

Churrofest draws a crowd

A large crowd of Hillsboro residents and visitors gathered in downtown Hillsboro to enjoy entertainment, vendors and games Saturday, May 11, as Hillsboro Main Street presented Churrofest. The weather cooperated most of the day, and a brief rain and lightning delay in the evening did not dampen the spirits of fans who flocked to the stage to see co-headliners Kane Alvarado and Frankie J, along with popular local acts. *Sheri Hemrick photos*



Council Reviews Options To Increase Water Revenue

Hillsboro City Manager Megan Henderson presented options for the city to increase its water revenue to properly fund the system during a Tuesday, May 7, council meeting. Last year's water revenue was \$3.2 million, which is not enough to fund the current \$4.6 million cost of running the service. That does not include any improvements or increased maintenance, which city staff has pointed out as badly needed.

Starting next year, the city projects it will need \$7.8 million in revenue. That number includes the current cost of running the system, increased maintenance, debt service on improvements to water infrastructure and the city's \$31 million share of necessary improvements to Aquilla Water Supply District, the city's water supplier.

Henderson presented different ways a revenue increase could be accomplished in a fair and equitable manner. She presented information from the American Water Works Association (AWWA) about cost-based rate setting procedures. According to AWWA, cost-based water rates are considered fair and equitable because they generate revenue from each group of customers

in proportion to what it costs to serve that group.

"We can't charge more than it costs because we're not a profitable enterprise, but if we charge less than it costs, we run into very serious problems," Henderson said. "I think that's a little bit where we find ourselves."

Henderson said that the city deviated from a cost-based system years ago because officials were reluctant to raise rates and pass the costs on to customers. This system misled customers into believing that lower costs were appropriate to run the system.

"None of us want to cause pain, suffering, heartache or increased costs," Henderson said. "So there's a built-in

disincentive for us to take it on when it's needed."

She provided examples of fixed and variable costs that go into setting rates. Fixed costs include equipment, staff, water lines and towers, and other expenses that don't depend on how much water the city sells. Variable costs go up with each gallon of water sold and include expenses like the cost of water from Aquilla Water Supply District, customer leaks and inefficient usage.

After fixed costs are taken into consideration, the costs of serving different types of customer classes — including residential, multi-family, non-residential and irrigation users — have to be broken

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Citizens Invited To Meeting On Water Rates Thursday Evening

A public meeting has been scheduled to discuss the City of Hillsboro's water rates this evening (Thursday, May 16), at 5:15 p.m.

The meeting will include a discussion about the issues surrounding the need to raise water rates, the steps the city is taking to create some different rate scenarios, and possible recommendations to the council.

Citizens are asked to attend and provide input about their concerns and priorities.

The meeting will be held at Historic City Hall, located at 127 East Franklin Street in Hillsboro.

Court Ratifies Disaster Declaration

The Hill County Commissioners Court met in a special session Tuesday, May 7, and ratified the disaster declaration issued by County Judge Justin Lewis May 1.

The judge issued the declaration after Governor Greg Abbott included Hill County in a disaster declaration at the state level April 30. The declaration cites widespread damage to private and public infrastructure due to recent severe weather and flooding.

Lewis's declaration was good for seven days before being ratified and approved by the court.

The court heard from Texas Division of Emergency Management representatives working in the county who reported that Hill County has

exceeded its threshold for assistance based on the damage reported. The state had not yet met its \$53.6 million threshold to receive federal assistance, but the numbers could skyrocket after flood waters recede and more damage is identified and reported.

Commissioners were encouraged to report damage and log any repairs made as they work to make roads passable in their precincts.

In other action, the court approved paying a one-time fee of \$29,750 from the information technology budget to extract records from the OnBase records management system that the county has previously used.

Lewis and Information Technology Director Phillip

Cantrell reported that the system is underutilized and expensive, and the features exceed what the county needs in a file storage system. The fee will cover extracting a large number of files from OnBase to Imaging Office Systems Inc. software.

