

**MINUTES**  
**CITY COUNCIL OF THE CITY OF UNIVERSAL CITY, TEXAS**  
Regular Meeting, Tuesday, 20 August 2024

**1. CALL ORDER:** Mayor Tom Maxwell at 6:30 P.M.

**2. QUORUM CHECK and VOTE TO CONSIDER THE EXCUSE OF ABSENT MEMBERS (if applicable):**

Maribel Garcia, Deputy City Clerk

**Present:**

Mayor Tom Maxwell  
Mayor Pro Tem Christina Fitzpatrick  
Councilmember Ashton Bulman  
Councilmember Bear Goolsby  
Councilmember Lori Putt  
Councilmember Bernard Rubal  
Councilmember Phil Vaughan

**Staff Present:**

Kim Turner, City Manager  
Cynthia Trevino, City Attorney  
Michael Cassata, Development Services Director  
Randy Luensmann, Public Works Director  
Johnny Siemens, Police Chief  
Steve Mihalski, Assistant Police Chief  
Athena Ford, Utilities Coordinator  
Grady Reed, HDR Rate Consultant

Ms. Garcia confirmed a quorum was present.

**3. INVOCATION and PLEDGE OF ALLEGIANCE:**

Councilmember Putt invited Mark Saenz to give the invocation. Mayor Maxwell led the Pledge of Allegiance to the United States and Texas flags.

**4. STAFF REPORTS AND OTHER DISCUSSION ITEMS:**

**a. CITY MANAGER'S REPORT:** None.

**b. STAFF REPORT:**

**i. FY 2024 Q3 Finance Report:** Ms. Green reported on the status of the General, Debt Service, Capital Projects, Utility, Stormwater, and Golf Course Funds. She also gave an investment report.

**5. CITIZENS TO BE HEARD:**

- Ken Mitts, 13410 Adonis, amended his comments sent to Council concerning the Collaboration Workshop. He reported that he received clarification from the Mayor and Mrs. Turner regarding the location and time of the meeting. It would be held in accordance with the Open Meetings Act.

**6. PUBLIC HEARINGS:**

**a. Proposed FY 2024-2025 Budget.**

**Mayor Maxwell opened the Public Hearing at 6:39 p.m.**

Mrs. Turner reminded Council of budget and tax rate procedures required by statute including public hearings and a record vote on the tax rate by Council. Mrs. Turner recommended that the budget presentation still be given despite no residents signing up to speak.

Ms. Green repeated her presentation from the meeting of August 06, 2024 to remind residents and Council of budget specifics.

There being no public comments, **Mayor Maxwell closed the Public Hearing at 6:50 p.m.** He opened discussion for the Council.

Councilmember Rubal received confirmation that the golf course does not currently have a business plan. There are procedures followed to review revenues and performance.

Mrs. Turner clarified that Staff would later ask permission to do an RFP to hire a consultant to construct a business plan for the golf course.

Councilmember Goolsby supported hiring a consultant to help create a business plan for the golf course.

Mrs. Turner responded that Staff would look for funding for this initiative.

**b. Proposed 2024 Tax Rate to support the FY 2024-2025 Budget.**

**Mayor Maxwell opened the Public Hearing at 6:54 p.m.**

Ms. Green repeated Mr. Mateo Garcia's presentation from the meeting of August 06, 2024 to remind residents and Council of tax rate specifics. Some items covered included TML's report that property taxes represent the greatest source of revenue for a City's General Fund, and that the reason Staff has focused on single-family homes is because they make up 80% of taxpayers in the City. She added an analysis of the effect of the No New Revenue (NNR) tax rate on apartment complexes in the City. She made her calculations based on the top ten apartment complex taxpayers. She stated that each unit would see an increase of approximately \$1.29 a month or \$15.51 annually.

- Billy Hill, 9023 Phoenix, discussed the City's proposed NNR tax rate in relation to its affect on businesses, residents, and the City's revenue stream. He compared the rate to other taxing entities and noted that the City's tax rate had decreased significantly from \$0.59 per \$100 of taxable value, which was the tax rate about four years ago. He noted that seniors had been blessed with the sixty-five and over tax freeze and the State-granted \$100,000 homestead exemption for all residents. He felt Council should consider the tax rate in the long term with its repercussions to the City.
- Jean Elam, 8523 Athenian, felt that residents had been supporting the wish list of the City and indicated she wanted more accountability for returns on investment of tax revenues. She stated residents wanted to survive without higher taxes in the face of inflation. She commented on tax rates being a push factor from the City, considering Universal City had one of the highest tax rates in the area. She asked Council to consider how this would affect home sales and the growth of business. She requested Council and the City consider needs versus wants. She passionately felt it was time residents saw a tax break.
- Thomas Herndon, 311 Madrid, asked the City to consider the negative perception associated with raising taxes. He felt that with the state of the economy and the amount of people an increase in taxes would affect, a tax increase would be in poor taste. He realized that residents over 65 would not be affected by a tax increase, but asked Council to consider that residents across Universal City would be affected in a variety of ways. He expressed support and understanding for City operations, but felt that, as with everyone, the City should limit themselves or delay projects.
- Ken Mitts, 13410 Adonis, supported the proposed consultant for the golf course. However, in the interim, he suggested monthly progress reports, especially with the new installation of greens. He

