MINUTES
CITY COUNCIL OF THE CITY OF UNIVERSAL CITY, TEXAS
Regular Meeting, Tuesday, August 19, 2025 @ 6:30 PM

1. **CALL TO ORDER:**
Mayor Tom Maxwell at 6:31 p.m.

2. **QUORUM CHECK AND VOTE TO CONSIDER THE EXCUSE OF ABSENT MEMBERS (IF APPLICABLE):**
Maribel Garcia, City Clerk

Present:
Mayor Tom Maxwell
Mayor Pro Tem Christina Fitzpatrick
Councilmember Bear Goolsby
Councilmember Lori Putt
Councilmember Bernard Rubal
Councilmember William Shelby
Councilmember Phil Vaughan

Staff Present:
Kim Turner, City Manager
Michael Cassata, Development Services & EDC Director
Christine Green, Finance Director
Randy Luensmann, Public Works Director
Jesse Hubbard, Fire Captain A
Maribel Garcia, City Clerk

Ms. Garcia noted a quorum was present.

3. **INVOCATION AND PLEDGE OF ALLEGIANCE:**
Mike Saenz was invited by Councilmember Shelby to give the invocation. Mayor Maxwell led everyone in pledges to the United States and Texas flags.

4. **CITIZENS TO BE HEARD:**
John Williams, 13526 Mount Olympus, wished to dispel rumors and reported that the CPS program for home assessments was a great program. He shared his experience with the program.

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

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

b. **STAFF REPORT:**
None.

6. **PUBLIC HEARINGS:**

a. **Public Hearing for the Proposed FY 2025-2026 Budget**
Mayor Maxwell opened the public hearing at 6:39 p.m.

Ms. Green gave a reiteration of the presentation she gave at the August 5th meeting. The only changes to the presentation included the General Fund Debt Service anticipated Revenues:
- Ad Valorem - $1,901,131
- Interest - $53,500
- Use of Fund Balance - $320,000

Councilmember Rubal wondered if the Council budget could be reduced by eliminating gala sponsorship fees and the Council Message Board. He followed up on his inquiry regarding moving the billboard marketing revenues to the General Fund.

Mrs. Turner reminded Councilmember Rubal that his intention to move billboard revenues to the General Fund was not given a consensus by Council. Given there was no Council direction to move the money to the General Fund, Staff left the budget as presented. She reported that there was no need for legal review to move the funds as it was up to City Council.

While Councilmember Rubal explained his reasoning for moving the billboard revenue from the Golf Fund to the General Fund, **Mayor Pro Tem Fitzpatrick called for a point of order,** noting that this was a public hearing and not meant for Council deliberation.

Mayor Maxwell and Councilmember Rubal debated the appropriate time to discuss Councilmember Rubal's concerns. Mayor Maxwell urged Councilmember Rubal to use this time to ask Staff questions.

Councilmember Rubal inquired about the possible applications of the Hotel Occupancy Tax, commonly referenced as the HOT tax, for uses other than marketing at the golf course. Ms. Green explained the nuances behind using the HOT tax - it must be used for expenditures that the Texas Comptroller's office deems would bring "heads to beds." Councilmember Rubal questioned reducing the administrative transfer from the Golf Fund to the General Fund.

Mrs. Turner reminded Councilmember Rubal that the administrative transfer was reduced following the golf course assessment conducted by the National Golf Foundation. At their recommendation and Council's, Staff researched how much administrative services would cost on the open market and reduced the Golf Fund transfer accordingly.

Councilmember Rubal received clarification regarding the approximately $800,000 left in the Venue Tax Fund.

Ms. Green clarified that these funds were awaiting Council approval for golf course capital projects. After Councilmember Rubal suggested using more Venue Tax revenues toward linear parks to allow reallocation of General Fund revenues, she cautioned him that the Parks budget cannot be exceeded once it is passed, which may occur if grants are procured.

Seeing no public comments, Mayor Maxwell closed the public hearing at 6:56 p.m.

b. **Public Hearing Proposed 2025 Tax Rate to support the FY 2025-2026 Budget**
Ms. Green presented a reiteration of the tax rate presentation she presented on August 5th.

Mayor Maxwell opened the public hearing at 7 p.m.

John Williams, 13526 Mount Olympus, warned Council that they had been in the situation of consistent tax rate decreases before and this led to the need to increase the tax rate significantly and consistently for several years.

Billy Hill, 902 Phoenix Avenue, noted that many residents are able to claim the 65-year-old tax freeze. This affects the revenue the City is able to receive. Furthermore, he felt the revenues were well spent given the improvements and services he saw. He opined that, while he did not fully understand Open Meetings Act requirements, he was aware that councilmembers had the ability to ask Staff questions prior to meetings. He encouraged this for both time constraints and public appearances.

Seeing no further public comments, Mayor Maxwell closed the public hearing at 7:05 p.m. He opened the floor for Council comments.

