City Council
City of Hillsboro, Texas
Minutes of Regular Meeting
October 21, 2025

Present were:

Scott Johnson, Mayor
Jay Jolly, Councilmember
Eric Fleming, Councilmember
Dana Robinson, Councilmember
Edgar Hernandez, Councilmember
Larry Lloyd, Councilmember
Richard Reinhardt, Planning Director
Megan Henderson, City Manager
Tony Cain, Assistant City Manager
Jasmine Guy, City Secretary
Dale Snyder, Finance Director
Justin Dyer, Library Director
Christi Ward, Commun, & EA

Councilmember Leann Richmond was absent.

Others present:
Shannon Cottongame, the Reporter
Hillsboro Police Department
Lynette Hearrell-Director of Hillsboro Chamber of Commerce
Pastor Daniel Tanguma-First Baptist Church of Hillsboro

Mayor Johnson called the meeting to order at 6:00PM

Pastor Tanguma of the First Baptist Chruch completed the invocation

Mayor Johnson led the Pledge of Allegiance.

Hear Statements from Persons Wishing to Address Council
Basil Zangare was able to address council. Mr. Zangare shared with council that City Manager, Megan Henderson has been working hard to get him the Dickman video. He expressed that he wasn't for sure if any of council had to do anything with that, but the communication between himself, Megan (City Manager,) and Lauralee (City Attorney) still has some technical difficulties with some things, but they are working on it. He expressed that he was going to leave the Dickman stuff alone as Megan has been working on it for about two weeks with Lauralee. He expressed that he is wants the city to be transparent. Mr. Zangare then reported that there's some things that have come to light from other records over the past and he had forgotten to mention at the last city council meeting. He provided that he made his rounds when he put in an open records request for inventory of the evidence room at the Police Department. He reported that come to find out after asking questions at a couple of pawn shops and firearms places, Chief Tony Cain asked somebody if they wanted to buy those firearms. He expressed that at this point he doesn't know if

they've been sold as he hasn't followed up, but he is currently waiting for a decisions from the Attorney General's Office regarding the weapons. He expressed that unfortunately they don't want to release it because of the serial numbers. He expressed that he wants to know where the old weapons went when the new weapons were approved. Mr. Zangare emphasized that those weapons could be sold to a firearms license and that money can be recouped, it can be put back into the budget. He shared that there's a ton of money that that's just out there that can be going back to proper things such as the water problem. Mr. Zangare expressed that he calls for an independent audit of that department. Mr. Zangare then began to share his concerns regarding the roads. He provided that there are problems with the roads and they are needing to be fixed. He reported that with all of the tickets being written, all of that revenue needs to go towards funding the roads. Mr. Zangare then shared that Sgt. Dominique Anderson writes the most amount of tickets with an average of 100 per month. He asked "where is all of that money going?" He expressed that it is not going towards the roads. Mr. Zangare continued and shared that he is calling for an independent audit of the police department, excluding the evidence room. He added that he is requesting that an outside vendor complete the independent audit so that there's no bias and no covering anything up. He expressed that he really just need to see what's in that evidence room, or what else is not being allocated before concluding.

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 #05)

Deliberate and Act on the Approval of the Minutes for the Regular Meeting on October 7, 2025.

(Agenda Item #06)

Act on the Approval of Bills.

(Agenda Item #07)

Deliberate and Act on a Resolution Accepting the Recommendations of the Plannign and Zoning Commission to Approve the Preliminary and Final Plat of Barrera Addition in the City of Hillsboro on a Certain Tract of Land Being 0.17 Acres in the John Carothers Survey, Abstract No. 148, and Being the Same Property by Reference as Recorded in Volume 2234, Page 816 of the Official Public Records of Hill County, Texas. Also Known as 103 West Madison Street.

[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 103 West Madison Street. The purpose of the plat is to allow for the development of a single-family dwelling. The Planning and Zoning Commission reviewed the preliminary and final plat at their meeting on Monday, October 13, 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 to Re-Plat Lots 1-R and 2-X, Block A, Southwest Outlet Center Addition, Becoming Lots 1R-1 and 2X-1, Block A, Southwest Outlet Center Addition, in the City of Hillsboro; Being the Same Property by Reference as Recorded in Volume 2246, Page 345 of the Official Public Records of Hill County, Texas. Also Known as 242, 246 and 250 I-35 Service Road NE.

[Planning Director, Richard Reinhardt provided council with the following information in the council packer prior to the meeting: The purpose of the re-plat is to move the property line separating two lots to the north by three feet for better utilization of space. The Planning and Zoning Commission reviewed the re-plat at their meeting on Monday, October 13, 2025 and forwarded their recommendation of approval.]

