



**MINUTES
WATAUGA CITY COUNCIL
REGULAR MEETING
CITY HALL COUNCIL CHAMBER,
7105 WHITLEY ROAD,
MONDAY, AUGUST 10, 2026
6:30 PM**

CALL TO ORDER

Mayor Arthur Miner called the meeting to order at 6:51 p.m.

ROLL CALL

The meeting was convened with the following members present:

Arthur L. Miner
Mark Taylor
Pat Shelbourne
Cris Blackburn
Lovie Downey
Andrew Neal
Stephen Welch
Jan Hill

Mayor
Mayor Pro Tem Place 6
Council Member Place 1
Council Member Place 2 (Absent excused)
Council Member Place 3
Council Member Place 4
Council Member Place 5
Council Member Place 7

and

Sandra Gibson
David Berman
Linda Proskey
Randy Barkley
Paul Hackelman
James Lewis
Jennifer Calvert
Timothy Hamilton
Julie Rodriguez
Lana Ewell
Randy Richards

City Manager
City Attorney
City Secretary
Asst. City Manager/Fire Chief
Asst. City Manager/Public Works Director
Police Chief
Finance Director
Parks Director
Human Resources/Civil Service Director
Library Director
Assistant Public Works Director

INVOCATION

Pastor Dennis Hester of Watauga Baptist Church gave the invocation. He also announced that Watauga Baptist Church will be hosting the Cities Community Forum on Thursday at 6:30 p.m.

PLEDGE OF ALLEGIANCE United States and Texas Flags

Mayor Miner led the Pledge of Allegiance

ANNOUNCEMENTS

Mayor Miner stated that tomorrow will mark 260 days that the USS Abraham Lincoln has been deployed and thanked Pastor Hester for including all men and women serving the United States in his invocation.

Councilmember Neal announced that the splash pad will remain open through September. He also announced Boca Rico, featuring ballet, dance, and music, at the library on Saturday at 1:00 p.m.; the Kids Fish Derby on September 11 at 12:00 p.m.; and that cats and dogs are available for adoption at the Animal Shelter.

Councilmember Welch noted that many of the activities offered at the Parks, Community Center, and Library are free of charge.

Councilmember Hill announced that the Parks Department Active Adult Center will celebrate its 42nd anniversary on the 13th of this month. She noted that attendees should call to RSVP for the celebration at the Community Center.

PRESENTATIONS

1. Presentation of Employee of the Month Award for the month of August.

City Manager Sandra Gibson and Mayor Miner presented the Employee of the Month award to Janice Lee Janitorial Service Technician.

2. Presentation of Service Awards for the City of Watauga Employees celebrating a Milestone Anniversary during the month of August

City Manager Sandra Gibson and Mayor Miner recognized employees for their years of service, presenting awards to Mary Karar, Paula Kirsipel, and Pamela Bayer for 5 years of service and to Cathy Nguyen for 20 years of service.

PUBLIC COMMENT

There was no request for public comment

PUBLIC TESTIMONY FOR ACTION ITEMS

Several residents spoke in opposition to SUP26-01, citing concerns about the proposed tire shop's proximity to existing homes and potential impacts on noise, lighting, privacy, drainage, traffic, parking, and overall quality of life. Residents stated that the proposal was inconsistent with the Watauga Development Strategy and Neighborhood Preservation Area Plan, particularly policies intended to minimize conflicts with residential areas and preserve neighborhood character. They questioned whether the proposed screening and eight-foot brick wall would adequately address noise and lighting concerns and expressed concern about long-term conflicts and setting a precedent for similar developments. Residents also noted that the business has other location options, including a recently opened location in Keller, while homeowners have limited options regarding their homes. It was also stated that Fort Worth denied similar request and emphasized the need for thoughtful growth and responsible consideration of the surrounding neighborhood. The following residents requested that the City Council deny SUP26-01.

Vanessa Camacho-Bisby, 8244 Courtney Way, Watauga
Joe Jarboe, 8241 Courtney Way, Watauga
DeAndra Jarboe, 8241 Courtney Way, Watauga
David Stanley, 8232 Courtney Way, Watauga

CONSENT AGENDA

- 1. Consideration and action on proposed billing rate increase requested by Nichols Jackson, City Attorney, effective October 1, 2026**
- 2. Consider action on approval of the Monthly Financial Report for the period ending June 30, 2026.**
- 3. Consider action on approval of the Quarterly Investment Report for the period ending June 30, 2026**
- 4. Consider action on approval of the June 22, 2026, City Council Regular meeting minutes**

Mayor Miner asked if any Council member wished to pull an item for discussion. Hearing none, he called for a motion.

Councilmember Neal made a motion to accept the consent agenda as presented. Councilmember Hill seconded the motion

Mayor Miner called for a vote.

Motion passed 6-0-0-0.

Ayes: Shelbourne, Downey, Neal, Welch, Taylor, Hill

Nays: None

Abstain: None

Absent: Blackburn

PUBLIC HEARINGS

1. Public Hearing on the Watauga Crime Control and Prevention District's Proposed Budget for Fiscal Year 2026-2027.

Mayor Miner asked if there had been any changes since the item was previously presented. Jennifer Calvert, Finance Director, stated that there were no changes.

Hearing no questions from the Council, Mayor Miner opened the public hearing at 7:22 p.m.

There were no requests to speak.

Mayor Miner Closed the public hearing at 7:22 p.m.

