MINUTES
CITY COUNCIL OF THE CITY OF UNIVERSAL CITY, TEXAS
Regular Meeting, Tuesday, October 7, 2025 @ 6:30 PM

1. **CALL TO ORDER:**
Mayor Maxwell at 6:30 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
Matthew Grove, City Attorney
Michael Cassata, Development Services & EDC Director
Christine Green, Finance Director
Randy Luensmann, Public Works Director
Maribel Garcia, City Clerk

Ms. Garcia noted a quorum was present.

3. **INVOCATION AND PLEDGE OF ALLEGIANCE:**
Councilmember Goolsby gave the invocation. Mayor Maxwell led everyone in pledges to the United States and Texas flags.

4. **CITIZENS TO BE HEARD:**
Carlos De La Cruz, shared that he is running for Congress. He commented on Charlie Kirk's assassination. He shared his background in the Air Force. He advocated for a return to traditional values for the youth in America. He wanted young people to know their life matters, "God has a plan for [them], and [their] country needs [them]."

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

   a. **CITY MANAGER'S REPORT:**
   Mrs. Turner yielded her time to Dr. Milton Fields, Superintendent of Judson ISD, and CFO Tony Kingman, to explain the November Voter Approval Tax Rate Election (VATRE).

   Dr. Fields reported that the VATRE would bring about $21 million to Judson ISD allowing them to balance the budget for the next year. He turned the floor over to Mr. Kingman.

   Mr. Kingman explained how public schools are funded, including state formulas and local property taxes. Over recent years, funding has decreased and operational costs have increased. He explained that the VATRE is due to a state law that requires voter approval to increase the maintenance & operations part of the tax rate over a prescribed amount. The tax rate calculations were reviewed as well as the impact of the VATRE on Judson ISD. He emphasized that, should the VATRE fail, there may be fewer resources available for students and staff. The additional funding from a passed VATRE would be prioritized to student programs, support services, and staff compensation. Mr. Kingman clarified that the recently passed bond can only fund facilities and assets, which do not include employee compensation or support services. In his clarification, he noted that the VATRE does not create new debt for the school district while the bond did. He reviewed the district's recent financial history, efforts to cut spending and the impact of a passed VATRE on taxpayers. Most taxpayers would still see savings in their taxes under a homestead exemption. He noted that early voting dates for the November 4th election.

   Councilmember Goolsby and Dr. Fields discussed charter schools. While charter schools are able to turn away students, Judson ISD accepts and supports all students within the district.

Mayor Pro Tem Fitzpatrick thanked Dr. Fields and Mr. Kingman for their explanation of the savings for taxpayers.

b. **STAFF REPORT:**
None.

6. **PUBLIC HEARINGS:**

a. **FM 1518 ETJ Annexation**
Mr. Cassata clarified the location of the ETJ and presented a map of ETJ properties. The subject of today's hearing regarded thirteen properties totaling approximately 148 acres, whose non-annexation agreements — established ten years ago — were about to expire in January 2026. Of the properties, six were in the floodplain. He reviewed potential projects in the ETJ, including a single-family subdivision and a cell tower. He noted Section 11 of the non-annexation agreements, which stated that "upon the expiration of this agreement, the landowner and landowner's successors, heirs, or assigns agree to the voluntary annexation of the property with this agreement serving as a petition for voluntary annexation." He reviewed the three options for Council to move forward. Annexation would require legal notices, certified letters to other taxing entities and property owners, a public hearing, an annexation ordinance and an amendment to City boundaries. All had been completed up until this meeting, which would hold the public hearing and the first reading of the annexation ordinance. Not annexing the properties would not require a vote and would simply allow the non-annexation agreement to expire in January. The final option to extend the non-annexation agreements would require negotiation and approval from property owners and recording new agreements with the County so that they are attached to the title. As with the existing agreement, new property owners should be aware of the agreement when property is purchased. Mr. Cassata reviewed completed investment in preparation for annexation, including a $2 million EMS road and a $1.17 million waterline main extension. He reviewed the benefits of annexation, including a higher level of emergency services, city utilities, streets and light maintenance, health protections, increased property values, lower insurance rates, land use regulation and the right to vote in municipal elections. Drawbacks of annexation included increased City personnel needs, the location of the ETJ in the AICUZ, the floodplain, and the potential for FM 1518 to widen in the future. He asked Council to consider what happens if the land is not annexed, including considerations for land use concerns and provision of water utilities.