(Agenda Item #9)

Deliberate and Act on a Resolution to Accept a Bid for Exterior Improvements to Suites 165-178 of Hillsboro Outlet Mall

[City Manager, Megan Henderson provided council with the following information in the council packet prior to the meeting: Glaser Retail Partners has supplied the City with draft renderings showing improvements to the buildings at the Outlet Mall that will be retained and tenanted as part of Phase I. The GRP team has collected bids for both their portion and ours and is planning to move forward with a local vendor for their portion of the work. Staff recommends the City use the same local vendor and move forward immediately with work on the building that includes Suites 165-178, most recently used for the Mallmageddon event. We believe moving quickly will help us recruit tenants and that there will be cost efficiencies from using the same contractor as GRP.]

Consent agenda items. There were no items removed from the Consent Agenda. There were no further questions or comments. On a motion by Councilmember Fleming and second by Councilmember Robinson, Consent Agenda Items #5 through #9 were accepted and approved.

On roll call, the following votes were cast:
Ayes: Fleming, Lloyd, Robinson, Hernandez, Jolly
Nays: none Absent: Richmond
Resolution No: R2025-10-63,64,65

Regular Agenda

(Agenda Item #10)

Deliberate and Act on a Resolution Appointing Members to Various Standing Boards, Commissions and Committees.

City Secretary, Jasmine Guy presented the candidates to the following boards, commissions, and committees that were recommended by the liaisons and requested waiver recommendations. City Secretary Guy explained that the terms for appointees to Boards, Commissions and Committees expired in September. However, the current members will continue to serve until new the appointees are prepared to fill the positions. All applications received through the deadline have been included within their Boards, Commission, and Committees packets. New appointees will be required to complete two trainings: Open Meetings Act and Public Information Act before they can be seated on a board. By state law, training must be completed within 90 days of appointment. She referenced the PowerPoint and reviewed the following recommended appointments for each board, commission, and committee:

1.) **Airport Board:** Liaison, John Graham recommended Todd Kimbrell, Jim Morrison, and Charles Schneider.

2.) **Building and Standards Commission:** Liaison, Chris Cary recommended Margaret Barr, Larry Cole, and Paula Turner

3.) **Hillsboro Economic Development Corporation**: Liaison, Jessica Trew recommended Amy Fuchs, Kennie Nowlin, and William Siddons III

4.) **Hillsboro Historic Preservation Commission:** Liaison, Richard Reinhardt recommended Theresa Arias, Susan Shewmake, and Kim Burgess.

5.) **Housing Finance Corporation:** Liaison, Megan Henderson recommended Paul Baker, Noah Dansby, and Tiffanie Rivas.

6.) **Library Board of Trustees:** Liaison Justin Dyer recommended Sharon Fitch, Judy Fowler, and Roberta Skelton.

7.) **Main Street Board:** Liaison, Tiffany Barron recommended Delwin Hinkle, Jennifer Neal, and Deanna Vaughn.

8.) **Parks Advisory Board:** Liaison, Samantha Montes recommended Chad Gray.

9.) **Planning and Zoning Commission:** Liaison, Richard Reinhardt recommended Matthew Southard, Duncan McLeod, and Lupe Macha.

10.) **Zoning Board of Adjustment:** Liaison, Richard Reinhardt recommended Greg Goodwin, Charles Schneider, and Robert De Luna

City Secretary concluded by informing council that there is one vacancy on the Parks Advisory Board.

Mayor Johnson asked if there was any issue with Lupe Macha serving since he is on the school board. City Manager Henderson confirmed that there was no issue. 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: Fleming, Lloyd, Robinson, Hernandez, Jolly
Nays: none Absent: Richmond
Resolution No. R2025-10-62

(Agenda Item #11)

Hold a Public Hearing, Second Reading, and Deliberate and Act on a Proposed Ordinance Amending Chapter 13, Utilities, Article 13.200, Rates and Charges, Section 13.207, Rate Schedule for Water Usage; and Repealing All Ordinances or Parts of Ordinances in Conflict Herewith; Containing a Severability Clause; and Providing for Publication and an Effective Date

