

City Council
City of Hillsboro, Texas
Minutes of Regular Meeting
November 18, 2025

Present were:

Scott Johnson, Mayor	Megan Henderson, City Manager
Jay Jolly, Councilmember	Tony Cain, Assistant City Manager
Eric Fleming, Councilmember	Jasmine Guy, City Secretary
Dana Robinson, Councilmember	Dale Snyder, Finance Director
Edgar Hernandez, Councilmember	Justin Dyer, Library Director
Larry Lloyd, Councilmember	Richard Reinhardt, Planning Director
Leann Richmond, Councilmember/Mayor Pro Tem	
Christi Ward, Executive Asst.	

Others present:

Shannon Cottongame, the Reporter
Hillsboro Police Department
Lynette Hearrell-Director of Hillsboro Chamber of Commerce
Reverend Michael Nemec-Christ Lutheran Church

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

Rev. Michael Nemec of the Christ Lutheran Church completed the invocation.

Mayor Johnson led the Pledge of Allegiance.

Hear Statements from Persons Wishing to Address Council

Marlayna Urbanovsky, a resident at 412 Alexander St. addressed council regarding the need for a Pickleball court. She shared she and a group of her friends are a part of a Pickleball group and would like to see if lines can be drawn at the tennis courts so that they are able to play at the city park. She was able to share that they were able to paint lines in her office parking lot for pickleball and it is fairly simple. She expressed that pickleball is becoming more popular and would like to know the process of being able to get this started. Mrs. Urbanovsky also offered to paint the lines herself before concluding. City Manager Henderson was able to inform Mrs. Urbanovsky that staff has already been looking into this due to some prior request and the Parks/Recreation department will be reaching out for more information.

Basil Zangare was able to address council. He provided that the first thing he wanted to address was Mayor Johnson and that he doesn't care for transparency. He expressed that people are unable to hear them up there and that was the point for the volume being placed

up there. He expressed that council is just scared of what is being said during the meetings and because more people are now following him to see what council is saying. He provided that he will be addressing the TML conference but wanted to discuss the court system first. He referenced the packets that was given to each council member and reported that the court currently has 20,000 pending cases. Mr. Zangare shared that all of the traffic citations that Anderson writes, the city/court cannot keep up. He expressed that they are not collecting the money and they are basically road pirates. He reported that they are pirating everyone, writing tickets. Mr. Zangare expressed to all that were present to plead not guilty to every single ticket violation rather than no contest and take it to jury trial. He provided that he would be more than happy to have his team provide legal representation. He provided that the city already has 20,000 cases backlogged and he is more than happy to make it 100,000. Mr. Zangare reported that the city is collecting \$75,000 a month on average from traffic violations. He explained that 1/3 of that goes to the state and the other 2/3 needs to go towards the roads. He asked about when the last time the roads were fixed besides the ones in front of the courthouse. He expressed that he hears about the roads all of the time and no one cares about public safety, but care about the money. Mr. Zangare reported to have receipts and expressed that he will make sure they are posted on Facebook. Mr. Zangare then began expressing comments regarding the TML Meeting. He thanked Megan for spending the least amount of the tax payer's money. Mr. Zangare continued and made comments to Councilmember Hernandez regarding a meeting he attended and a conversation and/or comments made with Amy Teal. Mr. Zangare then informed council that Tony (Chief Cain) spent a lot of money at the TML meeting, but not as much as Councilmember Robinson. He made comments regarding Councilmember Robinson's spending and her squandering money. He expressed that the roads are not being fixed, can't get the water up to date, and the continuous spending. Mr. Zangare then concluded by making more comments towards Mayor Johnson and his lack of transparency and that he has officially made his list.

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 November 4, 2025.

(Agenda Item #06)

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 7-X, Block A, Southwest Outlet Center Addition, Becoming Lots 7X-1, 12-R, and 13-X., Block A, Southwest Outlet Center Addition, in the City of Hillsboro; Being a Portion of the same Property by Reference as Recorded in Volume 2246, Page 345 of the Official Public Records of Hill County, Texas. Also Known as 202 I-35 Service Rd NE.

[Planning Director, Richard Reinhardt provided council with the following information in the council packet prior to the meeting: An application to re-plat property along the service road has been submitted to allow for the development of Waffle House on Lot 12-R. The re-plat also includes the remaining tract between Panda Express and Waffle House (Lot 7X-1) and a narrow strip to provide access to the property to the east (Lot 13-X).

