

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

Present were:

Scott Johnson, Mayor
Larry Lloyd, Councilmember
Jay Jolly, Councilmember
Dana Robinson, Councilmember
Eric Fleming, Councilmember
Edgar Hernandez, Councilmember
Leann Richmond, Mayor Pro Tem

Megan Henderson, City Manager
Tony Cain, Assistant City Manager
Jasmine Guy, City Secretary
Justin Dyer, Library Director

Others present:

Shannon Cottongame, the Reporter
Hillsboro Police Department
Lynette Hearell-Director of Hillsboro Chamber of Commerce
Reverend James Hoskins-First Methodist Church
Ignacio Vazquez, Oncor Area Manager

Mayor Johnson called the meeting to order at 6:03PM

Rev. James Hoskins of the First Methodist Church completed the invocation

Mayor Johnson led the Pledge of Allegiance.

Hear Statements from Persons Wishing to Address Council

Basil Zangare was able to address to council. He expressed that he would like to begin with some heartfelt applause regarding the transparency and all that was promised. He continued by sharing that nothing opens up Government like hiding the Roseann Lindeman's internal affairs investigation pending a litigation smoke screen and sending it off to the Attorney General's Office so it could be legally kept under wraps. He then began to express the situation regarding Terry Dickman's bodycam footage and the inability to release it due to a license plate privacy issue. He reported that as of September 1, 2025 the law will be changing to allow recordings including licenses plates and you will no longer have to redact it. He expressed that this is the same footage where officers escalated a citation and took arrest of a 65 year old man with a pace maker. Mr. Zangare expressed that there is a supposedly lack of technological capabilities, but the city currently pays for Adobe Premiere. A standard video editing software utilized by everyday people. He expressed that he tried to put redaction software on tonight's meeting agenda, but was shut down by

Mayor Johnson and the City Manager. He reported that redaction software costs about \$900 per year including support training and provided that it was a small percentage compared to the PD's annual budget. He then compared that to the City of Whitney's budget/funds. Mr. Zangared asked about where the City of Hillsboro's money is going and asked if it was going into Chief Cain's personal pockets, towards exotic vacations, or a secret squad of influencers peddling illusions of public relations while the city, streets, water lines, and sewage crumble. He provided that for several months, the City Manager has ensured that there is transparency and people are being held accountable. He expressed that it is time for the lies to stop and for leadership to either step up or step out. He reported that taxpayers deserve honest answers and not hollow promises. He demanded that redaction software be put in next year's budget before closing.

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 the Approval of the Minutes for the Regular Meeting on July 1, 2025

(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 to Approve the Preliminary and Final Plat of Muns Addition in the Extraterritorial Jurisdiction (ETJ) of the City of Hillsboro on a Certain Tract of Land Being 2.977 Acres in the F. White Survey, Abstract No. 1014 and Being the Same Property by Reference as Recorded in Volume 2351, Page 615 of the Official Public Records of Hill County, Texas. Also Known as 225 HCR 3131.

[Planning Director, Richard Reinhardt provided council with the following information in the council packet prior to the meeting: A preliminary plat and final plat has been submitted for property located at 225 Hill County Road 3131. The purpose of the plat is to divide the property into two lots for the purpose of selling one of the lots. The Planning and Zoning Commission is scheduled to review the preliminary and final plat at their meeting on Monday, July 14, 2025. Since the meeting is the day prior to the City Council meeting, the recommendation of the Commission will be provided to the Council at the meeting on Tuesday, July 15, 2025.]

(Agenda Item #8)

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, Located at Property Described in a deed Recorded in Volume 2246, Page 345 of the Official Public Records of Hill County, Texas. Also Known as 238 I-35 Service Road NE. Submitted by Bakers' Signs on Behalf of GRP Hillsboro Land Partners, LLC and Chili's.

