

**MINUTES**  
**CITY COUNCIL OF THE CITY OF UNIVERSAL CITY, TEXAS**  
Regular Meeting, Tuesday, 07 February 2023

- 1. CALL TO ORDER:** Mayor John Williams at 6:31 P.M.
- 2. QUORUM CHECK:** Kristin Mueller, City Clerk

**Present:**

Mayor John Williams  
Councilmember Bear Goolsby  
Councilmember Paul Najarian  
Councilmember William Shelby  
Councilmember Phil Vaughan

**Virtual:**

Councilmember Steven Buck

**Absent:**

Mayor Pro Tem Richard Neville

**Present:**

Kim Turner, City Manager  
Megan Santee, City Attorney  
Kristin Mueller, City Clerk/Economic Dev. Director  
Johnny Siemens, Police Chief  
Michael Cassata, Development Services Director  
Randy Luensmann, Public Works Director  
Maribel Garcia, Deputy City Clerk

**Olympia Hills Staff:**

Katie Rein, Director of Food and Beverage  
Sal Garcia, Director of Golf Operations  
Taylor Forseth, Executive Chef  
Michael Olde, Pro Shop Manager  
Harrison Jarvis, Assistant Golf Supervisor

Mayor Williams noted a quorum was present.

- 3. INVOCATION:** Councilmember Najarian gave the invocation.
- 4. PLEDGE OF ALLEGIANCE TO THE U.S. AND TEXAS FLAG:** Led by Mayor Williams.
- 5. VOTE TO CONSIDER THE EXCUSE OF ABSENT MAYOR/COUNCILMEMBERS:**

Councilmember Najarian moved to excuse the absence of Mayor Pro Tem Richard Neville.  
Councilmember Shelby seconded the motion.

**Vote: Yeas: Najarian, Shelby, Buck, Goolsby, Vaughan**  
**Nays: None.**

**Motion to excuse absences carried.**

- 6. AWARDS/PROCLAMATION/INTRODUCTION OF GUESTS:**

Universal City Police Academy Alumni Association's (UCPAAA) Jodi Thomas presented a check of \$10,000 to Chief Johnny Siemens for the Universal City Police Department. She stated that she was grateful for the membership and the community.

Chief Siemens stated this money would most likely be allocated toward gym equipment.

Waste Management's Chris Cox presented a check of \$7,000 to Public Works Director Randy Luensmann. \$2,000 of this would go toward Snowfest and \$5,000 would go to a non-profit organization.

- 7. CONSENT AGENDA:**

Councilmember Shelby moved to approve the following consent agenda items:

- a) Consider the minutes of the Tuesday, January 17, 2023 City Council Regular Meeting.
- b) Consider Ordinance 632-PC 560 FLUP-2023: An Ordinance amending the Future Land Use Plan to change land use designation of property located at 2902 Pat Booker Rd, Universal City, Texas (CB 5047 P-15 ABS 777) from CS+0 – Commercial Services & Overlay to HDR – High Density Residential; providing for severability; and establishing an effective date. (2nd Reading).
- c) Consider Ordinance 581-X-PUD-2023-101: An Ordinance amending the Zoning Map of the City of Universal City, Texas for an approximately 13.968-Acre property, located at 2902 Pat Booker Road, Universal City, Texas; rezoning said property from C3 – Commercial Services District to PUD 2023-101 District, generally for Multi-Family Residential and related uses; adopting the PUD Final Plan related to PUD 2023-101; providing for severability; providing for the publication of the caption of this ordinance; and establishing an effective date. (2nd Reading).

Councilmember Najarian seconded the motion.

