

City Council
City of Hillsboro, Texas
Minutes of Regular Meeting
April 15, 2025

Present were:

Scott Johnson, Mayor	Megan Henderson, City Manager
Frances Zarate, Councilmember	Tony Cain, Assistant City Manager
Larry Lloyd, Councilmember	Jasmine Guy, City Secretary
Jay Jolly, Councilmember	Richard Reinhardt, Planning Official
Eric Fleming, Councilmember	Jessica Trew, Executive Director HEDC
Dana Robinson, Councilmember	
Christi Ward, Communications & Executive Assistant	

Mayor Pro Tem, Leann Richmond was absent.

Others present:

Shannon Cottongame, the Reporter
Hillsboro Police Department
Lynette Hearell-Director of Hillsboro Chamber of Commerce

Mayor Johnson called the meeting to order at 6:01PM

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 (11) 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
April 1, 2025**

(Agenda Item #6)

Act on the Approval of Bills.

(Agenda Item #07)

Deliberate and Act on a Resolution to Approve a Request by the Main Street Board to Close Franklin St. Between Waco St. and Covington St. as Well as Covington St. Between W. Elm St. and Paschal St. for the Purpose of Holding Churrofest and Related Events on May 17, 2025

[Main Street Manager, Tiffany Barron provided council with the following information in the council packet prior to the meeting: This year's Churrofest will include vendors, inflatable rides, concerts, and a variety of food contests. Everything kicks off around the Hill County Courthouse square at 10 a.m. and will conclude around 10 p.m. The Main Street Board is recommending the closure of Franklin St. from Waco St. west to Covington St. and Covington St. from W. Elm St. to Paschal St. Closure of aforementioned streets begins at 6 a.m. on Saturday, May 17, 2025 and all streets to re-open Sunday, May 18, 2025 at 12:00 a.m.]

(Agenda Item #08)

Deliberate and Act on a Resolution to Award a Contract for Sewer Line Replacement in Hummingbird Street and Authorizing the Mayor or City Manager to Negotiate and Execute All Necessary Documents

[City Manager, Megan Henderson provided council with the following information within the council packet prior to the meeting: Hummingbird is a street the City crews can rebuild themselves, but the water and sewer lines beneath it need to be replaced before we do that work. We can self-perform the water line but need contractors to do the sewer line. We advertised the project and received one bid, from All Tex Utilities, to perform the work.]

(Agenda Item #09)

Deliberate and Act on a Resolution Creating a Comprehensive Plan Advisory Committee.

[City Manager, Megan Henderson provided the following information within the council packet prior to the meeting: We need an Advisory Committee to work with staff and consultants on the Comprehensive Plan.]

(Agenda Item #10)

Deliberate and Act on a Resolution Accepting the Recommendations of the Planning and Zoning Commission to Approve the Preliminary and Final Plat of Quintana Addition, Phase Two, to the City of Hillsboro on a Certain Tract of Land Being 0.268 Acres Situated in the J. Carothers Survey, Abstract No. 148, and Being the Same Property by Reference as Recorded in Volume 2346, Page 641 of the Official Public Records of Hill County, Texas. Also Known as 702 and 704 South Ivy Street..

[Planning Director, Richard Reinhardt provided the following information within the council packet prior to the meeting: A preliminary plat and final plat has been submitted for property at 702 and 704 South Ivy Street. The purpose of the proposed plat is for the development of two single family dwelling units. The Planning and Zoning Commission

will review the plat at their meeting on Monday, April 14, 2025. Since the meeting is the day prior to the Council meeting, documentation of the Commission's recommendation will be presented at the Council Meeting on April 15, 2025.]

(Agenda Item #11)

Deliberate and Act on a Resolution to Authorizing Aerial Ag Owner, Matt Ashcraft to Sublease 3/4s of the City's Airport Hangar.

[Airport Director, John Graham provided the following information within the council packet prior to the meeting: Ivan Brigman currently has ¼ of the hangar in question. Matt Ashcraft, owner of Aerial Ag also has a ¼ of the said hangar, leaving the other half of the section open to rent. Aerial Ag is asking the airport to allow subleasing of all of the hangar minus the ¼ section that Ivan Brigman occupies. Matt Ashcraft has two clients that plan on having their individual aircrafts take up these remaining slots once the airport is back open for business.

Consent agenda items. There were no items removed from the Consent Agenda. There were no further questions or comments. On a motion by Councilmember Lloyd and second by Councilmember Robinson, Consent Agenda Items #5 through #11 were accepted and approved.