The Planning and Zoning Commission reviewed the re-plat at their meeting on Monday, November 10, 2025 and forwarded their recommendation of approval.]

(Agenda Item #08)

Deliberate and Act on a Resolution Approving a Request by the Main Street Board to Close Various Streets for the Purpose of Holding Christmas Under the Stars, the Christmas Parade, Christmas Carnival, and Related Events on Saturday, December 6, 2025.

[Tiffany Barron, Main Street Manager provided council with the following information in the council packet prior to the meeting: The Christmas Parade will begin in the County parking lot along Covington St, turn east on Elm St, turn north on Pleasant St, turn west on Franklin St, and then turn south on Covington St past the Hill County Courthouse. Participants will park their parade entries on the west side of the courthouse along Covington St once the parade has ended so everyone may participate in the tree lighting on the east side of the courthouse. On December 6, 2025, the streets would need to be closed by 6 p.m. and open at 6 a.m. Downtown Businesses are encouraged to stay open late and decorate their storefronts]

(Agenda Item #09)

Deliberate and Act on a Resolution Authorizing the Sale of Surplus Property: Ambulance

[City Manager, Megan Henderson provided council with the following information in the council packet prior to the meeting: West Volunteer Ambulance Association wants to purchase a surplus piece of equipment: our 2016 Ford Ambulance. They've offered \$12,500, which our team believes is a fair price. It's possible we could get slightly more, or slightly less, if we went through a formal process, and this is the amount West has been able to raise for the purpose. We have a mutual-aid agreement with West and they've also offered to make the ambulance available to us as a back-up if needed in the future. Staff recommends approval.]

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 #9 were accepted and approved.

On roll call, the following votes were cast:

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

Nays: none Absent:

Resolution No: R2025-11-69, 70, 72

Regular Agenda

(Agenda Item #10)

Hold a Public Hearing, First Reading and Deliberate on an Ordinance Regarding an Increase of Contribution Rate Towards the City of Hillsboro's Texas Municipal Retirement System.

Finance Director, Dale Snyder presented the agenda item. He shared that this increase was discussed during the Fiscal Year 2026 budget process. Staff is recommending to raise the TMRS contribution rate from 5% to 6%.

There were no questions or comments from council Mayor Johnson opened the public hearing at 6:10PM. Basil Zangare spoke against the ordinance expressing comments regarding the city spending more money than necessary. Mayor Johnson closed the public hearing at 6:11PM. The first reading of the ordinance was declared complete.

Ordinance No. O2025-12-19

(Agenda Item #11)

Deliberate and Act on an Appeal of a Historic Preservation Commission Determination Regarding a Certificate of Appropriateness (COA) for Exterior Renovations at 435 Craig Street.

Richard Reinhardt, Planning Director presented the agenda item. He informed council that he was seeking their recommendation(s) regarding an appeal that was submitted to the Historic Preservation Commission (HPC) on their determination for a property located at 435 Craig Street (located within the Residential Historic District.) He was able to review the applicant's request for a Certificate of Appropriateness and the Historic Preservation Commission's decisions based on the requested renovations. Planning Director Reinhardt showed council before and after pictures of the residence along with pictures indicating the potential renovations. It was shared that the applicant is appealing a portion of the HPC's decisions to allow for square posts and a privacy wall. Staff is recommending to accept the determination of the Historic Preservation Commission and give the applicant one year to replace the square posts with turned posts similar to the ones that were previously on the house.

Mayor Johnson was able to share comments regarding getting better at notifying current and potential homeowners about the renovation restrictions within the Historic District and overall goal of maintaining the historical aspect of the home. Planning Director Reinhardt agreed and that staff is looking into sending out routine letters to remind/inform all homeowners of the stipulations. Councilmember Fleming was able to share his thoughts regarding determining the actual original posts of the home since it was built back in the 80s. Heidi Teague (homeowner of 435 Craig Street) was able to provide her comments and thoughts regarding the HPC's decision and their overall goal for their home. Council was able to recommend to take no action and have this item be taken back to the Historic Preservation Commission with the new information gathered tonight. Councilmember Richmond made a motion to take no action. Second was given by Councilmember Lloyd.