**Vote: Yeas: Shelby, Najarian, Buck, Goolsby, Vaughan**  
**Nays: None.**

**Motion to approve carried.**

#### **8. CITIZENS TO BE HEARD:**

- Janice Hughes, 170 Clear Oak, addressed her concern about fiscal responsibility with respect to the budget process. She emphasized her desire for the City to consider the difference between needs and wants, with wants being delayed until needs are fulfilled. She believes needs are safety related, specifically streetlights and speed bumps. She wants a community garden.
- Tom Maxwell, 1251 Cibolo Trail, addressed the venue tax with relation to the golf course. He emphasized the need for the golf course and reminded the City that the Olympia Hills Golf Course is a conference center as well. In his opinion, the golf course has great potential to grow in diverse markets, and diverting venue tax funds would not necessarily solve other problems.
- Bernie Rubal, 635 Balboa, asserts that \$17 million of the venue tax is being spend on the golf course. He argues that the discussion tonight is where to spend the venue tax, if at all. He contends that decreasing the venue tax would be better for the community. He also argues that the golf course is an enterprise operation and should pay for itself. He asked why golf course finances are being brought up now rather than at the budget workshop. He argues that the current management of the golf course will lead to further debt.
- Carol Butler, 501 Kimberly Drive, does not mind the golf course but asserts that the City ought to be mindful of how it spends its money. She asks for clarification on whether the golf course is a business or a public operation. She asked what events the golf course is hosting. She states that money from the venue tax could be used for the police or fire departments, and for street needs. She comments that Universal City is a laughingstock for keeping the golf course. She would like a man to be hired to bring business in.
- Richard Edwards, 209 Trudy, states that he is a candidate for City Council. He shared his website – groundedlogic.com – and shared that he wants the City to use funds for necessities and not luxuries. He asserts that common sense dictates that if after 20 years the golf course still needs help, then the City should let it go.

- Janice Hughes, 170 Clear Oak, was given the floor again to ask if anyone knew how many people in Universal City were utilizing the golf course.

**9. BUSINESS:**

**B. Discuss and Consider a petition for Final Acceptance of public improvements of the Orchard Park Subdivision, Unit Two to include the water system, sanitary sewer system, and drainage and street systems.**

Mrs. Turner explained that this is phase two of the Orchard Park Subdivision. She stated that both the Public Works Director and the City Engineer have inspected the public improvements, and everything has either been corrected or approved. She explained that this item is to authorize her to sign off on the Final Acceptance.

Councilmember Vaughan moved to accept the petition. Councilmember Shelby seconded the motion.

**Vote: Yeas: Vaughan, Shelby, Buck, Goolsby, Najarian  
Nays: None.**

**Motion to approve carried.**

**C. Discuss and Consider Resolution 943-2023: A resolution supporting the acceptance of grant funding from Office of the Governor Homeland Security Grant Program, the Alamo Area Situational Awareness Platform Sustainment Project and authorizing the Police Chief to sign the award.**

Mrs. Turner clarified that this is an approval to apply for money, not an acceptance of funds.

Councilmember Vaughan asked if the programs come with any commitments.

Mrs. Turner answered no, but if the City does then it would go under the Police budget.

Councilmember Buck asked if the Police Department could sign off on this over several years.

Mrs. Turner clarified that this is something the City has to pass as a resolution annually.

Councilmember Najarian moved to approve Resolution 943-2023. Councilmember Goolsby seconded the motion.

**Vote: Yeas: Najarian, Goolsby, Buck, Shelby, Vaughan  
Nays: None.**

**Motion to approve carried.**

Mayor Williams requested TAB E be moved before TAB D.

**E. Consider Resolution 944-2023: A Resolution calling a General Election to be held on May 6, 2023, to elect City Officers; and approving and authorizing contract documents and procedures related thereto.**

Mrs. Turner explained that Universal City is split between Guadalupe and Bexar County, and Guadalupe County only hosts elections in November. She states that Universal City having regular elections in May is becoming burdensome since elections must be in a public building and there are no public buildings in the section of Universal City that resides in Guadalupe County. She proposed the solution of moving the City's May elections to November, as code allows for, but states that the May 2023 election will be able to move forward.

