

City Council
City of Hillsboro, Texas
Minutes of Regular Meeting
June 17, 2025

Present were:

Scott Johnson, Mayor	Megan Henderson, City Manager
Leann Richmond, Mayor Pro Tem	Tony Cain, Assistant City Manager
Jay Jolly, Councilmember	Jasmine Guy, City Secretary
Dana Robinson, Councilmember	Richard Reinhardt, Planning Director
Eric Fleming, Councilmember	Jessica Trew, Executive Director HEDC
Justin Dyer, Library Director	Tiffany Barron, Main Street Manager
Rebecca Pustejovsky, AA EDC/MS	Dale Snyder, Finance Director

Councilmember Larry Lloyd was absent

Others present:

Shannon Cottongame, the Reporter
Hillsboro Police Department
Pastor Kenny Kennedy-Trails to the Cross Cowboy Church
Todd Pruitt, Pattillo, Brown, and Hill, L.L.P

Mayor Johnson called the meeting to order at 6:15PM

Pastor Kennedy of the Christ Lutheran Church completed the invocation

Mayor Johnson led the Pledge of Allegiance.

Hear Statements from Persons Wishing to Address Council and Public Comments Addressing Ambulance Grant.

Basil Zangare was able to address to council. He shared that he would like discuss a recent call for service including the call with Amy Howell. Mr. Zangare was able to reference two Supreme Court cases; Florida v. J.L and Terry v. Ohio. He expressed that that these standards guard against Fourth Amendment rights and begin to reference the incident involving Ms. Howell. He reported that officers did not corroborate with the reporting party or directly observe any ongoing trespassing and added that this approach is insufficient. He provided that a trespass call must be vetted confirming whether Ms. Howell was still on private property or posing the threat before detaining or interrogating her. Without such verification, any detention risk being unlawful. Mr. Zangare begin discussing swatting and expressed that officers must treat every call they receive with caution. He further explained that the caller's credibility must be verified, check timestamps, observe the suspect's current location, and corroborate any key facts before. He expressed that engaging in this

discipline, prevents Fourth Amendment breaches. He referenced the current internal affairs complaint (copy was given to council) involving Terry Hickman and expressed his concerns regarding Sergeant Anderson's conduct. Mr. Zangare expressed the need for clear policies/protocol, personal accountability, and transparency before concluding.

Amy Howell was able to address council during this time. She was able to address her concerns regarding agency funds being used to support police canines that are personally owned by Chief of Police/Assistant City Manager, Tony Cain. She provided that tax payers' dollars are being used to purchase, train, feed, and house these canines. She expressed that should they serve the public interest, they should not function as private property. She reported that if these dogs are registered under personal ownership, then there is a conflict of interest and misuse of public resources. Ms. Howell emphasized that the citizens of this city deserve to know who authorized public funds to support these dogs not owned by the city. She asked about the safeguards that are in place to ensure the dogs are not being used for personal gain and in the event Chief Cain leaves his position, will he be taking the dogs with him. She shared that this is a matter of integrity and public resources need to be for the public and not for assets for City Officials. She expressed that she is respectfully requesting that council open up an independent audit into all expenditures related to the canine assets, clarify ownership records, and implement policy for public funds.

Mayor Johnson then opened up for public commentary regarding the ambulance grant. There were no questions or comments. Public commentary was closed.

Consent Agenda

Mayor Johnson informed Council that agenda numbers five (5) through (8) 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 June 3, 2025

(Agenda Item #6)

Act on the Approval of Bills.

(Agenda Item #07)

Deliberate and Act on a Resolution Accepting the Recommendations of the Planning and Zoning Commission to Re-Plat Lot 62, Buck Addition, Becoming Lots 62R-1 and 62R-2, Buck Addition, in the City of Hillsboro; Being the Same Property by

Reference as Recorded in Volume 2355, Page 819 of the Official Public Records of Hill County, Texas. Also Known as 304 Mark Street.