On roll call, the following votes were cast:

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

Nays: none Absent: Richmond

Resolution No. R2025-04, 25, 26, 28, 29,30

Regular Agenda

(Agenda Item #12)

Hold a Public Hearing, Second Reading and Deliberate and Act on an Ordinance Accepting the Recommendations of the Planning and Zoning Commission to Rezone Property Located to the West of North Outlet Drive and North of Old Brandon Road from Agricultural Residential (AR-1) and Commercial (C) to Multifamily Residential (MF-12); All that Certain Lot, Tract or Parcel of Land Located in Hill County, Texas and Being All of a 0.379 Acre Tract Situated in the W. Mills Abstract Survey, No. 638 and a Portion of a 38.758 Acre Tract Situated in the H. Weatherly Abstract Survey, No. 972; Being the Same Property by Reference as Recorded in Volume 2202, Page 712 and a Portion of the Property as Recorded in Volume 2202, Page 710.

Planning Director, Richard Reinhardt presented the agenda item. Hillsboro Trails submitted a rezoning application for the purpose of allowing the development of a mixed income senior apartment housing development. He shared that the details were shared during the first reading as he referenced the PowerPoint to show the 200ft notification area and Future Land Use Map. The Future Land Use Map indicated how the zoning is compatible with recommendations of the Comprehensive Land Use Plan. The plan showed

the recommendation for high density residential uses. The Planning and Zoning Commission reviewed this request at their meeting on Monday, March 24, 2025 and forwarded their recommendation of approval.

There were no questions or comments from council, Mayor Johnson opened the public hearing at 6:07p.m. No one spoke for or against the ordinance. Mayor Johnson closed the public hearing at 6:08p.m. On a motion by Councilmember Robinson and second by Councilmember Jolly, the second reading of the ordinance was accepted and approved.

On roll call, the following votes were cast:

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

Nays: none Absent: Richmond

Ordinance No. O2025-04-04

(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 (Last Amended by O2025-02-01), Whereby the Purpose is to Amend Section 2.11, Permitted Use Legend and Table, and Section 3.24, “CBD” Central Business District Regulations, to Allow “Multifamily Dwellings Without Ground Floor Retail” with a Specific Use Permit (SUP) in the Central Business District (CBD).

Planning Director, Richard Reinhardt presented the agenda item. Multifamily dwellings are permitted by right in the Central Business District (CBD) with a 40% ground floor retail requirement. The proposed ordinance will allow the Specific Use Permit (SUP) process to determine whether the ground floor retail requirement is needed at a particular location. This would allow the proposed multifamily dwelling units or buildings to be examined on a case-by-case basis and whether or not the proposed units should require ground floor retail. Planning Director Reinhardt referenced a map within the PowerPoint in which indicated the designated areas in which are subject to the SUP process. The Planning and Zoning Commission forwarded their recommendation for approval during their meeting on March 24th.

Mayor Johnson was able to open the public hearing at 6:09p.m. No one spoke for or against the ordinance. Mayor Johnson closed the public hearing at 6:10p.m. On a motion by Councilmember Robinson and second by Councilmember Lloyd, the second reading of the ordinance was accepted and approved.

On roll call, the following votes were cast:

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

Nays: none Absent: Richmond

Ordinance No. O2025-04-05

(Agenda Item #14)

Hold a Public Hearing, Second Reading and Deliberate and Act on an Ordinance Amending Article 4, Business Regulations, Section 4.1, Alcoholic Beverages, by Changing “Indoor Commercial Recreational Establishment” to “Commercial Recreational Establishment” and Amending the Definition.

Planning Director, Richard Reinhardt presented the agenda item. The proposed amendment is requesting for “indoor” to be removed from the term and for the definition to be amended to include outdoor spaces. The term will be listed as “Commercial Recreational Establishment.”

There were no questions or comments from council, Mayor Johnson opened the public hearing at 6:11p.m. No one spoke for or against the ordinance. Mayor Johnson closed the public hearing at 6:12p.m. On a motion by Councilmember Fleming and second by Councilmember Lloyd, the second reading of the ordinance was accepted and approved.

On roll call, the following votes were cast:

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

Nays: none Absent: Richmond

Ordinance No. O2025-04-06

(Agenda Item #15)

Hold a Public Hearing, Second Reading and Deliberate and Act on an Ordinance on Amending Ordinance No. O2024-09-18, Comprehensive Fee Schedule, as Amended, Adopted on September 30, 2024, by Amending the Alcoholic Beverage Permit Fee Schedule.

Planning Official, Richard Reinhardt presented the agenda item. The current fee schedule for alcoholic beverage permits references the state’s fee schedule. This is not permitted and the city should not be outlining their fees based on the state’s fee scheduled. Staff is recommending for the ordinance to be amended to reflect the following fee schedule change.