Councilmember Goolsby gained clarification from Mr. Luensmann regarding the water main direction and requirements for developments.

Mayor Maxwell opened the Public Hearing at 7:06 p.m.

Charles Lovett, 2600 E FM 1518 N, stated he spoke at the public hearing representing 10 of the 13 landowners who did not wish to be annexed. He provided Council with letters from property owners opposing annexation.

Given there were no further public comments, **Mayor Maxwell closed the Public Hearing at 7:08 p.m.**

7. **ANNOUNCEMENTS:**

a. **CITY MANAGER'S ANNOUNCEMENTS**
Mrs. Turner shared updates and upcoming events at the Pumpkin Patch.

b. **MAYOR'S ANNOUNCEMENTS**

i. **Proclamation: NFPA Annual Fire Prevention Week**
Mayor Maxwell read the proclamation and noted that the Fire Department was absent providing a presence at several National Night Out events. He reviewed the Bexar County propositions on the November 4th ballot. He discussed new and existing businesses in the City.

c. **COUNCILMEMBERS' ANNOUNCEMENTS**
Councilmember Goolsby received consensus to have a Staff review of the purpose and requirements of Specific Use Permits (SUPs).

Councilmember Rubal thanked Council and Staff for placing his request for a Venue Tax discussion on a future agenda. He asked for consensus for a review of the funding mechanisms for the City's PEG channel, UC TV.

Council reached a consensus to publish an article in a future Gateway Magazine regarding funding sources for UC TV.

Councilmember Rubal proposed an Aviation Art and Culture Center funded by Hotel Occupancy Taxes. He felt this would meet the "heads-in-beds" requirement for using this funding mechanism.

Mayor Maxwell noted that the upcoming UC Vision 35 Comprehensive Plan should address Councilmember Rubal's proposal for an arts and culture center.

Councilmember Putt thanked Mr. Luensmann for working with Intensity Soccer. She commended the Fire Department and City for their action during a staff member's personal loss. She promoted the UC Pumpkin Patch events.

Mayor Pro Tem Fitzpatrick also promoted the UC Pumpkin Patch. She commended the UC Fire and Police Departments for their work at Heroes Day at the UC Pumpkin Patch. She received clarification regarding new THC and vape store regulation legislation. Council gave consensus to review any THC and vape store zoning authority the City may have.

Council discussed potential utilities billing payment plans for federal employees who were furloughed due to the government shutdown. Mrs. Turner clarified that the City has the ability to set up payment plans and have more flexibility for military and federal personnel who can provide documents evidencing the furlough.

8. **CONSENT AGENDA:**

a. **Minutes of the 16 September 2025 Regular Meeting.**

b. **Resolution 966-2025-4: EDC Storefront Improvement Program re Loop 1604 & W. Byrd Blvd.(2nd Reading).**
Councilmember Shelby moved to approve the consent agenda. Councilmember Goolsby seconded the motion.

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

9. **ACTION ITEMS:**

a. **TML Region 7 Official Ballot**
Mayor Maxwell explained that the Council collectively has one vote for the Region 7 ballot. He shared that while he personally knew both candidates, he recommended Ed Cimics for his ongoing dedication and experience with TML.

Councilmember Putt moved to approve a vote for Ed Cimics for TML Region 7 Director. Councilmember Goolsby seconded the motion.

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

b. **Resolution 960-A-2025: Policy for Investment of Public Funds**

Mrs. Turner explained that this policy is reapproved annually regardless of a lack of change. There were no changes to the policy from the prior year.

Councilmember Shelby moved to approve Resolution 960-A-2025. Councilmember Vaughan seconded the motion.