City Manager, Megan Henderson presented the agenda item. She shared that the city gets an annual requirement every year from a rural water supply district that tells us what our rates are going to be with them for the coming year which makes up about 70% of the cost of running our water system. City Manager Henderson reported that they have gone up less than they were planning to because we asked them to pull back on the proposed increase. She shared that if the city is not able to fix some of the leaking water lines and increase the reliability of our service, then the city will continue to have water on the ground, which adds to the cost of running the system. City Manager Henderson explained that if all of the money is given to Aquilla, then the city will not have any funds to spend towards trying to improve the city's water system and limit costs. She added that Aquilla will most likely be going up by another $1M again next year. City Manager Henderson provided council and attendees with some background regarding the previous increases. She shared that the purpose of those increases was not just to pay Aquilla but to close the fiscal gap that the city had. City Manager Henderson shared the information received from the Texas Water Development Board and the efforts of resolving that issue. City Manager Henderson expressed that the proposed increase of 20% will allow the city to take modest steps to address the water quality and try to make some repairs while also getting our physical house in order. City Manager Henderson was able to explain the impact it would have on residents' bills moving forward before opening for questions.

Councilmember Robinson asked if more money will be asked for next year. City Manager explained that the city plans on waiting to what the annual requirement will be from Aquilla and it will be discussed around this time next year. There were no further questions or comments from council. Mayor Johnson opened up the public hearing at 6:18PM. Several members of the audience asked several questions regarding the agenda item. City Manager Henderson was able to provide pertinent information as it related to all of their questions. Mayor Johnson closed the public hearing at 6:35PM. On a motion by Councilmember Lloyd and second by Councilmember Fleming, the ordinance was accepted and approved.

On roll call, the following votes were cast:
Ayes: Fleming, Lloyd, Hernandez, Jolly
Nays: Robinson Absent: Richmond

Ordinance No. O2025-10-17

(Agenda Item #12)

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. 2007-01-01 (Last Amended by O2025-07-11), Whereby the Purpose is to Amend Section 4.30B.6 by Amending the Sign Regulations in the Outlet Mall Redevelopment Overlay (OMR) District.
Planning Director, Richard Reinhardt presented the agenda item. He informed council that the purpose of the proposed ordinance is to amend sections 4.30B by amending the sign regulations in the Outlet Mall Redevelopment Overlay (OMR) District. Planning Director Reinhardt reviewed the present signage regulations and presented the proposed additions. Planning Director Reinhardt also provided the purposes for the text amendment. The Planning and Zoning Commission forwarded their recommendation for approval at their meeting on Monday, October 13, 2025.

There were no further questions or comments from council. Mayor Johnson opened the public hearing at 6:39PM. No one spoke for or against the ordinance. Mayor Johnson closed the public hearing at 6:40PM. The first reading of the ordinance was declared complete.

Ordinance No. O2025-11-18

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

<table>
<tr><th colspan="4">Project Progress
Concept | Funding | Prof Svc Procurement | Pre-Design | Design | Bidding | Award | Construction</th></tr>
<tr><th>Street</th><th>Total</th><th>Status</th><th>Notes</th></tr>
<tr><td>Park Drive (WP)</td><td rowspan="4">$6,083,741
+ $120,000</td><td rowspan="4">Near Completion</td><td rowspan="4">Walk-through held last week
- Some concrete work still being completed
- Some pavement spots being redone
- Some valves being re-set for better operational access</td></tr>
<tr><td>Old Brandon Rd (WP)</td></tr>
<tr><td>Walnut Street (WP)</td></tr>
<tr><td>Church Street (WP)</td></tr>
<tr><td>Industrial Water Tower (MRB)</td><td>$4,770,518</td><td>Complete</td><td>Still working on closeout documentation, budget amendment and final draw processes, but work is long finished so removing from this report.</td></tr>
</table>

- Water Improvements
  - Priorities for Contracting
    - College Tower to Outlet Mall - $150k
    - TxDOT project - $600k
    - Smith Street - $650k
    - Sycamore - $650k
    - Lines in Fields
  - Priorities for In-House
    - Hummingbird
    - Will add additional in-house plans once fully equipped (truck & backhoe)

vi. Deliver Essential Services

	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	Funding not approved	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**				