[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 Bakers' Signs on behalf of GRP Hillsboro Land Partners, LLC and Chili's. The regulations for signs in the Zoning Ordinance allows for signage on the primary wall and on the secondary wall. However, the sign plan for the proposed Chili's shows signage on all four building walls. The total combined square footage of wall signage been requested for all four building walls adds up to 172.56 square feet. The sign regulations allow for primary wall signage of 10% of the primary wall area, not to exceed 200 square feet. Based on the plans for Chili's, this would allow for approximately 128 square feet of signage. The sign regulations allow for secondary signage of 50% of what is allowed on the primary wall. In this case, approximately 64 square feet would be allowed. Therefore, the sign requirements, would allow for up approximately 192 square feet of signage on just the primary and secondary walls. However, Chili's is requesting less than that to be placed on all four walls, instead of only two. The proposed pole sign meets the requirements for signage. The Planning and Zoning Commission is scheduled to review the request for a meritorious exception on Monday, July 14, 2025. Since the Planning and Zoning Commission meeting is the day prior to the Council meeting, their findings will be provided at the Council meeting on July 15, 2025.]

(Agenda Item #9)

Deliberate and Act on a Resolution Denying the Increase in Rates Proposed by Oncor filed on about June 26, 2025 and Authorizing the City Manager to Execute All Necessary Documents.

[City Manager, Megan Henderson provided council with the following information in the council packet prior to the meeting: On or about June 26, 2025, Oncor Electric Delivery Company LLC ("Oncor" or "Company") filed a Statement of Intent to increase its revenues by approximately \$833.6 million, which equates to a net increase of approximately 13.0% in Oncor's overall revenue. Oncor proposes to implement its proposed increase in rates effective July 31, 2025. For a Residential customer using 1,000 kWh per month, their bill would increase by about \$7.00 per month. The City must take action on Oncor's application by no later than July 31, 2025. Failure to take action by July 31, 2025, will result in Oncor's proposed rates being deemed approved by operation of law.]

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 Fleming, Consent Agenda Items #5 through #9 were accepted and approved.

On roll call, the following votes were cast:

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

Nays: none Absent: none

Resolution No: R2025-07-43 & 44

Regular Agenda

(Agenda Item #10)

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

Planning Director, Richard Reinhardt presented the agenda item. He reported that during the second reading of this ordinance, there were concerns raised that resulted in staff taking a further look at the proposed ordinance. He added that there were several sections and provisions removed due to those items being more applicable for design guidelines as opposed to ordinance requirements. The Historic Preservation Commission was able to review the proposed ordinance that contained the new changes and forwarded their recommendation for approval on June 5, 2025. The Main Street Board was able to review the ordinance during their meeting on July 8th and also forwarded their recommendation of approval with a text revisions on the section regarding enforcement.

There were no questions or comments from council. Mayor Johnson opened up the public hearing at 6:10pm. No one spoke for or against the ordinance. Mayor Johnson closed the public hearing at 6:11p.m. On a motion by Councilmember Robinson and second by Councilmember Jolly, the ordinance was accepted and approved.

On roll call, the following votes were cast:

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

Nays: none Absent: none

Ordinance No. O2025-07-08

(Agenda Item #11)

Hear 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 the first reading was presented on June 17th. There concerns raised regarding the visibility triangle and its distance requirements. Planning Director Reinhardt shared that staff is requesting council's recommendation to determine the distance for the visibility triangle. He provided

that the current distance is 25ft, but that can be modified to 20ft. Planning Director Reinhardt was able to reference the PowerPoint to show different areas of the city in which a visibility triangle is present with the 20 and 25ft requirements.

Councilmember Richmond was able to express her concerns regarding the enforcement of this ordinance. Planning Director Reinhardt shared that enforcement would be handled by the city's code enforcement officers. Councilmember Richmond then asked if the department was staffed to handle the additional ordinance. It was reported that the Code Enforcement Department has added additional staff and this should not present an issue. There were no further questions or comments from council. Mayor Johnson opened up the public hearing at 6:15pm. No one spoke for or against the ordinance. Mayor Johnson closed the public hearing at 6:16p.m. On a motion by Councilmember Robinson and second by Councilmember Jolly, the ordinance was accepted and approved.