[Richard Reinhardt, Planning Director provided council with the following information in the council packet prior to the meeting: A re-plat has been submitted dividing 304 Mark Street into two lots for the purpose of developing a single-family dwelling on each lot. The Planning and Zoning Commission reviewed the re-plat at their meeting on Monday, June 9, 2025 and forwarded their recommendation of approval.]

(Agenda Item #08)

Deliberate and Act on a Resolution Accepting the Recommendations of the Planning and Zoning Commission Approving a Specific Use Permit (SUP) for a Recreational Vehicle Resort for Property Located on Morrow Drive, to the South of 3000 Highway 77, and in the Heavy Industrial (I-2) Zoning District. A Recreational Vehicle Resort is Only Allowed With a Specific Use Permit (SUP) in the Heavy Industrial (I-2) Zoning District.

[Richard Reinhardt, Planning Director provided council with the following information in the council packet prior to the meeting: An application has been submitted requesting a Specific Use Permit (SUP) to operate a recreational vehicle resort on Morrow Drive to the south of 3000 Highway 77 and in conjunction with the truck stop being developed at that location. In order to be classified as a resort, the definition specifies that the length of stay is short term and the presence of amenities. The applicant presented the following amenities: wireless internet, utility hookups, and a grill at every location, a playground and a dog park. An additional amenity that may or may not be included is a drive-in theater. The Commission reviewed this request at their meeting on Monday, June 9, 2025. They forwarded their recommendation of approval with two conditions: 1.) Length of stay is limited to thirty (30) days in a sixty (60) day period; and 2.) The Specific Use Permit (SUP) is not transferrable.]

Consent agenda items. There were no items removed from the Consent Agenda. There were no further questions or comments. On a motion by Councilmember Robinson and second by Councilmember Fleming, Consent Agenda Items #5 through #8 were accepted and approved.

On roll call, the following votes were cast:

Ayes: Fleming, Robinson, Richmond, Jolly

Nays: none Absent: Lloyd

Resolution No. R2025-06-39 & 40

Regular Agenda

(Agenda Item #9)

Hear and Deliberate on a Presentation of the 2023-2024 Fiscal Year Audit by Pattillo, Brown, and Hill.

Todd Pruitt of Pattillo, Brown, and Hill gave the presentation. He provided thanks to the Council and City Staff for allowing Pattillo, Brown, and Hill L.L.P the opportunity to perform the audit. Mr. Pruitt was able to provide an overview of the results of the audit for the 2024 Fiscal Year. The audit resulted in an unmodified opinion, also known as a clean opinion (the highest form of opinion that can be received.) This indicated that the financial statement are free of material misstatements and presented in accordance with generally accepted accounting principles. Mr. Pruitt shared that the audit was performed in accordance with the government auditing standards, which require reporting internal controls over financial reporting and compliance with laws, regulations, contracts, and grants. It was reported that there were no significant deficiencies in the city's internal controls over financial reporting and no instances of non-compliances identified. He was able to reference a few pages within the audit and explained the internal controls over financing. There were no questions or comments from council. No action was taken, presentation only.

(Agenda Item #10 and #11)

Deliberate and Act on a Resolution to Approve the Newly Appointed City Council Member to Fill the Vacancy in Place 4, on the Hillsboro City Council Until the Next Regular City Election.

City Secretary, Jasmine Guy presented the agenda item. She shared that during the last council meeting, the two candidates to fill the Place 4 vacancy was presented and interviewed. Due to Council being unable to make a decision based off of the interviews, council agreed to compile a series of questions for the candidates to present during tonight's interview session. City Secretary presented Edgar Hernandez and David Handy to begin the interview process. Mr. Hernandez and Mr. Handy were able to answer the questions as they were provided by council regarding their qualifications, leadership skills, decision making skills, and overall contributions to the city council. With no further questions or comments from council, Councilmember Dana Robinson was able to nominate Edgar Hernandez to fill the Place 4 vacancy. No other nominations were given.