- 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

- 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

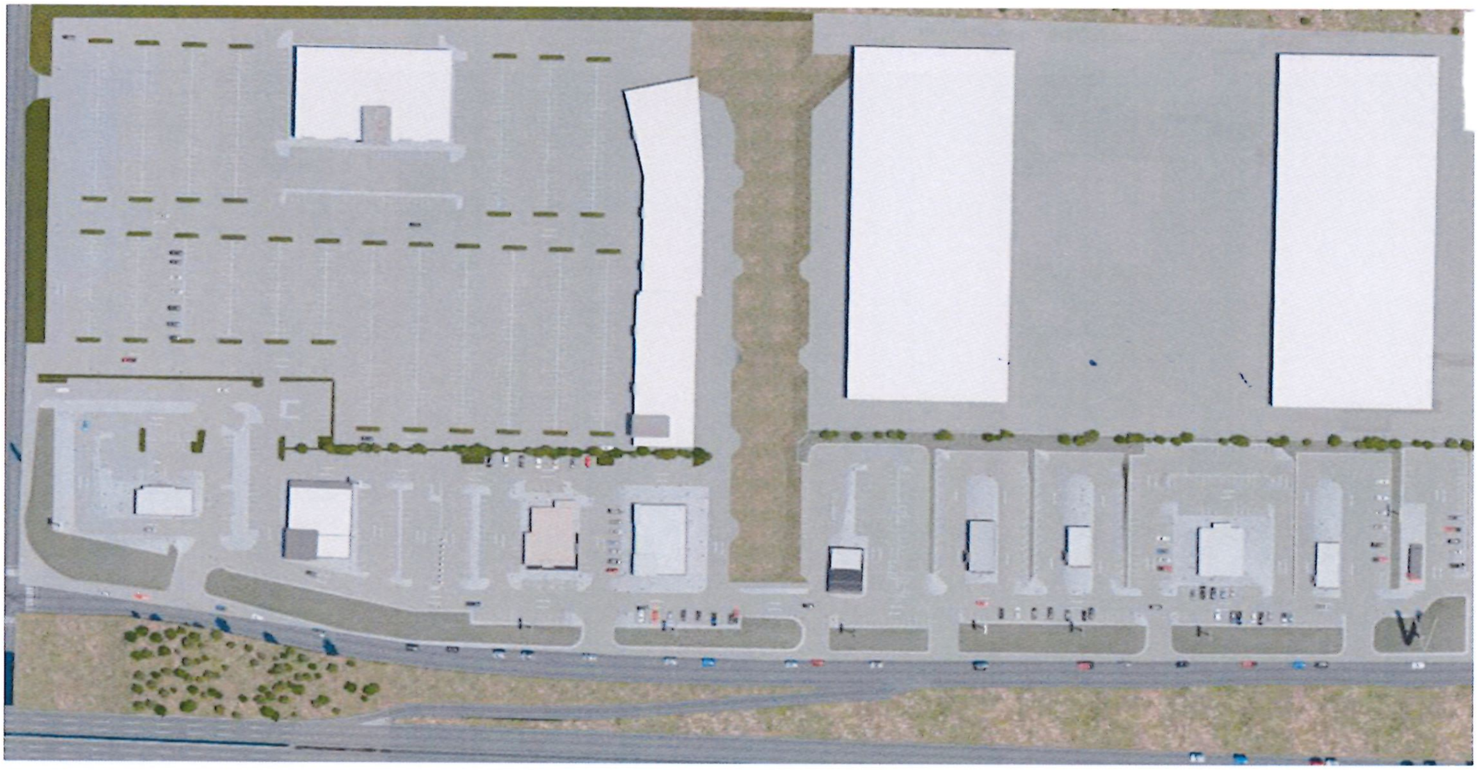
vii. Boost Economic Development

7.1 Business Attraction
  - Project Dispatch – working through due diligence
  - 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 continues supporting downtown businesses

7.6 Pursue redevelopment of the Outlet Mall
  - Phase I: Pad sites and Retained Buildings
    - Bath & Bodyworks new space renovation underway
    - Chilis construction underway
    - Panda Express to begin construction soon
    - Chick Fil A to begin construction soon
    - Waffle House replat is underway
    - Exterior renovations for retained buildings to begin soon
    - Researching options for open space/ pocket park

- Phase II: HOM South, not yet underway



Nosh ? Chilis ? Panda Joe ? ? ? Waffle

vii. Enhance Quality of Life

- Library
  - Facilities
    - Prepping for work on doors
  - Programming
    - Regular programming continues, including knitting, chess club, story hour, Club Code, and others
- Parks & Recreation
  - Getting geared up for Basketball to start
  - Baseball/softball tournaments every weekend through December

b. Recent and Upcoming Staff Activities and Events

Staff Activities

- Filling open positions to the best of our ability

Events:

- Music at the Yard wraps up October 25 with Mike Morgan and Shawn Pittman
- Successful AutumnFest and Oktoberfest events recently held in downtown
- Halloween in Hillsboro (10/24) and Public Safety Trick-or-Treat (10/31)

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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