- An initial up front administration fee of \$50
- Annual permit fee of \$200

There were no questions or comments from council, Mayor Johnson opened the public hearing at 6:13p.m. No one spoke for or against the ordinance. Mayor Johnson closed the public hearing at 6:14p.m. On a motion by Councilmember Lloyd and second by Councilmember Fleming, the second reading of the ordinance was accepted and approved.

On roll call, the following votes were cast:

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

Nays: none Absent: Richmond

Ordinance No. O2025-04-07

(Agenda Item #16)

Hold a Public Hearing, First Reading and Deliberate on an Ordinance Establishing Regulations for Murals in the City of Hillsboro

Planning Director, Richard Reinhardt presented the agenda item. Planning Director Reinhardt shared that there has been a growing interest in murals within the downtown area. Staff was able to develop and present a set of draft requirements for murals to the Historic Preservation Commission. Said requirements were approved. He reported that the Main Street Board is also scheduled to review the requirements and their recommendation will be presented during the second reading. Planning Director provided the definition of Mural and the proposed regulations that will be listed in the ordinance. Planning Director Reinhardt was able to reference the PowerPoint to show the location in which murals will be permitted within the downtown area before opening for questions from council.

There were no questions or comments from council, Mayor Johnson opened the public hearing at 6:16p.m. A member in the audience asked questions regarding the definition of a "Ghost Mural," placement/positioning, and upkeep. Planning Director Reinhardt was able to provide answers to her questions and clarification. There were no further questions or comments. Mayor Johnson closed the public hearing at 6:21p.m. The first reading of the ordinance was declared complete.

Ordinance No. O2025-05-08

(Agenda Item #17)

Deliberate and Act on a Resolution to Approving an Amended and Restated Wholesale Water Contract between the City of Hillsboro and Aquilla Water Supply District and Authorizing the Mayor or City Manager to Negotiate and Execute All Necessary Documents.

City Manager, Megan Henderson presented the agenda item. She shared that the contract between the City of Hillsboro and Aquilla Water Supply District (AWSD) has been in place since 1981. This contract supplies the city with all of its drinking water. Presently the contract will need to be amended and reinstated. AWSD is needing updated contracts in order to get funding from the Texas Water Development Board for improvement projects. In this contract, AWSD has responded to all of the concerns that the city has raised, but there are a few more provisions that warrant further research and discussion(s.) City Manager Henderson reported that she has spoken with the Texas Water Development Board regarding AWSD's application. Some of the provisions within the contract are those that AWSD has to have in place in order to be eligible for the funding in which they have applied for. City Manager Henderson shared that she has not been able to review AWSD's application and was not able to answer some the questions presented by the Texas Water

Development Board. City Manager Henderson expressed that this caused some uncertainty and recommends that no action be taken tonight to allow time for a scheduled meeting to occur.

Mayor Johnson was able to ask if the City Attorney has been able to review the contract. City Manager shared that due to the City Attorney being apart of the general council of the Brazos River Authority, she has not been able to render a final recommendation on this contract. The contract itself is subject to AWSO receiving water from the Brazos River Authority. Due to the Brazos River Authority being a named entity, this could produce a conflict of interest. Mayor Johnson asked if outside council should be sought after and City Manager Henderson confirmed. Mayor Johnson then asked if contents of the improvement project is known or has been seen. City Manager shared that city staff has not seen what was submitted to the Texas Water Development Board. Mayor Johnson if that could be requested and City Manager Henderson that the information could and will be requested. There were no further questions or comments from council.

Councilmember Robinson made a motion to take no action on this item, second was received by Councilmember Jolly. No action was taken.

On roll call, the following votes were cast:

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

Nays: none Absent: Richmond

Resolution No. R2025-04-27

(Agenda Item #18)

Hear and Deliberate on the 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 + \$120,000 91% Complete as of 4/15/25	Park Drive: Near Completion	Park: Last element is the Ivy intersection; proceeding as soon as weather will permit
Old Brandon Rd (WP)		OBR: Near Completion	OBR: complete except for spot repairs and sod
Walnut Street (WP)		Walnut: Utilities and Street Underway	Walnut: needed more info on Walnut/Ivy intersection; then will proceed with remaining demo and lime
Church Street (WP)		Church: Utilities and Street Underway	Church: Intersection of Walnut and Church demo'd out, concrete this week, CTB as soon as possible
Industrial Water Tower (MRB)	\$4,770,518	Complete	Working on closeout documentation, budget amendment and final draw processes

	Streets	Water	Sewer	Drainage	Facilities
System Assessment	Complete	Complete	Fall 2025	? 2026 ?	
Plan contract & in-house work Phase I	Complete	First draft complete	Winter 2025		
Fund contract work Phase I	Complete	\$30M Loan Requested	Request Fall 2025		
Design contract work Phase I	Complete	Fall 2025?			
Fund in-house work Phase I	Complete	Complete			
Implement contract work Phase I	80%				
Implement in-house work Phase I	7%	1%			
Plan contract work Phase II	Summer 2025??				