Deliberate and Act on a Resolution to Approve the Newly Appointed City Council Member to Fill the Vacancy in Place 4, on the Hillsboro City Council Until the Next Regular City Election.

Councilmember Dana Robinson made a motion for Edgar Hernandez to fill the Place 4 vacancy of the Hillsboro City Council, second was given by Councilmember Jolly. The resolution was accepted and approved.

On roll call, the following votes were cast:

Ayes: Fleming, Robinson, Richmond, Jolly

Nays: none Absent: Lloyd

Resolution No. R2025-06-38

(Agenda Item #12)

Hear and Deliberate on a Presentation from Library Director, Justin Dyer Regarding an Update on the Library Expansion Project.

Library Director, Justin Dyer presented the agenda item. He shared that this presentation is to provide an update and status on the Library Expansion Project and fundraising efforts. Library Director Dyer reported that the library initiated an expansion project back in 2019 and received Council support through the approval of \$3.35 million in Certificates of Obligation and hotel/motel tax funds. The former Library Director and the Friends of the Library were assigned to fundraise the remaining balance of the project. Fundraising efforts stalled after COVID-19 related inflation and required a redesign of the project. Library Director Dyer shared that a redesign has been completed and the library is looking to secure the remaining funds for the project through United States Department of Agriculture's (USDA) Community Facilities Direct Loan Program. He added that the funding mechanism was previously authorized by a Council resolution on 3-15-2022, but the application process was never completed. The library will now be moving forward with finalizing the application. Library Director Dyer was able to reference the PowerPoint and provided council with the project timeline, blueprints, pictures, total amount of funds raised, and USDA timeline. He provided additional information regarding upcoming library activities and a special grant received for \$75k before opening for questions. No action was taken, presentation only:

(Agenda item #13)

Hold a Public Hearing, First Reading and Deliberate on an Ordinance Accepting the Recommendations of the Planning and Zoning Commission to Rezone Property Located at 333 Peabody Street from Restricted Neighborhood Commercial (RNC) to Commercial (C); Being the Same Property by Reference as Recorded in Volume 2306, Page 276 of the Official Public Records of Hill County, Texas.

Planning Director, Richard Reinhardt presented the agenda item. He provided that an application was submitted requesting that the property located at 333 Peabody Street be rezoned from Restricted Neighborhood Commercial (RNC) to Commercial (C). The property had previously been zoned Commercial (C,) but a previous developer had requested it be rezoned to Restricted Neighborhood Commercial (RNC) for the purpose of developing a single family dwelling. Planning Director Reinhardt shared that the developer has now sold the property and the new owner is requesting for it to be zoned back to Commercial for the purpose of developing a small restaurant at the site. Planning Director Reinhardt was able to reference the PowerPoint to show the 200ft notification area and Future Land Use Map. There were no responses received from the 200ft notification area and the Future Land Use Map recommends commercial uses for this location. The Planning and Zoning Commission reviewed this request at their meeting on Monday, June 9, 2025 and forwarded their recommendation of approval.

There were no questions or comments from council. Mayor Johnson opened the public hearing at 7:02PM. No one spoke for or against the ordinance. Mayor Johnson closed the public hearing at 7:03PM. The first reading of the ordinance was declared completed.

(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 (Last Amended by O2025-05-09), Whereby the Purpose is to Amend Section 2.11, Permitted Use Legend and Table to Allow “Dwelling, Two Family” by Specific Use Permit (SUP) in the Neighborhood Commercial (NC), Restricted Neighborhood Commercial (RNC), Central Business District (CBD), Commercial (C), Light Industrial (I-1), and Heavy Industrial (I-2) Zoning Districts and to Allow “Dwelling, Multifamily” and “Dwelling, Single Family House” by Specific Use Permit (SUP) in the Commercial (C) Zoning District