Councilmember Najarian asked for clarifications, stating that the May 2023 election may move forward but subsequent elections would be moved to November.

Mrs. Turner confirmed his statement.

Councilmember Shelby moved to approve Resolution 944-2023. Councilmember Najarian seconded the motion.

**Vote: Yeas: Shelby, Najarian, Buck, Goolsby, Vaughan  
Nays: None.**

**Motion to approve carried.**

**D. Present and Discuss Venue Tax Revenue and Capital Improvement Program for the Olympia Hills Golf Course and Conference Center.**

Mrs. Turner gave history of the golf course and shared nine improvements she suggests based on staff recommendation and golf course needs. She said:

- The golf course and conference/events center were initially designed to accommodate only golfers, and the club house needs better functionality. She states that current functionality does not allow for two events at once and creates conflicts.
- The kitchen and facilities are not equipped for the new catering necessities; the kitchen is undersized and impedes hosting larger events where catering is required.
- The parking lot is too small and impedes hosting larger events.
- The number of golf carts is maxed out and under-serving clients. The golf course has 75 carts, and just 10 more carts would bring in 5,000 more rounds of golf. However, the course cannot simply buy new additional carts because the cart port is not large enough.
- According to follow-ups after bridal expos by Ms. Rein and her staff, the primary reason potential clients are not booking the course is due to not having a bridal suite.
- The WiFi and technology also have to be upgraded.
- The club house building's floor systems need to be upgraded from being half concrete pier and beam and half solid concrete foundations. This would make floor renovations easier.
- The carpet has stains due to heavy foot traffic. It needs to be replaced.
- The golf course's greens, tees, bunkers, and fairways are at the end of their lifespan at 23 out of 25 years. Furthermore, the grass should be replaced with a more efficient choice; the current grass is not native to Texas and is rarely used in golf courses. Upkeeping is difficult.

Mayor Williams clarified and reminded the Council that this item was a discussion-only item. No action would be taken at this time.

Councilmember Shelby asked to confirm that the initial plan for the golf course was just for it to be a golf course alone without hosting other events.

Mrs. Turner confirmed. She shared that it took \$5.9 million to construct the course.

Councilmember Shelby asked if the creation of the golf course was also when the venue tax was proposed to citizens.

Councilmember Vaughan and Mrs. Turner answered that in 2002, the venue tax was voted on by citizens. Mrs. Turner also clarified that initially, the golf course revenue was expected to cover their finances, but when this was not the case, the venue tax was proposed.

Mayor Williams further clarified that the original decision to approve the construction of the golf course was a citizen vote and was voted on twice and passed the second time.

Mrs. Turner added that the golf course land was donated to the City by developers because they saw it as a growth and expansion opportunity.

Councilmember Shelby asked if part of the golf course had emergency repairs after flooding.

Mrs. Turner stated that yes, in 2002 and 2008 the City had to repair bunkers and raise land. She also clarified that the golf course's final debt payment has not been made, and that in-progress improvement costs have gone up and all golf course revenue for fiscal year 2023 has been line-itemed for something else.

Councilmember Shelby asked what year the golf course grew into a convention center.

Mrs. Turner responded that this was when the City hired a contractor, Kemper Golf, to manage the golf course. They did not do weddings at the time.

Councilmember Shelby asked how much revenue the course receives from weddings.

Mrs. Rein answered that the course has been hosting events, including weddings and similar celebrations, for ten years. The first of those years brought \$80,000 in revenue. The next year brought \$175,000 and last year brought \$355,000 from weddings.

Councilmember Shelby asked what is keeping the revenue from growing.

Mrs. Rein answered that though potential clients love the food and staff, the venue is what they have a problem with. They prefer more privacy and a bridal suite to get ready.

Councilmember Shelby asked for clarification that with the venue tax in place, the goal being accomplished is not going into further debt for capital improvements at the golf course.

Mrs. Turner clarified that it is Council decision how to pay for the golf course and what they want to use the tax for.