On roll call, the following votes were cast:

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

Nays: none Absent:

(Agenda Item #12)

Hold a Public Hearing, First Reading of an Ordinance and Deliberate on a Voluntary Annexation Request to Institute Annexation Proceedings to Enlarge and Extend, Including Zoning Designation, All that Certain Lot, Tract or Parcel of Land, Being 30.65 Acres, Situated in the Ewen Cameron Survey, Abstract No. 131, Hill County, Texas, Being the Same Property by Reference as Recorded in Volume 2374, Page 327 of the Official Public Records of Hill County, Texas.

Planning Director Reinhardt presented the agenda item. The Hillsboro Economic Development Corporation (HEDC) has submitted a petition for the voluntary annexation of 30.65 acres adjacent to the City Limits. Planning Director Reinhardt explained that the property is located to the north of a 20-acre tract owned by the Hillsboro Economic Development Corporation that was previously annexed and is on the north side of State Spur 579. Planning Director Reinhardt reported that the subject of the proposed annexation will help to provide access to industrial zoned property to the north. There were no responses received regarding the 200ft notification area. The Planning and Zoning Commission recommended approval of the proposed annexation zoning designation of Heavy Industrial (I-2) at their meeting on Monday, November 17, 2025. He shared that Heavy Industrial (I-2) Zoning for the proposed annexation of 30.65 acres is consistent and compatible with the recommendations of the Future Land Use Map in the Comprehensive Land Use Plan. Planning Director Reinhardt was able to reference both in the PowerPoint before concluding.

There were no questions or comments from council Mayor Johnson opened the public hearing at 6:24PM. A member from the audience was able to ask about the benefit/purpose of the annexation and why it is needed. City Manager Henderson was able to

provide the information regarding the reasoning for the annexation. Mayor Johnson closed the public hearing at 6:28PM. The first reading of the ordinance was declared complete.

Ordinance No. O2025-12-20

(Agenda Item #13)

Deliberate and Act on a Resolution to Approve an Amended and Restated Wholesale Water Contract with Aquilla Water Supply District

City Manager, Megan Henderson presented the agenda item. She provided that a discussion has been held a couple of time regarding this. Council has previously recommended for staff to seek additional outside legal guidance and that has been done. She was able to share the conversations that has been held between the city, city's attorney (Art Rodriguez,) and Aquilla Water Supply. City Manager Henderson reported that the original contract for Wholesale Water Supply between the City of Hillsboro and Aquilla Water Supply District does not allow Aquilla and the City to satisfy TCEQ and Texas Water Development Board requirements. She reported that negotiations have been held mainly regarding contract term. City Manager Henderson explained that the proposal from the district was to make it a specific term for 40 years, but ultimately, the district has agreed to keeping the current term indefinite with the caveat that they can supply us with water and press term for you supplies them with water. City Manager Henderson informed council that a copy of the draft contract has been provided in the packet that includes some track changes made. She provided that staff is recommending approval of the contract.

There were no questions or comments from council. On a motion by 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, Richmond, Jolly

Nays: none Absent

Resolution No. R2025-11-71

(Agenda Item #14)

Hold a Public Hearing, First Reading and Deliberate on an Ordinance Amending the City's Fees for Water and Sewer Taps

City Manager, Megan Henderson presented the agenda item. She informed council that staff failed to include in the budget an increase in the cost of water and sewer tap fees. She explained that last year it was a part of the budget process, but this year it was somehow left off. She shared that staff is requesting approval to increase the water and sewer tap fees. She provided that the increase is to help ensure that the city's tap fees are recovering our costs for not only labor, materials and equipment but also for street repair.

Councilmember Lloyd was able to ask about the percentage increase. City Manager Henderson explained that it is 25%. Councilmember Robinson asked about the city's ability to waive such fees. City Manager explained about the process for waiving the fees in whole or part for development that supports the city's Strategic goals. Councilmember Lloyd was able to ask about the typical residential tap fee. The current fee is \$2,132 for water and \$2,100 for sewer. Council Lloyd shared that he has compared that to some other rural areas that has estimated at \$18k. There were no further questions or comments from council. Mayor Johnson opened the public hearing at 6:33PM. No one spoke for or against the ordinance. Mayor Johnson closed the public hearing at 6:34PM. The first reading of the ordinance was declared complete.