Lewis also asked commissioners to review the county's culvert policy, stating that he wanted to get their input and consider adoption of an updated policy.

The court met in executive session for deliberation regarding economic development negotiations. No action was taken when open session resumed.

The court's next regular meeting was scheduled for Tuesday, May 14.

Sentences Handed Down In 66th Judicial District Court

The office of District Attorney Mark Pratt recently prosecuted felony criminal cases in the 66th Judicial District Court of Hill County. The following Texas Department of Criminal Justice (TDCJ) convictions are from April:

Brittney Ann Crites, unlawful possession of firearm by felon, five years prison; possession of methamphetamine under one gram, six months state jail

Carlos Adrian Hernandez, evading arrest or detention with vehicle, 20 years prison; possession of methamphetamine between one and four grams, 20 years prison; theft

of property under \$2,500 with two or more previous convictions, 10 years prison

Robert Theodore Connor, unlawful possession of firearm by felon, seven years prison

Emmanuel Amaya Garcia, aggravated assault against public servant with deadly weapon, six years prison; evading arrest or detention with vehicle with deadly weapon, six years prison; possession of cocaine under one gram, 15 months state jail

Brandy Jay Ayers, possession of methamphetamine under one gram, seven months state jail

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Some Closures At Lake Parks Due To Flooding

Heavy rainfall and flooding that began at the end of April and continued into May has resulted in the closure of some public access areas around area lakes.

Lake Whitney State Park officials announced Monday, May 6, that the park would temporarily close due to flooding.

The park is expected to be closed through at least Wednesday, May 22, and park officials said that conditions will be monitored with more rain in the forecast.

The following U.S. Army See Parks...Page 10

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down with the goal of keeping one group from subsidizing another.

Currently, residents pay a higher percentage of water costs than commercial users. In 2023, Hillsboro residents used 41% of the total water provided but paid 51% of the costs.

As the city works to structure its rates and fairly split up fixed and variable costs among different types of users, staff gathered rate data from peer cities that are similar in size, have similar commercial/industrial needs and face the same challenges as Hillsboro, such as aging infrastructure.

Granbury, Taylor and Mineral Wells were three cities that met this criteria and were used in Hillsboro's research. One difference in Hillsboro's rate structure and the rate structure of peer cities is that Hillsboro provides 2,000 gallons of water free as part of its base bill, while most peer cities do not provide a free amount. Customers pay their share of fixed costs and then pay for the amount of water they use.

Henderson presented numbers showing that this structure can actually be fairer to the largest group of the city's water customers — those using around 1,000 gallons of water.

City staff plugged in rates of peer cities and nearby cities to Hillsboro's customer list to determine the outcome. For example, Granbury is bringing in 40% more water revenue than Hillsboro, but its residential rates are lower than Hillsboro's.

Plugging in Taylor's rate structure, Hillsboro would bring in 43% more revenue, and the share of revenue paid by residents would decrease from 51% to 43%. The bill for those using 1,000 gallons or less would go up less than \$4 per month. The overall residential billing revenue would increase by 20%, with the majority coming from the highest volume users.

With Taylor's rates, the share paid by businesses would stay the same, but commercial billing would go up by 40% with the greatest growth being at the highest volumes of water.

The greatest cost increases would be multi-family, irrigation and fire suppression uses under Taylor's rates.

A lower base water bill and higher incremental rate incentivizes water conservation, which Henderson pointed out Hillsboro's current rate structure does not do at all.

"That's where I think we have some real opportunity," said Henderson. "It's not just about if you need 40% more money charging everybody 40% more. It's about figuring out what is really fair and what is the best way."

The city manager told the council that she was not making a suggestion about a

rate structure, but she wanted to present information and encourage the council and citizens to ask questions. "The last thing we want to do is work through this behind closed doors and come out with a solution and ask you to trust us that it's the best one," she said.