also suggested there may be an educational opportunity for the City regarding the tax rate: if the rate stays the same but property values increase, a homeowner will still pay more taxes. However, this increase in tax revenue for the City can be explained by increased taxable value. He felt there may be confusion among residents on this topic.

- Rick Minch, 110 Laurel Lane, supported a 1% decrease in the proposed NNR tax rate. He echoed comments about inflation and the rise of cost of goods. He commented on perceived waste he observed with streets and sewer maintenance on Kitty Hawk. He noted that Universal City had one of the highest tax rates in the area and felt the City needed to be more frugal.
- Kim Igleheart, 736 Garden Meadow, thanked Mrs. Turner and Staff for creating a reasonable budget. She felt that the gap between the will of residents and Staff was not far apart with a \$200,000 revenue difference and suggested one cent cut in the tax rate. She agreed with Mrs. Green's request that Staff be allowed to deliberate on budget cuts. She felt the 1% tax rate decrease would be favorable to residents and was a difference in revenue that Staff can easily accommodate. She opined it would be a demonstration of goodwill to businesses and residents alike.
- Richard Edwards, 209 Trudy Lane, advocated for lowering the tax rate and only raising it minimally if necessary. He felt Council should error on the side of the residents and consider the rise of costs for residents, especially those with fixed incomes. He asked Council to find the means to lower taxes.

There being no further public comments, **Mayor Maxwell closed the Public Hearing at 7:20 p.m.** He decided to postpone Councilmember discussion until No Tab 1 under Action Items.

## **7. ANNOUNCEMENTS:**

### **a. CITY MANAGER'S ANNOUNCEMENTS:**

Mrs. Turner encouraged residents to sign up for Civic Ready, which would replace Blackboard Connect as the City's mass notification system. Sign up could be conducted at [www.UCTX.gov/Alerts](http://www.UCTX.gov/Alerts) or by texting "UCevents" to 38276. This alert system allows the City to notify residents of service outages, emergencies, meetings, and City events.

Mrs. Turner gave updates on golf course projects. She reported that the golf course greens would reopen on September 12<sup>th</sup> with a Thursday Night Scramble. The golf course would present project updates to Council in October. She moved on to note that budget amendments for FY 2024 would be presented to Council on September 17<sup>th</sup>, if needed. She gave an overview of the Municipal Court's Case Reduction Campaign which would be conducted the entire month of September; she reported the prior success of the program. Mrs. Turner notified Council of fall Library events, an upcoming active shooter training for police and other departments, and the commencement of the Hillview Street Reconstruction Project beginning September 23<sup>rd</sup>.

### **c. COUNCILMEMBERS' ANNOUNCEMENTS:**

Councilmember Putt noted the UC Pumpkin Patch had begun work on their events. Last year, they raised \$49,000 for eighteen nonprofit organizations. She commented on budget and tax rate processes, sharing the difficulty of decisions. She felt there were no "wants" in the FY 2025 proposed budget. She assured residents that Council and Staff had conducted due diligence. Mayor Pro Tem Fitzpatrick echoed Councilmember Putt's comments regarding the difficult decisions that come with the budget and tax rate processes. She noted that she had considered capital

projects and whether postponing the projects was in the best interest of the City. She noted that the City also felt the effects of inflation with the rise in cost of goods and services. She simultaneously wanted Universal City to be attractive to businesses. She felt that focusing on the long-term repercussions of the tax rate would grow business so that there could be meaningful property tax relief with an increase in sales tax revenue to supplement ad valorem tax.