On roll call, the following votes were cast:

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

Nays: none Absent: none

Ordinance No. O2025-07-12

(Agenda Item #12)

Hear and Deliberate on the City Manager's Report

City Manager Megan Henderson presented the following update on Goals 5-8

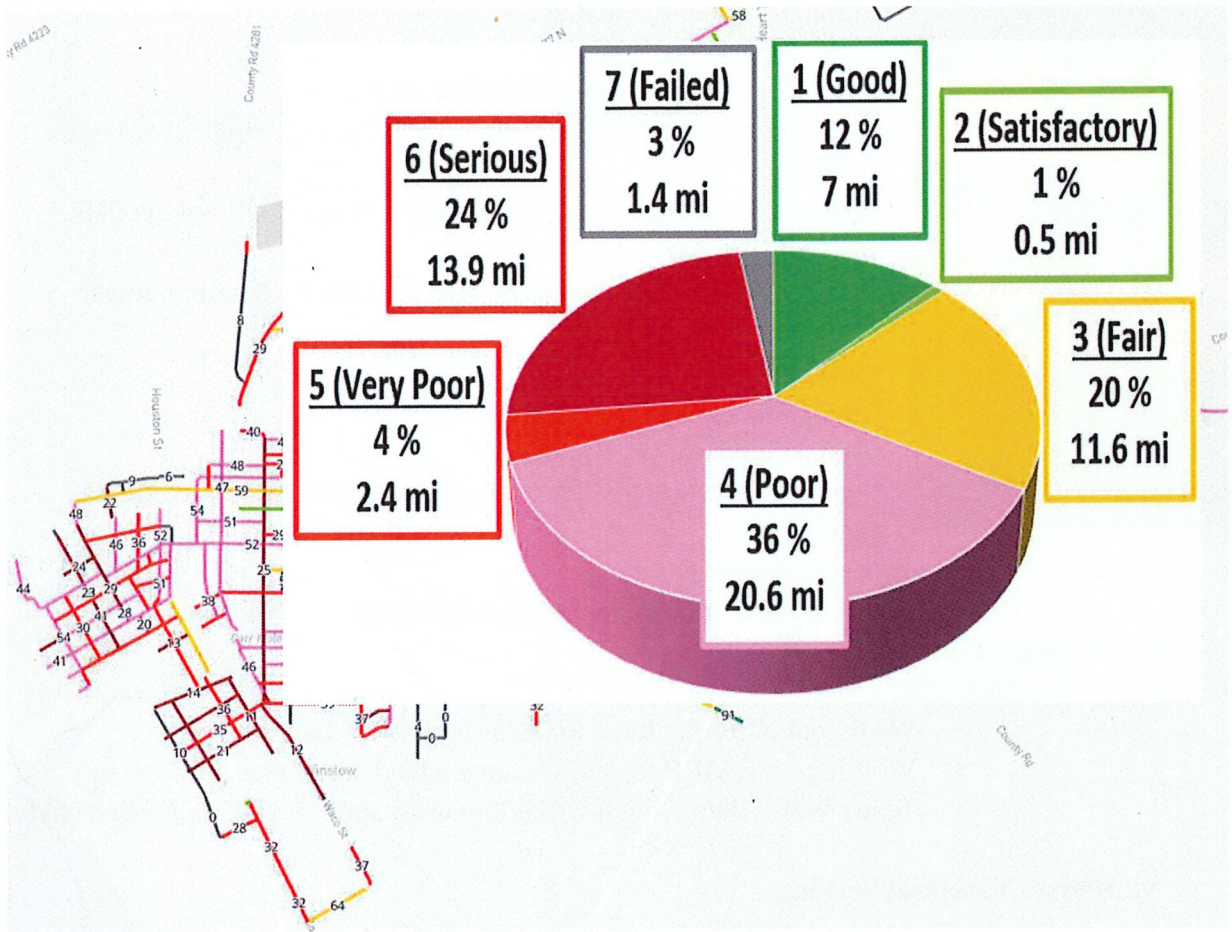
v. Build Better Infrastructure

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: Park/Ivy Intersection work underway.
Old Brandon Rd (WP)		OBR: Near Completion	OBR: complete except for spot repairs and sod
Walnut Street (WP)		Walnut: Near Completion	Walnut: Walnut/Ivy intersection work underway.
Church Street (WP)		Church: Utilities and Street Underway	Church: completing concrete work and expecting PUG base in 2 weeks. Should pave everything mid-August.
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	\$50M Loan Requested	Request Fall 2025		
Design contract work Phase I	Complete				
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.