Citizens will have an opportunity to express their opinions, ask questions and hear a presentation on water rates during a community meeting set for Thursday, May 16. The meeting will get underway at 5:15 p.m. at Historic City Hall, located at 127 East Franklin Street in Hillsboro.

In other action at the meeting, the council approved a resolution authorizing the city to apply for funding from the Economically Distressed Areas Program from the Texas Water Development Board (TWDB). Henderson said that a water study commissioned by the council revealed that the general cost estimate to replace the city's oldest and most brittle water lines is \$40 to \$50 million. Under the TWDB program, it is possible to have up to 70% of a loan forgiven. Future funding opportunities may also be available, but the city will seek up to \$30 million from the Economically Distressed Areas Program.

The council also approved a resolution calling for a study of the city's wastewater system to assess its current condition and determine future improvements. Henderson said that the project has long been on the city's list, but the recent severe rains have created more problems with infiltration and inflow of rainwater into the system, causing service disruptions. "We don't want to go blindly into improvements that could be substantially costly," said Henderson. "Even if they're not substantially costly, any dollar that we spend we want to make sure it's designed to actually fix the problem." City staff will advertise for qualifications from engineering firms and bring a recommendation back to council to proceed.

The council approved an ordinance amending the fee schedule for sanitation services to accommodate a Republic Services rate increase. The city's agreement with the company includes a provision that Republic can have an automatic rate increase each year. Republic has submitted information illustrating that the rate increase this year will be approximately 7%.

Council members approved an agreement with Chatt Water Supply Corporation. An area along the southern portion of Abbott Avenue, Patton's Mill Road, HCRs 2452, 2450, 3100, and 3102 and Old Bynum Road are covered by the Certificate of Convenience and Necessity of both the City of Hillsboro

and Chatt Water Supply Corporation. Those areas could obtain water service from either the city or from Chatt Water Supply. In order to address the areas that are jointly certified, the city needed to enter into an agreement with the water supply to work together on the overlapping areas.

The council also passed a resolution repealing existing Neighborhood Empowerment Zones. In 2016, the council approved resolutions designating a number of Neighborhood Empowerment Zones across the city to offer incentives for various developments. Since then, several projects have benefited from the program to encourage development. With this original purpose fulfilled, staff proposed that the current Neighborhood Empowerment Zone program be repealed.

A public hearing and first reading of an ordinance that would amend the city's Neighborhood Empowerment Zone ordinance to allow applications to be considered on a case-by-case basis in the future was also held.

Action on certifying election results and swearing in council members was delayed until a special meeting set for Wednesday, May 15, to give the city time to receive certified election results.

Henderson announced new director appointments, including Jessica Trew, who has been selected as the new community and economic development director, and Justin Dyer, who will be the new library director. The new directors will replace Art and Susan Mann, who are retiring from their positions with the city this month.

Assistant City Manager Tony Cain reported that code enforcement efforts continue. Recent efforts to support preservation and beautification in the city include: staff has received a plan of action from the owner of the former Knox Fuel Stop; demolition permits have been obtained for burned houses on Park Drive and Park Street; new contractors for the Amigos Travel Stop have submitted plans to the city; and two properties were to be submitted to the Building and Standards Committee May 16.

Cain also reported that the city's tool library is still available, offering residents a chance to borrow items to maintain their yards.

The council convened in closed session to conduct the city manager's evaluation and discuss economic development. When open session resumed, the council voted to give the city manager a 5% salary increase effective June 1.

The council's next regularly scheduled meeting will be held Tuesday, May 21, at 6 p.m.



HEART OF TEXAS COWGIRLS - A HUBBARD TRADITION. The Heart of Texas Cowgirls will once again lead the grand entry and perform at Hubbard's Memorial Day weekend rodeo. The Lone Star Rodeo is slated for Saturday, May 25, and Sunday, May 26. See accompanying story for more information.