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

c. **Utility Bad Debt Write-off FYE 2025**

Ms. Green explained that there were 94 accounts that met the four-months-behind or longer criteria. Historically, bad debt write-offs occurred in October to prepare for the audit. She reviewed an account breakdown. She reported that the bad debt write-off was lower this year than the previous. She reviewed the collections process. Staff recommended the approval of $18,299.84 in bad debt write-off as of September 30th. She noted that Staff would continue to attempt to collect on the account balances.

Councilmember Shelby moved to approve the FYE 2025 utility bad debt write-off. Councilmember Goolsby seconded the motion.

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

d. **Ordinance No. 639-C-2025 re FM 1518 ETJ Annexation**

Councilmember Goolsby moved to extend all 13 non-annexation agreements by 10 years. Councilmember Vaughan seconded the motion.

Mayor Maxwell and Mayor Pro Tem confirmed that this would require revisiting the agreements with each individual property owner.

Mrs. Turner elaborated that this would require the City to confirm the current use of the land, review each agreement with each property owner, have them sign the agreement, and then, after ten years, this would be revisited the same way.

Councilmember Goolsby worried that the normal citizen would not understand that they would be annexed in ten years. He wished to give the residents some grace if they did not understand the agreement would lead to being annexed. He also considered that many property owners from the ETJ were present and opposed the annexation.

Mrs. Turner felt that, from the City's perspective, the City had kept up with the annexation plan and invested in infrastructure to prepare for annexation. The City wished to annex the land ten years ago and waited according to the agreements and the plan.

Councilmember Shelby took issue with not annexing the property due to the fact that there was a good-faith agreement agreed upon by both parties where one entity, the City, has done their part.

Mrs. Turner added that the City also entered into franchise agreements with other service providers such as gas and telecom companies in preparation to annex the area.

Councilmember Goolsby added that agreements always have the option for extension.

Mrs. Turner opined that extending the agreements is asking the residents of Universal City to be okay with paying for the utilities and infrastructure extensions for residents in the ETJ who are no longer going to use them.

Councilmember Goolsby felt these improvements were made in preparation, but that did not mean the City must annex the territory.

Councilmember Putt confirmed that the property owners were notified with time that the annexation was coming up, and that most current owners were the original owners who agreed to the plan. She asked what the reasons were for opposing annexation.

Mrs. Turner said that, from her conversation with property owners, they wished to stay living in the country, and they did not want to pay City taxes. She noted that many of these property owners would receive agriculture tax exemptions. Those who would not could still apply for other exemptions and would be receiving the utilities and infrastructure maintenance that all other UC residents receive and pay for through their taxes. Some property owners may be able to petition the appraisal district for exemptions due to their properties being in a floodplain.

Councilmember Vaughan asked the stance of the owner of the largest property in the ETJ as they did not provide a letter opposing or agreeing with annexation. He received confirmation that the property would not be affected by annexation since they have an agriculture exemption. He felt that the ad valorem revenue from the ETJ would not have a huge impact on the City, but would be more heavily felt by the property owners. He liked the idea of non-annexation until the property is developed. For this reason, he supported an extension of the agreements pending renegotiation.

Mr. Cassata further explained the annexation process. Should Council decide to have agreements extended, they would consider either the agreement if the property owner and City came to one, or they would consider annexation; either would happen during the second December meeting.

Mayor Maxwell received confirmation that the ETJ would not receive EMS services from the City should the non-annexation agreement expire without extension.

Mrs. Turner also clarified that the City would not have any zoning authority over the ETJ without the agreement. A neighbor could decide to establish a dump and the City would have no authority to regulate.

Mr. Grove clarified that many services would have to be provided by the county. It was noted the county EMS services would take longer to reach the ETJ.

Councilmember Putt questioned going through the trouble of renegotiation if the property owners do not want to live up to the current agreement.

Councilmember Rubal noted that most of the ETJ lies in the AICUZ zone which limits uses in that area. The benefit to the City of annexing the ETJ was unclear to him, and he agreed with Councilmember Goolsby's proposal to extend the agreement.