1 Good
2 Satisfactory
3 Fair
4 Poor
5 Very Poor
6 Serious
7 Failed

- Water Plan
- Study the system
- Initial study completed 2024
- Perform line replacements
- \$55-65 million in replacements needed
- \$30 million request from Texas Water Development Board has timed out
- \$50 million request is currently under review; IUP not available
- Self-performing:
 - Planning to replace line in Hummingbird when manpower exists.
- 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 just finished
- 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

- Facilities Master Plan – architects preparing scope of services and fee proposal
- Street Maintenance – crews returning to utility cuts when weather permits
- Public Safety
 - Police
 - Reviewing departmental policies and personnel needs in advance of budget with ACM as lead
 - Fire
 - Reviewing departmental policies and personnel needs in advance of budget with CM as lead
 - Fire Commission investigation pending; meeting next week
- Water
 - Working through reporting to get updated leak data for customers
 - Working with developers on system improvements adjacent to new developments
- Parks – repairs continue at Wallace Park

- Solid Waste – new service continues

vii. Boost Economic Development

7.1 Business Attraction

- Project Dispatch – working through Municipal Management District application
- 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

- Main Street committees working on projects
- Staff and intern working on parking study

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
 - Anticipate Panda Express to begin construction mid-August
 - Anticipate Chilis to begin construction early September
 - Anticipate Project Nosh to begin construction early November
 - No timeline yet on Waffle House
- Mall demolition has begun
- Staff/ developer weekly calls
- Beginning to tee up the design for the buildings that will remain



Strategic Goal #7: Boost Economic Development

Nosh ? Chilis ? Panda Joe ? ? ? Waffle



viii. Enhance Quality of Life

- Library
 - Facilities
 - Bids in hand for work on windows
 - Working on expansion project
 - Programming
 - Regular programming continues, including knitting, chess club, story hour, Club Code, and others
 - Summer Reading winding down
- Parks & Recreation
 - Baseball/Softball underway
 - Hosted state tournament Independence Day weekend
- Texas Theater
 - Main Street architects reviewed and suggested several additional steps
 - Structural engineering review is needed before proceeding much further

b. Recent and Upcoming Staff Activities and Events

Staff Activities

- Several vacancies but holding for now
- Dave Pruitt announced retirement
- Courtney Philips hired as Fire Department Administrative Specialist
- Intern Ella Webb assisting with development projects

Events:

- Fun at the Park (Carter/Davis) was held successfully
- Music at the Yard on hiatus until September
- AutumnFest is next major downtown event

(Agenda Item #13)

Hold a Closed Session Under the Provisions of Section 551.074 of the Government Code (Personnel-City Manager Evaluation)

Mayor Johnson announced entrance into closed session at 6:33p.m.

(Agenda Item #14)

Reconvene in Open Session

Mayor Johnson announced the exit from closed session at 7:30p.m.

(Agenda Item #15)

Deliberate and Act on Matters discussed in closed session.

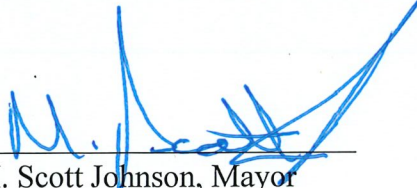
Councilmember Lloyd made a motion for the City Manager, Megan Henderson to receive a 5% salary increase effective August 1st. Second by given by Councilmember Fleming.

On roll call, the following votes were cast:

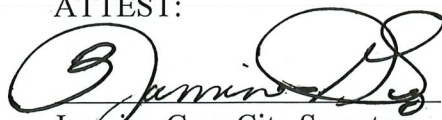
Ayes: Fleming, Lloyd, Robinson, Hernandez, Richmond, Jolly

Nays: none Absent: none

With no further business to address, Mayor Johnson adjourned the meeting at 7:31p.m.


M. Scott Johnson, Mayor

ATTEST:


Jasmine Guy, City Secretary

Note:

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