Heart of Texas Cowgirls At Hubbard Rodeo

It has become a tradition for the Heart of Texas Cowgirls, a professional rodeo drill team, to perform at Hubbard's Memorial Day weekend rodeo. The 22nd annual Lone Star Rodeo will be held at the Mooney Holloway Arena located on Highway 31 East Saturday, May 25, at 8 p.m. and on Sunday night, May 26, at 7 p.m.

The Heart of Texas Cowgirls will lead the Grand Entry

at each performance as well as perform during the rodeo.

The professional rodeo team provides equestrian entertainment and develops horsemanship skills among friends. In addition to rodeos and parades, the cowgirls participate in events to support community projects like the Heart of Texas Special Ranch Rodeo Program and the Central Texas Humane Society.

The team is always in need

of sponsors. For more information, visit their website heartoftexascowgirls.com.

The Lone Star Rodeo is still in need of sponsorships, and the Saturday night hospitality area serves as a thank you for being a sponsor. Festivities begin at 6 p.m. in the hospitality area.

Those interested in being a rodeo sponsor can contact Paulette Fulton at 254-576-2050.

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Lewis Anthony Crosby, theft of property under \$2,500 with two or more previous convictions, six months state jail

Marcus Eugene Buckley, possession of methamphetamine under one gram, seven years prison

Misty Lyn Scott, possession of methamphetamine under one gram, 15 months state jail
LaQuita LaShaun Reeves, bail jump and failure to appear felony, four years prison; theft of property between \$2,500 and \$30,000, 12 months state jail

Destiny Jean Walker, possession of eutylone under one

gram, 12 months state jail

Darryle Tyrone Saldana, possession of methamphetamine under one gram, 10 years prison; bail jump and failure to appear, 10 years prison

Erik A. Ruiz Castillo, sexual assault, 18 years prison

Sammy Paul Lampson, possession of methamphetamine between one and four grams with intent to deliver, eight years prison

Ozzy New, evading arrest or detention with previous conviction, 18 months state jail

Bruce Brendon Roberts, possession of methamphet-

amine between one and four grams, 12 years prison

Robbie Dee Peoples Jr., unauthorized use of vehicle, six months state jail

Ivan Jeremiah Blanchette, indecency with child sexual contact, 15 years prison; possession of child pornography, 10 years prison; sexual assault of a child, two counts, 15 years prison

Deborah Jean Phillips, theft of property under \$2,500 with two or more previous convictions, three counts, 15 months state jail

District Judge Lee Harris presides over the 66th Judicial District Court.

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Corps of Engineers parks on Lake Whitney were fully closed as of Tuesday: Kimball Bend Park, Lofers Bend, Drive and Park Street; new contractors for the Amigos Travel Stop have submitted plans to the city; and two properties were to be submitted to the Building and Standards Committee May 16.

Partial closures were reported at Cedar Creek Park, where the boat ramp was closed; Cedron Creek and Lofers West, where the boat ramps and some campsites were closed; McCown Valley, where the boat ramp, day use areas

and some campsites were closed; Soldiers Bluff, where the lower day use loop was closed; Walling Bend Park, where campsites and one boat ramp were closed; Steele Creek Park, where both boat ramps and some campsites were closed; and Riverside Park, where the access ramp was closed and the park was open for day use only.

Boat ramps at Aquilla Lake were fully closed as the week

began, while the Outlet Works and fishing platform was open.

Park status can change daily, and the latest information can be found at www.swf-wc.usace.army.mil/lake/lakefacilities.htm.

As of Tuesday morning, Lake Whitney was at 541.20' above sea level, over 8 feet above normal. Lake Aquilla was at 544.91', over 7 feet above normal.

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Lil Wrangler & Mutton Bustin' Events - Sign-ups 4 to 5:00 p.m. @ Arena
Lil Wrangler Events Start at 5:30 p.m.
Mutton Bustin' during Rodeo

Saturday Rodeo starts at 8:00 p.m.
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