Councilmember Goolsby wondered if another 10-year term was too long.

Councilmember Shelby gave a brief history of the proceedings for the initial non-annexation agreements. The initial concern was the AICUZ, but deliberation shifted to ensuring no high-density residential for the JBSA AICUZ and discussing what it meant to annex the ETJ. The Council decided to commit funds toward making annexation possible. Now, the City has residential properties adjoining the ETJ, and he felt they may want City zoning enforcement.

Councilmember Vaughan, after inquiry, received clarification that the extension of the non-annexation agreement cannot include zoning use restrictions.

Mayor Pro Tem Fitzpatrick confirmed that if the use identified by property owners ten years ago for their agreement had changed, it would come to light now and they would be automatically annexed per the existing agreements.

Mrs. Turner expanded on the history of the agreements regarding the AICUZ. JBSA wanted cities to annex their ETJs for better regulation in the AICUZ. The non-annexation agreements provided protection for the property owners and JBSA for ten years by keeping uses the same. However, Schertz, Selma, and surrounding areas did the same, and they have since annexed these areas. The ETJ still affects the adjacent developed areas in Schertz and Selma.

Councilmember Goolsby and Councilmember Shelby discussed the lack of City authority to regulate these areas and where other regulating entities, such as the Countya and TCEQ, may intercede.

Councilmember Vaughan received confirmation that the current motion would table annexation until the second meeting in December pending the extension of the non-annexation agreements. Should property owners not agree to sign an extension, their annexation would be considered in December.

Mr. Grove advised Council that, due to statute, should any existing utilities fail for ETJ property owners, the City would be obligated to provide these services given that utilities lines and other franchise agreements are already in place for the area. He noted that these agreements were already negotiated ten years ago.

Mr. Grove and Councilmember Goolsby discussed the potential harms of having to allow unregulated ETJ properties to connect to City lines and the other regulating agencies that could protect the City in these cases.

Councilmember Goolsby asked Council if a five-year extension was more acceptable.

Council discussed the "what-if"s of the next five years. This included possible changes in State law and property owner changes. They discussed investments the City had already made and the obligation to other property owners in the area. It was noted that all agreements have to include language for the possibility of extension of the agreement.

Councilmember Goolsby noted that the agreements had a mechanism for extension but not to change use. If the property changed use, it should expect to be annexed.

Mayor Maxwell asked who would cover the bill for connecting water lines should it be necessary.

Mr. Grove noted that some language in the non-annexation agreements may have to change due to changes in State law which may require the City to provide landowners with municipal services.

Following Mayor Pro Tem Fitzpatrick's question about whether Staff had enough time to conduct the necessary inspections to verify use and compliance, Mrs. Turner noted that some property owners may want to be annexed. She asked Council to consider whether they were prepared to annex properties that wished to be annexed for any reason.

Councilmember Goolsby amended his motion to table the item until the December 16th meeting pending Staff exploration of a five-year extension of the non-annexation agreements to all thirteen agreements. Councilmember Vaughan seconded the motion.

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

f. **Moving/Canceling November 4th Regular Meeting.**
Councilmember Shelby moved to cancel the November 4th Regular Meeting. Councilmember Vaughan seconded the motion.

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

Mrs. Turner noted that, should there be an item of City business that must be considered on November 4th, Council would be notified.

e. **Resolution No. 989-2025 re FM 1518 ETJ Annexation Service Agreement**
Mayor Maxwell briefly recessed the meeting at 8:31 p.m. He reconvened the meeting at 8:34 p.m.

Councilmember Shelby moved to table the item to second meeting in December. Councilmember Goolsby seconded the motion.

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

10. **ADJOURNMENT:**
Mayor Maxwell adjourned the meeting at 8:34 p.m.

APPROVED:

Tom Maxwell

Tom Maxwell, Mayor

ATTEST:

Maribel Garcia-Uribe

Maribel Garcia-Uribe, City Clerk

THE CITY OF UNIVERSAL CITY TEXAS