City Secretary

Note:

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