Councilmember Putt opined that departments spent revenue well, while being fiscally responsible, to provide residents with the best services. She referenced Mr. Hill's comments regarding the 65-year-old tax freeze and noted that no one under 65 years old had voiced their inability to afford the proposed increase in property taxes. She felt the increase was worth it and reasonable to maintain the level of services provided by the City.

Councilmember Shelby also felt the increase was reasonable considering that, prior to the 65-year-old tax freeze, the City was requesting the maximum tax increase available without an election. He considered the effect of the lost revenue that the 65-year-old tax freeze created and how this lost revenue was recuperated by second-homeowners, those under 65 and businesses. He also noted that the rise in the cost of goods felt by residents was also being felt by the City. For all of these reasons, he felt that requesting a half-cent increase in the tax rate was reasonable.

Councilmember Rubal noted that the Consumer Price Index (CPI) was below 3%. He also noted that some City salaries exceeded $250,000 while the median individual incomes of Universal City were between $38,000-42,000. He felt Council should protect residents' funds.

Councilmember Vaughan felt it was difficult to pass a higher tax rate if there was an alternative, especially since he felt the tax rate was already high. Considering the City had cut the tax rate in the past without losing revenue, either due to new properties or increased appraisal values, he hoped to do the same this year without losing the quality of services.

Mayor Pro Tem Fitzpatrick agreed with Councilmembers Shelby and Putt's comments. She reviewed information distributed by Ken Taylor at the prior meeting, which was not read aloud. This information reviewed the City's tax cuts and subsequent large tax increases. She noted that Mr. Taylor encouraged the Council to avoid that position again.

Mayor Maxwell said the way to decrease property taxes was to support the growth of businesses so that sales tax could support more of the budget. This would allow the City to be less reliant on property taxes to support City services.

7. **ANNOUNCEMENTS:**

a. **CITY MANAGER'S ANNOUNCEMENTS**

Mrs. Turner reported that the Kitty Hawk emergency service road is open for emergency services only. Unfortunately, a mapping service incorrectly listed the road for public use, but Fire and Police have reached out to get this corrected. She also reported that the Walmart/Kitty Hawk roundabout was open.

b. **MAYOR'S ANNOUNCEMENTS**

Mayor Maxwell reported that Universal City had its newest Eagle Scout. Evan Avery shared an overview of his Eagle Scout project: two flag retirement boxes. These are for the proper disposal of US flags. He received support and funding from Home Depot and Sherwin Williams. The box at the VFW was completely full. He thanked UC for their support and, more specifically, Mayor Maxwell and Councilmember Goolsby for their support.

Mayor Maxwell presented a Key to the City and a Certificate of Authenticity to Mr. Avery for his outstanding service to the community.

c. **COUNCILMEMBERS' ANNOUNCEMENTS**

Councilmember Shelby noted the significant increases that other taxing entities have presented to Council. He said that while the tax cuts the City has made are favorable, he wanted to avoid having to present residents with a large tax increase. This required recognizing when the City needs those small increases such as with this tax rate.

Councilmember Vaughan reported that he had used the flag retirement box at the VFW and received clarification regarding folding or not folding the flags before placing them in the box for proper disposal.

Mayor Pro Tem Fitzpatrick congratulated Mr. Avery on his new Eagle Scout rank and on being a senior in high school. When considering the tax rate, she agreed with Mayor Maxwell's comments regarding supporting development projects as a means to lower ad valorem taxes.

Councilmember Goolsby recalled being Mr. Avery's Cub Scouts leader and congratulated him on everything he accomplished. He reported that he drove the Kitty Hawk roundabout and was excited for it. He also reported that he stayed at the golf course hotel and felt it was a great facility. Regarding the tax rate, he felt that while property taxes could be lowered by increased business in the city, this could lead to other complaints. However, he emphasized that not everyone would be content with the outcome and felt the City was headed in the right direction.

Councilmember Rubal recognized Mr. Avery's volunteerism in the City.

Councilmember Rubal moved for an agenda item for discussion of a Combined Municipal Sales Tax Ballot Proposition for "the reduction of the Venue Sales Tax rate authorized by the City of Universal City from the rate of one-half of one percent to the rate of one-eighth of one percent; and the adoption of a local sales and use tax in the City of Universal City at the rate of three-eighths of one percent to provide revenue for maintenance and repair of municipal streets." Councilmember Vaughan seconded the motion.

Vote: Yeas: Rubal, Vaughan, Fitzpatrick, Goolsby, Putt, Shelby
Nays: None
Motion to place on a future agenda carried.

Councilmember Putt commended Mr. Avery on his activism, volunteerism, and other achievements. She was very proud.

8. **CONSENT AGENDA:**

a. **Minutes of the 05 August 2025 Regular Meeting.**

b. **Ordinance 525-Y-2025: Municipal Solid Waste Annual CPI Adjustment**

c. **Ordinance 670-2025: Designation of Reunion District Reinvestment Zone No. 1**

d. **Ordinance 671-2025: Designation of Aviation District Reinvestment Zone No. 1**

e. **Ordinance 308-D-2025: Amending Chapter 3-4-Traffic of the Code of Ordinances, updating Stop intersections.**

At the request of Councilmember Vaughan, item 'f' was removed from the Consent agenda for a separate vote.