Councilmember Shelby clarified his question to ask if the money going to the golf course through the venue tax is basically spread out among sales tax in the City to go to the golf course.

Mrs. Turner said a way she thinks of the golf course is as Universal City's tourist attraction. The goal with tourist attractions is to bring in outside dollars to build City revenue. She stated that a lot of the revenue that is generated through the venue tax is from outside the City.

Councilmember Shelby asked for clarification on the scenario that if the golf course is funded another way, then the City consequently would go into debt over money borrowed either from the general fund or elsewhere to do these capital improvements. If this happens, he asked if

there is potential of the financial burden getting shifted from the sales tax to the property tax and going back on the citizens either way.

Mrs. Turner clarified that this is a possibility because the City has a revenue stream coming from citizens, but there is also a revenue stream coming from outside Universal City contributing to the venue tax. She said there is potential that, there is a shortfall if funds are moved away from the golf course too quickly in which case it has to be funded out of the general fund. However, this is why the City does careful planning to not fall into debt and have to play out that scenario.

Councilmember Vaughan conveyed that though the talk seems to be about the golf course, this should be a discussion on how they want to structure their revenue. He states that the venue tax is a sales tax that is restricted to the golf course, and the question is whether they want a sales tax that is restricted to one use. He proposes two alternatives: a general sales tax, used for anything including the golf course, and a street maintenance sales tax, used to cover and pay back bonds for street maintenance. He argues that the street maintenance tax could be used as leverage to get more bonds to do more street repairs, and that the venue tax does not need to be so high considering the golf course needs. He discusses three options that he sees for this item. 1) Do nothing resulting in the venue tax producing more money than the golf course needs. 2) Reduce the venue tax to  $\frac{1}{8}$  of 1% instead of  $\frac{1}{2}$  of 1%. This would still allow the City to cover golf course needs. 3) Ending the venue tax which would still give the golf course one more year of venue tax. There would be around a \$500,000 shortage that Councilmember Vaughan says he would rather cover than allow the venue tax to keep collecting. He would like an ordinance to convert the venue tax into a general sales tax. He expressed his thought that the golf course improvements are more of a want than a need.

Councilmember Najarian expressed his disagreement that this is more of a want than a need. He asked what else could be built on the property.

Mrs. Turner responded that not much could be built other than a park because of the flooding. She said the golf course has a symbiotic partnership with a hotel nearby.

Councilmember Najarian addressed Mr. Rubal's concern about the golf course losing money and reminded the Council that under private management it lost more money. He also argued that the golf course needs to spend money to make money. He proposed building another facility on the course and mentioned the view from the putting greens. He stated that the City is limiting itself by not putting another facility on the course. He conveyed that it is the Council's responsibility to give City Staff direction, but City Staff should come up with the numbers. He expressed support for the venue tax.

Mayor Williams clarified that this item does not mean people want to get rid of the golf course. He said the item is to discuss golf course funding. He agreed with Mrs. Turner's statement that the course is a tourist destination and said most course patrons are from outside Universal City. He argues that the venue tax was a visionary decision and that the City has a facility that has potential to be a huge revenue generator.

Councilmember Buck recognized Ms. Rein and her staff for their awards given by The Knot and The Wedding Wire. He asked for clarification on additional carts and added capabilities.

Mr. Garcia answered that there could be an additional 40 rounds a weekend with 10 carts, but added that this number could be higher because the course is losing golfers due to lack of carts. He estimates that 10 carts could give the course an additional \$150,000 a year in revenue.

Councilmember Buck asked about the trend of rounds played.

Mr. Garcia answered that 27,000 rounds were played in 2018 and last year there were 43,000 rounds.

Mrs. Turner added that the trend of rounds played is cyclical due to the cyclical nature of popularity of a sport. She also added that Olympia Hills stayed open during the pandemic by using the public facility exemption.

Councilmember Buck asked if the course has maintained COVID-period numbers.