Planning Director, Richard Reinhardt presented the agenda item. He reported to council that previous text amendments have been approved allowing single family dwellings and multifamily dwellings in areas zoned for industrial uses, in the Neighborhood Commercial (NC) Zoning District and in the Central Business District (CBD). The proposed text amendment will allow duplexes with a Specific Use Permit (SUP) in areas that already allow that process for single-family dwellings and multifamily dwellings. The text amendment will also include areas zoned Commercial (C.) Planning Director Reinhardt added that there may be areas where a residential use may not be appropriate or areas where a residential use might be appropriate. The Specific Use Permit (SUP) process allows a means by which that discussion can take place. He reported that the Planning and Zoning Commission reviewed this request at their meeting on June 9, 2025 and they were divided. There was some concerns regarding the integrity of the Central Business District (CBD,) but it was ultimately approved with a tie-breaking vote.

There were no questions or comments from council. Mayor Johnson opened the public hearing at 7:05PM. An audience member was able to ask about an explanation regarding a duplex within the downtown area. Planning Director was able to provide an explanation and the process of what they could potentially look like. Another audience member who is also a member of the Planning and Zoning Commission was able to provide further detail regarding the discussions held by the Planning and Zoning Commission. There were no other questions or comments, Mayor Johnson closed the public hearing at 7:08PM. The first reading of the ordinance was declared complete.

(Agenda Item #15)

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. He shared that this item was on a previous council agenda and during the second reading there was some concerns

regarding the ordinance. He added that as a result, city staff has taken a closer look at the ordinance and some provisions have been made. Several sections were removed due to those items being more appropriate for a set of design guidelines as opposed to an ordinance. Due to the significant changes in the ordinance, the Historic Preservation Commission reviewed the proposed ordinance with the changes at their meeting on Thursday, June 5, 2025. They forwarded their recommendation of approval. Planning Director Reinhardt shared that the Main Street Board is also scheduled to review the amended version of the mural ordinance before opening for questions.

Councilmember Richmond asked questions regarding the clarification and approval of the design guidelines and overall mural approval process. Planning Director Reinhardt provided that the Historic Preservation Commission and Main Street Board will be responsible for the design guidelines and mural approval. If final approval is unable to be obtained, council will be able to make the final decision. There were no further questions or comments from council. Mayor Johnson open the public hearing at 7:10PM. A member of the audience asked a question regarding murals outside of the Historic Overlay. Planning Director Reinhardt was able to provide clarification regarding the areas in which will be addressed by the Historic Preservation Commission or Main Street Board. Councilmember Richmond was able to ask about murals outside of the Main Street area but on the edge of the city limits. Planning Director Reinhardt provided that this ordinance does not address that. There were no further comments or questions. Mayor Johnson closed the public hearing at 7:12PM. The first reading of the ordinance was declared complete.

(Agenda Item #16)

Hold a Public Hearing, First Reading and Deliberate on an Ordinance Establishing Regulations for Fences and Amending Section 3.1122 Regarding Fences For Swimming Pools in the City of Hillsboro.

Planning Director, Richard Reinhardt presented the agenda item. He shared that presently, there are no stipulations regarding fences within the City Code of Ordinances except for regulations regarding fences around swimming pools. City Staff has been able to research fence requirements in multiple other communities and is proposing a fence ordinance that addresses general fence standard, fences around swimming pools, fences around ponds, residential fence standards, nonresidential fence standards, definitions, and fence material standards. Planning Director Reinhardt provided that the purpose of the proposed ordinance is to provide a standard by which requests for fences can be reviewed, require a permitting process and to account for matters of safety. Planning Director Reinhardt shared that one of the main things that this ordinance will address is the Visibility Triangle. He provided the definition and specifics as to what this will be applicable to. The proposed ordinance contains language that requires fences to not cause a visual barrier to public right-of-way and will also require a permit to be obtained for the construction of all fences.