Councilmember Shelby moved to approve items a-e of the Consent Agenda. Councilmember Goolsby seconded the motion.

Vote: Yeas: Shelby, Goolsby, Fitzpatrick, Putt, Rubal, Vaughan
Nays: None
Motion to approve carried.

f. **Resolution No. 980-B-2025: A resolution of the City of Universal City authorizing the purchase of real property located at 104 E. Lindbergh Blvd., Universal City, Texas, by the Universal City Economic Development Corporation, for projects to promote new or expanded business development.**

Councilmember Shelby moved to approve Resolution 980-B-2025. Councilmember Goolsby seconded the motion.

Vote: Yeas: Shelby, Goolsby, Fitzpatrick, Putt
Nays: Rubal, Vaughan
Motion to approve carried.

9. **ACTION ITEMS:**

a. **Record Vote on the 2025 Tax Rate and schedule Public Hearings**

Councilmember Goolsby moved to approve a Maintenance & Operation (M&O) Rate of $0.442000 and a Debt Service rate of $0.088000 for a $0.530000 ad valorem tax rate. Councilmember Shelby seconded the motion.

Councilmember Vaughan moved to amend the motion to amend the M&O Rate to $0.434500 for a $0.522500 ad valorem tax rate. Councilmember Rubal seconded the motion.

Vote: Yeas: Rubal, Vaughan
Nays: Fitzpatrick, Goolsby, Putt, Shelby
Motion to amend failed.

The Council voted on the original motion, seeing as the amendment failed.

Vote: Yeas: Goolsby, Shelby, Fitzpatrick, Putt
Nays: Rubal, Vaughan
Motion to approve carried.

b. **Ordinance 544-C-2025: Purchase Policy**
Mrs. Turner explained that the State legislature changed the threshold requirement for going through the RFP process. The threshold requirement is now $100,000. The Purchase Policy has been revised accordingly.

Councilmember Vaughan noted the omission of the allowance of co-ops in Section 5.4 of the Purchase Policy. He recommended including a sentence stating that a bid process would be required if no purchasing co-op alternative is found.

Councilmember Rubal received clarification regarding the term "aggregate" in Section 5.3.

With the changes recommended by Councilmember Vaughan to be provided upon second reading, Councilmember Shelby moved to approve Ordinance 544-C-2025. Councilmember Vaughan seconded the motion.

Vote: Yeas: Shelby, Vaughan, Fitzpatrick, Goolsby, Putt, Rubal
Nays: None
Motion to approve carried.

c. **Resolution 966-2025-3: EDC Storefront Improvement Program for Synergy Refrigeration 848 W. Byrd Blvd.**
Mr. Cassata explained that in looking to expand their operations in Universal City, Synergy Refrigeration wanted to construct an industrial building next to their existing building. Upon the review of the plans, the UC Fire Marshal classified the building as a Group-F-1 Factory Industrial which requires the installation of fire suppression and alarm systems. This requirement is specific to Universal City, as the City adopted an amendment requiring these systems on F-1 occupancy buildings over 2,000 square-feet. Mr. Cassata reviewed the costs of the project. He reported that Synergy Refrigeration approached the UCEDC for assistance with the cost of fire suppression and alarm systems. The EDC recommended approval of 100% of the costs in the amount of $313,901.

Councilmember Vaughan asked if the City could exempt Synergy from the rule.

At Councilmember Vaughan's request, Mr. Cassata reviewed the benefits of the building in Universal City, including the doubling of property value and further increased value with the plan for constructing a third building, job creation, and support of local industries.

Councilmember Shelby received clarification regarding the applications of the UCEDC Storefront Improvement Program. It can be used for several economic development initiatives. He also received clarification regarding the total cost of the project, which would be about $2.2 million.

Mr. Cassata noted that the UCEDC typically grants 10-50% reimbursement through the Storefront Improvement Program.

Mayor Pro Tem Fitzpatrick added that the company intended to make a large footprint in Universal City with the addition of their third building.

Mrs. Turner explained that expansion was part of the plan for the Northlake Business Park given that companies are required to buy a minimum of an acre.

Mr. Cassata said the expanded fire line would cover the third future building as well.

Councilmember Rubal expressed his support for the project given the job growth for the City.

Councilmember Vaughan felt he could not support the approval of this grant given the disproportionate return on investment. It would take approximately 30+ years to see a return on investment.

Councilmember Shelby moved to approve Resolution 966-2025-3. Councilmember Goolsby seconded the motion.

Vote: Yeas: Shelby, Goolsby, Fitzpatrick, Putt, Rubal
Nays: Vaughan
Motion to approve carried.

10. **ADJOURNMENT:**
Mayor Maxwell adjourned the meeting at 7:48 p.m.

THE CITY OF UNIVERSAL CITY TEXAS

APPROVED:

Tom Maxwell, Mayor

ATTEST:

Maribel Garcia, City Clerk