Mr. Garcia stated that the course has only had an increase in the number of rounds played.

Councilmember Buck shared that he campaigned on having the golf course be self-sufficient, but he never meant having a sudden cutoff. He wants the golf course to succeed and stated he does not want to discuss removing the venue tax until the course has sustainable revenue.

Mayor Williams reiterated that the Council wants to find ways to help finance the golf course. He agreed with Councilmember Buck and asserted that the course has serious needs with increasing capabilities. He reminded everyone that the City made the decision to take over and run the golf course.

Councilmember Goolsby thanked Councilmember Vaughan for the spreadsheet and expressed his appreciation for what the golf course brings to Universal City. He did not think there was enough information to make decisions and wants to follow up with more exact costs for upgrading the venue. He thanked Ms. Rein for her presentation.

Councilmember Shelby asked when Ms. Rein started at the golf course, to which she answered that she started in 2013. He shared that when he started on Council in 2015, he wanted the golf course to go away, but then saw improvement year after year. He reminded everyone that the citizens made the decision to adopt the venue tax to support the golf course. He suggested that the citizens decide again if they want to maintain it. He asked if the Council would like to put forth a resolution to the voters to allow them to decide. He does not want the golf course to go away as it has done great considering the confines it was squeezed into. He reiterated that the citizens should decide again if they want to continue the venue tax since it would be used for capital improvements rather than the original purpose – paying off debt.

Mrs. Turner clarified that replacement costs in the spreadsheets are estimates based on past projects. She addressed Mr. Rubal's concern and stated that enterprise funds should pay for themselves, but that the golf course does not need to be an enterprise fund. She stated that Victor Quiroga, a consultant, had never seen a public golf course set up as an enterprise fund. She asserted that a decision would have to be made on the venue tax and part of that decision could be covering other things under it, such as parks and recreation and an aviation district. This addition can be made under Chapter 334 of the Texas Local Government Code. She goes on to say that golf course staff were never given an opportunity to budget on their own. However, in the last three years they have been involved, they have done a great job of cutting costs and balancing their budget. She stated that of the \$2.4 million owed to the general fund by the golf course, only \$1.9 million remains because golf operations have been paying back debt.

Councilmember Vaughan asked if the City could put both the venue tax and a golf course bond on the ballot and allow the voters to decide. He stated the Council should have more specifics.

Mayor Williams stated that the next step would be to continue discussion and find out how much it would take to have the golf course self-sustainable. He reiterated that no one wants the golf course to go away.

**No further action was taken at that time.**

**10. CITY MANAGER COMMENTS:**

Mrs. Turner reminded the Council and public that Snowfest is February 18, 2023. She also reminded the councilmembers that this is not a political event, so they should come in regular attire.

**12. COUNCILMEMBER COMMENTS:**

Councilmember Vaughan thanked the council and audience for their discussion, and thanked the UCPAAA. He announced that classes are starting and will end with a May graduation.

Councilmember Buck congratulated Ms. Rein and Olympia Hill for the Knot and Wedding Wire awards they received. He also thanked both Waste Management and the UCPAAA for their contributions to the City. He shared that Red Horse Park was created on February 11, 1967, and in February of 1928, William Randolph, the man behind Randolph Air Force Base's namesake, died.

Councilmember Shelby thanked the staff from Olympia Hills Golf Course for being there at the meeting. He commented that he knew it was difficult to hear deliberation over the golf course. He also pointed out that Shelby crosswalk is down at the time of the meeting.

**13. MAYORAL COMMENTS:**

Mayor Williams shared that several restaurants on Pat Booker were featured in the SA Express News. He also recognized and thanked the students from Our Lady of Perpetual Help Catholic School for their gifts, which included several cards and a basket.

**14. ADJOURNMENT:** Mayor Williams adjourned the meeting at 8:45 P.M.

**Attest:**

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John Williams, Mayor

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Kristin Mueller, City Clerk