- Street Plan:
 - Study the system
 - Initial study completed 2021
 - Updated street condition study commissioned from NEXCO; to be performed in November/ December
 - This will analyze the entire system and predict future conditions
 - Perform block-by-block replacements
 - 20% of the blocks, 80% of the cost: work by outside contractors
 - 80% of the blocks, 20% of the cost: work self-performed
 - 6 streets prepped for chip seal: Lamar, Pine, McDonald, Crumley, Sweeney, Hummingbird. Commissioner Crumpton exploring Interlocal Agreement to perform some of this work.
 - Chip seal performed on one block of Boone; results unsatisfactory
- Water Plan
 - Study the system
 - Initial study completed 2024
 - Perform line replacements
 - \$55-65 million in replacements needed
 - \$30 million requested from Texas Water Development Board
 - County adopted MSRs and TWDB reviewing those for compliance
 - Self-performing:
 - Crews scheduling replacement of line in Hummingbird
- Sewer Plan
 - Study the system
 - Initial study not yet begun
 - Walker Partners selected; negotiating a scope of services and fee proposal

- Perform line replacements
 - Hummingbird selected for line replacement; need to go out for bids
- Drainage Plan
 - Study the system
 - We do not currently have funds to perform a drainage study
 - Working with MRB Group we have added a drainage study to the Texas Water Plan, which will allow us to apply for funds for this study

vi. Deliver Essential Services

- Street Maintenance – focused on utility cuts for the foreseeable future
- Water
 - Water tower issues over the weekend
 - Working through reporting to get updated leak data for customers
 - Working with developers on system improvements adjacent to new developments
- Sewer – anticipate award of bids for Hummingbird
- Drainage – addressing various acute issues
- Parks – minor repairs at Wallace Park
- Public Safety – ordered 6 patrol vehicles through Enterprise lease; working through recommendations from Texas Commission on Fire Inspection
- Solid Waste – Frontier communicating details of new service

vii. Boost Economic Development

7.1 Business Attraction

- Economic Development team working on
 - Project Dispatch – biweekly meetings starting
 - Project Freeze Pop - anticipate contract and sale soon
 - Project Ice Man – on hold indefinitely as company evaluates economic landscape
 - Project Treasure Hunt – prospect has selected Hillsboro and is moving forward
 - Project Percy – finalizing agreement, imminent
 - Project RA – anticipate contract and acquisition in May
- Retail Coach continuing to work with prospects
 - At least one restaurant and one retail prospect are being pursued for specific Hillsboro locations

7.3 Entrepreneurship and Small Businesses

- Retail promotion planned for Easter weekend

7.6 Pursue redevelopment of the Outlet Mall

- Glaser Retail Partners is working with 7 prospects; hoping for an announcement in May
- “Mallmageddon” scheduled April 17-20

- Mall demolition planned for end of May
- Staff/ developer weekly calls

viii. Enhance Quality of Life

- Library
 - Facilities
 - Gearing up for grant-funded work to the facade
 - Updating ask to USDA for expansion plans
 - Programming
 - Weekly programming continues, including knitting, chess club, story hour, Club Code, and others
- Parks & Recreation
 - Baseball/ Softball Season
 - Glowing Easter Egg Hunt scheduled for April 18 with 24,000 eggs

b. Staff Activities and Events

Upcoming Events:

- Mallmageddon this week!
- ChurroFest May 17

(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 6:36p.m.

(Agenda Item #20)

Reconvene in open session

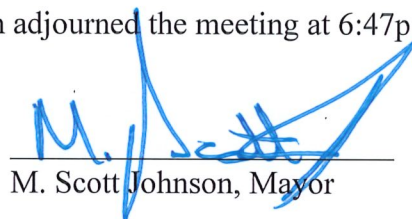
Mayor Johnson announced the exit from closed session at 6:46p.m.

(Agenda Item #21)

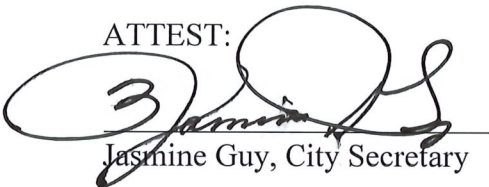
Deliberate and Act on Matter Discussed in Closed Session, If Any

None

With no further business to address, Mayor Johnson adjourned the meeting at 6:47p.m.


M. Scott Johnson, Mayor

ATTEST:


Jasmine Guy, City Secretary