Councilmember Richmond was able to ask about existing fences and if they will be grandfathered in and how will this ordinance be enforced. Planning Director Reinhardt was

able to answer the questions by referencing the ordinance on hand. Councilmember Fleming was able to ask a question in regards to the reasoning for needing a fence ordinance and comments as to why the changes are needed. There were no further questions or comments from council. Mayor Johnson opened the public hearing at 7:18PM. There were several questions and comments from the audience regarding the visibility triangle, types of fences, safety, etc. Mayor Johnson was able to close the public hearing at 7:25PM. The first reading of the ordinance was declared complete.

(Agenda Item #17)

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

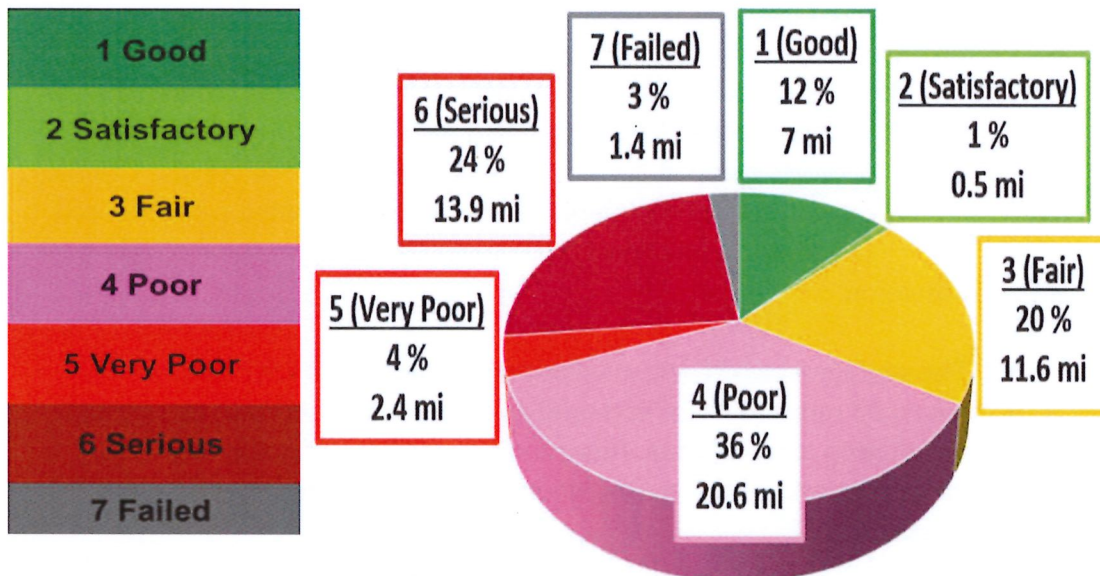
v. Build Better Infrastructure

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 92% Complete as of 5/12/25	Park Drive: Near Completion	Park: engineering completed on Park/Ivy intersection; will work as soon as weather permits. Asphalt issue reviewed.
Old Brandon Rd (WP)		OBR: Near Completion	OBR: complete except for spot repairs and sod
Walnut Street (WP)		Walnut: Utilities and Street Underway	Walnut: engineering completed on Walnut/Ivy intersection; work to begin as soon as weather permits
Church Street (WP)		Church: Utilities and Street Underway	Church: working on the final block
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 1	Complete	\$30M Loan Requested	Request Fall 2025		
Design contract work Phase I	Complete	Spring 2026?			
Fund in-house work Phase 1	Complete	Complete			
Implement contract work Phase 1	80%				
Implement in-house work Phase I	7%	1%			
Plan contract work Phase II	Winter 2025??				

- Street Plan:
 - Study the system
 - Initial study completed 2021
 - Updated street condition study received from NEXCO; they have analyzed the entire system for current and predicted 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 has secured OK to do an Interlocal Agreement and perform some of this work
- Street Evaluation:
 - The average SPM-PCI score of surveyed streets is 48.9(Poor).
 - About 38 miles (67% of surveyed streets) are rated 4(Poor) or worse, which need rehabilitation. Since these segments are scattered over the entire network, a mid- to long-term rehabilitation plan would be recommended.