Councilmember Rubal noted the significant difference in taxes between Selma (a neighboring City) and Universal City; this difference was significantly more than the difference discussed with a one cent decrease in the proposed tax rate. He expressed his disagreement with the sentiment that a decrease in the budget would result in projects being delayed – he felt there were expansions of departments and programs that were non-essential that could make up these costs. While he expressed that he understood the views of Staff after meeting with them, he disagreed that all items in the budget were “needs.” He agreed with Mrs. Green demonstrated long term goals and plans, but felt there was no commitment during the budget workshop to decrease the budget. He felt Council was not asked for input on the budget cycle. He reported his personal history with needing to live on a frugal budget, and felt it was up to Council to ensure residents of Universal City were given the means to property budget for their personal expenses. He adamantly opposed the NNR tax rate proposed and advocated for a significant decrease in taxes. He asked fellow Councilmembers who previously said they would decrease the tax rate to do so.

Councilmember Vaughan notified residents of the Council Message Board that was now live, which can be found at the bottom of the City’s webpage. He advocated for use of the message board to progress conversation in open meetings.

Councilmember Goolsby jokingly asked if his bug reports should be posted on the message board.

Councilmember Bulman thanked Staff for their advertisement/postcard in the Community Impact magazine which encouraged residents to sign up for Civic Ready. She felt it was a great reminder to sign up and a successful marketing campaign. She thanked residents for their participation in the Council meeting to speak on the budget and the tax rate. She assured residents that she has always taken their comments to heart.

**b. MAYORS’ ANNOUNCEMENTS:**

Mayor Maxwell reminded Council of the TML Risk Pool election coming up and asked for Councilmember input for whom to cast votes. He noted the Filipino Food Fest which took place in Schertz. He commended Chef Arbie Fruto of Mahal’s Kitchen for winning the People’s Choice Award for Filipino BBQ at this Adobo Showdown 3.0.

Mayor Maxwell asked Council to consider wants and needs when considering the tax rate. He also asked them to consider the affects on the future in cutting the budget and delaying projects. Some of these projects may be more expensive to fund in the future.

After a request from Councilmember Bulman, **Mayor Maxwell briefly recessed the meeting at 7:40 p.m. He reconvened the meeting at 7:51 p.m.**

**8. CONSENT AGENDA:**

Councilmember Vaughan moved to approve the following Consent Agenda items:

- 1) Consider the minutes of the Tuesday, 16 July 2024 Regular Meeting.

Councilmember Goolsby seconded the motion.

**Vote: Yeas: Vaughan, Goolsby, Fitzpatrick, Bulman, Putt, Rubal  
Nays: None**

**Motion to approve carried.**

## **9. ACTION ITEMS:**

### **N. T. 1: Record Vote on the Proposed 2024 Tax Rate and schedule Public Hearings.**

Councilmember Goolsby discussed his history on Council with consistent tax rate increases, his first vote against the tax rate due to his discomfort with another increase, and his proposal of the “Goolsby” rate, which would be a bit less than the NNR. He recognized that Staff had already compromised to make a frugal budget, but also recognized the desire of some members of Council to decrease the budget by \$200,000 or one cent in the tax rate. He, with the assistance of Councilmember Vaughan, proposed a compromise of a \$100,000 decrease in the budget.

**Councilmember Goolsby moved to decrease the General Fund Maintenance and Operations rate by half a penny, resulting in an M&O rate of \$0.429626 and an I&S rate of \$0.084756 to sum to a total ad valorem tax rate of \$0.514382 per \$100 of taxable value. Councilmember Vaughan seconded the motion.**

Councilmember Goolsby further explained that he did not want hinder future Councils by giving them a scenario where they lack funding. However, he would also like to compromise with members on Council who wish to lower the tax rate. He asked for Staff clarification on what position his proposed tax rate would put them in.

Mrs. Turner clarified that Mrs. Green was running the numbers presented to ensure that all debt service items could be covered with the new rates proposed. She explained to Council that this is a difficult request because it requires Staff, especially Ms. Green, to make spontaneous decisions on numbers that have not been diligently and repeatedly checked. She further explained that while the I&S rate stayed the same, the M&O rate change may still affect the ability of the City to cover debt service expenses. She reassured Council that whatever they decide on these items, Staff would be able to work with. She asked, however, that Council try to stick to rates previously presented to avoid mistakes in calculation.

Council further discussed the tax rate proposed by Councilmember Goolsby while Ms. Green conducted calculations.

Councilmember Goolsby sympathized with residents who felt the effects of inflation. He emphasized that the City and businesses are also feeling these effects. While everyone’s budgets stayed the same, cost of goods and services within that budget increased.