Ordinance No. O2025-12-21

Hear and Deliberate on the City Manager's Report

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

a. Update on Strategic Goals 5-8

i. Build Better Infrastructure

Project Progress			
Concept Funding Prof Svc Procurement Pre-Design Design Bidding Award Construction			
Street	Total	Status	Notes
Park Drive (WP)	\$6,203,741 99% Complete as of 9/16/25	PAVING COMPLETE	All areas complete except for final concrete work including concrete around valves, build-ups at manholes; sod; and spot repairs to pavement.
Old Brandon Rd (WP)			
Walnut Street (WP)			
Church Street (WP)			
Industrial Water Tower (MRB)	\$4,770,518	Complete	Working on closeout documentation, budget amendment and final draw processes. \$506,318.92 is being released to the City, with \$288,072.49 remaining to be drawn down.

- Streets
 - Assessment: Complete
 - Big projects: 4 completed
 - Small projects: not completed
 - Strategy Adjustment:
 - increase capacity to self-perform
- Water
 - Assessment: Complete

- Big projects: 2 completed
- Small projects: not completed
- Strategy Adjustment:
 - contract more
- Current project update: anticipated cost reduction, will change-order to add another location
- Sewer
 - Assessment: Underway
 - Big projects: 1 completed
 - Small projects: 1 completed
- Drainage
 - Assessment: Planned

vi. Deliver Essential Services

- Facilities Master Plan – architects touring and assessing existing facilities.
- Street Maintenance – crews working on drainage and utility cut repairs
- Public Safety – Reviewing departmental policies and personnel
- Municipal Court – New Court Administrator and team catching up tremendous backlog of cases, warrants
 - \$638,540 in police and CMV fines received in FY 2025 (\$53k/month)
 - Approx. 500 citations issued per month, currently 126 awaiting pretrial
 - No warrants issued from October-March, backlog processed from June-August. 14 issued in past 3 months combined
- Water – assessing opportunities for system improvement on a PAY-go basis
- Wastewater Treatment – processing renewal of our treatment permit
- Parks – working fields on Wallace Park to support tournaments through the end of this year

vii. Boost Economic Development

7.1 Business Attraction

- Project Dispatch – continuing due diligence
- Project Freeze Pop – continuing due diligence and moving forward
- Project Treasure Hunt – reviewing possible investment options
- Project Pitstop – moving forward
- Retail Coach continuing to work with prospects
 - Restaurant and retail prospects are being pursued for specific locations

7.3 Entrepreneurship and Small Businesses

- Main Street committees working on projects

7.6 Pursue redevelopment of the Outlet Mall

- Panda Express building permits issued; construction anticipated soon
- Chili's building under construction

- Chick Fil A building permits issued; construction anticipated soon
- Bath & Body Works open in new space
- Waffle House civil plans are near approval
- Demolition continues
- Staff/ developer weekly calls
- “Glow up” for remaining buildings expected to begin soon

Phase 1: 6-24 mos

Phase 2: 2-5 yrs

Phase 3: 7-12 yrs



viii. Enhance Quality of Life

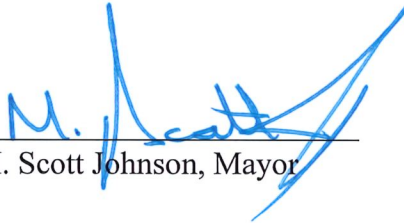
- Library
 - Library Gala December 5th
 - Regular programming continues, including knitting, chess club, story hour, Club Code, and others
- Parks & Recreation
 - Wallace Park: Tournaments every weekend through December

b. Recent and Upcoming Staff Activities and Events

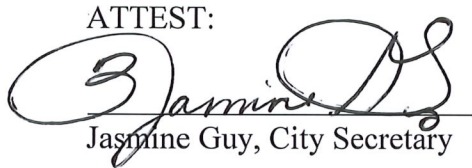
Staff Activities

- Events:
- Working to fill vacant positions
 - Small Business Saturday November 29th
 - Library Gala December 4th
 - Christmas Parade December 6th
 - Farmers Market Christmas Market December 13th

With no further business to address, Mayor Johnson adjourned the meeting at 6:44p.m.


M. Scott Johnson, Mayor

ATTEST:


Jasmine Guy, City Secretary