- About 11.6 miles (20% of surveyed streets) are rated 3(Fair), which need proactive maintenance. Crack sealing would be recommended to slow deterioration and extend pavement service life.



- 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
 - Awaiting word from TWDB – we are expecting to be notified any time now that our full application is next to be considered.
 - Self-performing:
 - Sewer line is being replaced in Hummingbird; we will replace water line after that.
- Sewer Plan
 - Study the system
 - Initial study not yet begun
 - Scope of services and fee proposal approved; survey work underway
 - Perform line replacements
 - Hummingbird line replacement is currently underway
- 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 – crews returning to utility cuts when weather permits
- Water
 - Working through reporting to get updated leak data for customers
 - Working with developers on system improvements adjacent to new developments
- Parks – minor repairs at Wallace Park
- Solid Waste – new service continues

vii. Boost Economic Development

7.1 Business Attraction

- Project Dispatch – Municipal Management District paperwork executed
- Project Freeze Pop - continuing due diligence and moving forward
- Project Treasure Hunt – prospect has selected Hillsboro and is moving forward

- Retail Coach continuing to work with prospects
 - At least one restaurant and several retail prospects are being pursued for specific Hillsboro locations
-
- 7.3 Entrepreneurship and Small Businesses
 - Economic Vitality committee completing updated business inventory
- 7.6 Pursue redevelopment of the Outlet Mall
 - Glaser Retail Partners is working with 6 prospects; big announcement unlikely as prospects prefer developer silence until they make their filings
 - Mall demolition has begun
 - Staff/ developer weekly calls

viii. Enhance Quality of Life

- Library
 - Facilities
 - Bids due this week for grant-funded work to the facade
 - Preparing ask to USDA for expansion plans
 - Programming
 - Weekly programming continues, including knitting, chess club, story hour, Club Code, and others
 - Summer Reading program starts next week
- Parks & Recreation
 - Baseball/Softball underway
 - Hosted tournament last weekend

b. Recent and Upcoming Staff Activities and Events

Staff Activities

- Vacancies in Public Safety

Events:

- Bond's Alley Art Festival was held last weekend
 - Preview Picnic held the night before
 - Smaller crowds than other events, but attendees and vendors were pleased
- Sesquicentennial Park event held last week
- Movies in the Park will resume this weekend

(Agenda Item #18)

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 7:33p.m.

(Agenda Item #14)

Reconvene in open session

Mayor Johnson announced the exit from closed session at 7:48p.m.

(Agenda Item #15)

Deliberate and Act on a Resolution Approving an Amendment to the Development Agreement between the City of Hillsboro and GRP Hillsboro Land Partners, LLC

Councilmember Richmond made a motion to allow the City Manager to negotiate and execute an amendment to the development agreement. Second was given by Councilmember Robinson. The resolution was accepted and approved.

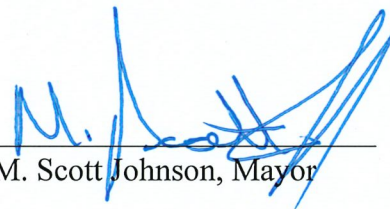
On roll call, the following votes were cast:

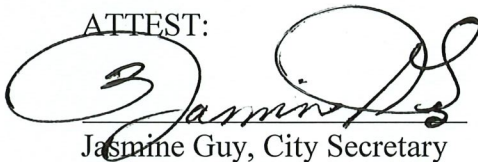
Ayes: Fleming, Robinson, Richmond, Jolly

Nays: none Absent: Lloyd

Resolution No. R2025-06-41

With no further business to address, Mayor Johnson adjourned the meeting at 7:49p.m.


M. Scott Johnson, Mayor

ATTEST:

Jasmine Guy, City Secretary

Note:

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