Ms. Green returned and explained that the proposed half cent tax decrease would result in a \$0.436882 M&O rate and a \$0.077500 I&S rate. The M&O rate would increase while the I&S rate would decrease. This is due to the ability of the City to use the Debt Service Fund Balance to bring down the I&S rate. However, both Ms. Green and Mrs. Turner emphasized that the use of fund balance to decrease the tax rate would not be possible next year due to the depletion of excess Debt Service Fund Balance.

Councilmember Goolsby emphasized that this proposal was made in the spirit of cooperation and considering comments of a divided Council. He wished to demonstrate to business owners and residents that Council was willing to cooperate.

Councilmembers Bulman and Vaughan both expressed support for the tax rate proposed by Councilmember Goolsby, both to fulfill their promises to decrease the tax rate for residents and in the spirit of compromise.

**Councilmember Goolsby struck the M&O and I&S rates breakdowns from his motion to result in the following: A motion to approve an ad valorem tax rate of \$0.514382 per \$100 of taxable property value. Councilmember Vaughan agreed to amend his second accordingly.**

Councilmember Putt explained her wish to compromise and give residents a tax decrease, while also considering the economic impact on residents compared to the needs of the City to fund things essential to maintaining City services.

Mayor Pro Tem Fitzpatrick felt that residents may have received the wrong message regarding Council's willingness to work with each other. She felt the message of compromise among Council would be a strong one to residents and businesses. She also voiced considerations for the impact of a decrease in the tax rate on the budget.

Councilmember Rubal emphasized his view that Councilmembers serve the residents and should prioritize them. He did not support the compromise on the tax rate. He received confirmation from Staff that a budget cut resulting from a 1% tax rate decrease was at the will of the Council. However, to his concern that critical services such as the Fire, Police, and Public Works Departments are not cut, it could not be guaranteed that nothing from these departments would be cut.

Mrs. Turner explained that, since the departments listed make up 74% of the budget, it is likely that budget cuts result in cuts from their budgets. She asked Council to allow Staff to decide what would be cut if necessary.

Councilmember Rubal requested Council to remember that they are stewards of the citizens when considering the motion.

Mayor Maxwell asked Council to also remember that they are responsible for the employees of the City and that Staff needs funding to conduct services.

Councilmember Goolsby asked Council to recognize that Universal City cannot rely on sales tax revenues like other cities and asked, for this reason, that people stop comparing ad valorem tax of surrounding cities due to this context. He felt the rate he proposed was a good opportunity to not hinder City funding while also providing residents with a tax decrease.

**Vote: Yeas: Goolsby, Vaughan, Fitzpatrick, Bulman, Putt  
Nays: Rubal**

**Motion to approve carried.**

**B. Depository Agreement with American Bank.**

Mrs. Turner explained that the City went out for bid for depository agreements and requested proposals, as is customary every five years. The City only received one proposal from American Bank. She reported that the City found their fee structure, interest rates, and customer service good. This agreement would be for another five years.

Councilmember Bulman moved to approve the depository agreement with American Bank. Councilmember Vaughan seconded the motion.

**Vote: Yeas: Bulman, Vaughan, Fitzpatrick, Goolsby, Putt, Rubal  
Nays: None**

**Motion to approve carried.**

**C. Towing and Impound Services Agreement/Contract Award to Johnny's Garage.**

Mrs. Turner explained that the City had not published an RFP for impound and towing services for about 10 to 15 years. The Police Department published this RFP and received two proposals. They found Johnny's Garage to be the best of the two and recommended approval of a contract.

Councilmember Vaughan requested that for future RFPs or contracts, if there is more than one to consider, a summary of other proposals be given. It was clarified that the other proposal submitted did not meet the conditions of the RFP.

Councilmember Goolsby moved to approve the Agreement/Contract Award to Johnny's Garage for towing and impound services.

**Vote: Yeas: Goolsby, Bulman, Fitzpatrick, Putt, Rubal, Vaughan  
Nays: None**

**Motion to approve carried.**

**D. Ordinance 406-J-2024: An ordinance of the City Council of the City of Universal City, Texas, amending Ordinance 406-I-2013 (The Drought Response Plan) and Ordinance 406-I-1-2013 (Amendment to Stage II Response – Aquifer Watch – Stage II Water Use Limitations); establishing legislative findings, amending the Universal City Code of Ordinances accordingly; providing repeal and replacement; providing severability; and establishing an effective date.**

Mrs. Turner explained that most municipalities and entities were amending their Drought Response Plans due to TCEQ requirements. TCEQ requires an update of the Drought Response Plan which includes a public meeting with resident feedback. This meeting was hosted in City Hall by Staff and feedback was received. The Drought Response Plan was amended accordingly and is presented to Council for readoption. She noted that Grady Reed, the City's consultant, was present to answer questions and present if Council chose.

Councilmember Rubal noted that he attended the public meeting for this plan. He gave a summary of notable changes to the plan resulting from citizen feedback. He and Mr. Luensmann discussed waivers for tractor sprinklers, which were not allowed due to the inability to monitor water usage versus reuse. Commercial car washes in comparison to residential car washing rates and recycled water provisions were discussed. Councilmember Rubal also expressed concern regarding the power to grant waivers and suggested that certain waiver abilities be elevated to

the level of Council consideration. He explained that this would provide oversight for waivers that the City may grant themselves for the watering of fields. He mentioned the golf course's use of water.

Mr. Luensmann assured Council that the golf course was not affected by this ordinance regardless of provisions governing golf courses because the City's golf course only uses recycled water, which is not restricted by the ordinance.

Councilmember Bulman thanked Staff for taking citizen feedback and incorporating it into the Drought Response Plan.

Councilmember Vaughan received confirmation that Civic Ready would be used to notify residents of drought restriction stages.

Councilmember Vaughan moved to approve Ordinance 406-J-2024. Councilmember Goolsby seconded the motion.

**Vote: Yeas: Vaughan, Goolsby, Bulman, Fitzpatrick, Putt, Rubal  
Nays: None**

**Motion to approve carried.**

- E. Ordinance 525-X-2024: An ordinance of the City Council of the City of Universal City, Texas, revising 525-U-2021, Schedule A (Base Rates) as provided in Section 2-3-9 Modification of Rates, Exhibit "A"; providing for severability; and providing for an effective date.**

Mrs. Turner explained that the CPI adjustment is something that has already been changed by Waste Management and this item would only approval the update to the City's Code of Ordinances to keep the City's fee schedules current. She reported a change in how Waste Management conducted their rate changes this year, which resulted in less of an increase.

Councilmember Bulman moved to approve Ordinance 525-X-2024. Councilmember Vaughan seconded the motion.

**Vote: Yeas: Bulman, Vaughan, Fitzpatrick, Goolsby, Putt, Rubal  
Nays: None**

**Motion to approve carried.**

### **Water, Sewer, and Stormwater Rates**

- F. Ordinance 149-M-31-09-2024 (Water Rates): An ordinance of the City of Universal City, Texas, amending Ordinance 149 Fee Schedules; amending Ordinance 149-M-31-9-2023 and repealing all ordinances or parts of ordinances in conflict; and amending the Universal City Code of Ordinances accordingly.**

Mrs. Turner reminded Council of Grady Reed's explanations and recommendations regarding water, sewer, and stormwater rates. Council gave Staff direction to move forward with the recommendations. These rates would be effective during October billing. The Ordinances would also update the City's Code of Ordinances to accurately reflect fee schedules.

Councilmember Goolsby moved to approve Resolution 149-M-31-09-2024. Councilmember Bulman seconded the motion.

**Vote: Yeas: Goolsby, Bulman, Fitzpatrick, Putt, Rubal, Vaughan  
Nays: None**

**Motion to approve carried.**

- G. Ordinance 149-M-32-09-2024 (Sewer Rates): An ordinance of the City of Universal City, Texas, amending Ordinance 149 Fee Schedules; amending Ordinance 149-M-32-09-2023; repealing all or parts of ordinances in conflict; and amending the Universal City Code of Ordinances accordingly.**

Councilmember Putt moved to approve Resolution 149-M-32-09-2024. Mayor Pro Tem Fitzpatrick seconded the motion.

**Vote: Yeas: Putt, Fitzpatrick, Bulman, Goolsby, Rubal, Vaughan  
Nays: None**

**Motion to approve carried.**

- H. Ordinance 570-D-2024 (Stormwater Rates): An ordinance of the City of Universal City, Texas, renewing Ordinance 570-D-2023 establishing Municipal Storm Water Utility Fees.**

Mrs. Turner explained that the item was a reapproval since stormwater rates did not change.

Mayor Pro Tem Fitzpatrick moved to approve Resolution 570-D-2024. Councilmember Putt seconded the motion.

**Vote: Yeas: Fitzpatrick, Putt, Bulman, Goolsby, Rubal, Vaughan  
Nays: None**

**Motion to approve carried.**

- 9. ADJOURNMENT:** Mayor Maxwell adjourned the meeting at 8:36 P.M.

**APPROVED:**

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Tom Maxwell, Mayor

**ATTEST:**

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Maribel Garcia, Deputy City Clerk