2. Public Hearing on the FY2026-2027 Proposed Budget

Finance Director Jennifer Calvert presented the proposed FY 2026-27 budget, noting that one-time fund balance would be used for one-time purchases while maintaining fund balances above required levels. The General Fund budget includes approximately \$20.19 million in revenues and \$20.9 million in expenditures, with property taxes providing \$8.9 million, or 44% of total revenue, and sales taxes providing \$5 million, or 25%. Sales tax revenue is expected to remain relatively flat in 2027 and 2028. Assessed property values declined 4% this tax year due to TAD changes. The proposed property tax rate is \$0.6058 per \$100 valuation, below the no-new-revenue and de minimis rates and would result in an estimated \$46 annual increase for the average homeowner, with no increase for residents age 65 and older with frozen taxes. Major expenditure increases include electricity, street lighting, shared services, and insurance. The General Fund is projected to end the year with approximately \$8.4 million in fund balance, or 43% of normal operating expenditures.

The Water and Sewer Fund is projected to generate approximately \$10.5 million in revenue, with expenditures of \$11.2 million. Other funds include the Economic Development, Storm Drain, Crime Control and Prevention District, Grant, Municipal Court, Library Donation, Safer Grant Reimbursement, and Fleet Interlocal funds. Capital projects include improvements to parks, streets,

sidewalks, water and wastewater infrastructure, economic development projects, and City facilities. Staff also reviewed the City's long-term financial outlook, noting continued increases in operating and personnel costs, particularly public safety step increases and health insurance, while revenues are expected to remain relatively flat. Strategies to maintain financial stability include reviewing programs and user fees, controlling expenditures, evaluating staffing, encouraging redevelopment, utilizing technology for efficiencies, and continuing long-term capital planning. Overall, the proposed budget was presented as structurally balanced, with operating revenues and expenditures balanced.

Councilmember Shelbourne had to leave the meeting at 7:59 p.m.

Mayor Pro Tem Taylor emphasized the importance of shopping locally to increase sales tax revenue for the city. Councilmember Taylor and Mayor Miner also discussed future budgets and concerns that proposed actions by the Texas Legislature could reduce cities' ability to generate additional revenue.

Hearing no questions from the Council, Mayor Miner opened the public hearing at 8:04 p.m.

There were no requests to speak.

Mayor Miner Closed the public hearing at 8:05 p.m.

ACTION ITEMS

1. Consider action on the FY2026-2027 Proposed Budget after the Public Hearing as required by Chapter 102.007(a) of the Local Government Code.

Mayor Miner opened the item for discussion. Hearing none, he called for a motion. Councilmember Neal made a motion to table the item until August 24, 2026, meeting. Councilmember Downey seconded the motion.

With no further discussion Mayor Miner called for a vote.

Motion passed 5-0-0-0.

Ayes: Downey, Neal, Welch, Taylor, Hill

Nays: None

Abstain: None

Absent: Blackburn and Shelbourne

2. Consider action to approve the Watauga Crime Control and Prevention District's Proposed Budget for Fiscal Year 2026-2027

Mayor Miner opened the item for discussion. Hearing none, he called for a motion. Councilmember Hill made a motion to accept the Watauga Crime Control and Prevention District's Proposed Budget for Fiscal Year 2026-2027. Councilmember Downey seconded the motion.

With no further discussion Mayor Miner called for a vote.

Motion passed 5-0-0-0.

Ayes: Downey, Neal, Welch, Taylor, Hill

Nays: None

Abstain: None

Absent: Blackburn and Shelbourne

3. SUP. 26-01: Consider action to approve a specific use permit on request from Bright Bay 2 Investments LLC for property located at 6600 Bursey Road, described as Lot 4R Block 1 of the Stringer Addition, and consideration of approval of an ordinance allowing for retail tire sales and light auto repair services in a General Business (GB) zoned district. Applicant/Agent: Ameer Adel on behalf of Mahmoud Abuzaid.

Mayor Miner stated that a supermajority of six affirmative votes is required to approve the SUP and noted that only five Councilmembers were present. He asked whether the Council wished to hear the presentation again. Mayor Pro Tem Taylor stated that, given the importance of the item and the absence of a supermajority, he saw no need to hear the presentation since the Council could not approve the item and could only deny it.

Mayor Miner called for a Motion. Mayor Pro Tem Taylor made a motion to table the item until the August 24, 2026, meeting. Councilmember Neal seconded the motion

With no further discussion Mayor Miner called for a vote.

Motion passed 5-0-0-0.

Ayes: Downey, Neal, Welch, Taylor, Hill

Nays: None

Abstain: None

Absent: Blackburn and Shelbourne

- 4. Consider authorizing the City Manager to take all necessary action to execute and enter into contracts with Blue Cross Blue Shield of Texas for the City's medical, dental, and vision insurance for all eligible employees effective 10/1/2026 through 9/30/2027.**

Julie Rodriguez, Human Resource/Civil Service Director introduced Heath Haigood, Senior Account Executive, with HUB International. He presented an update on the City's employee health benefits and insurance renewal. The current medical claims loss ratio is 137.7%, compared to 82.8% last year, resulting in a challenging renewal period. Blue Cross Blue Shield was recommended as the medical, dental, and vision carrier. Through plan consolidation and negotiations, the proposed medical premium increase was reduced from an initial 33.7% to 5.3%, or approximately \$78,000 to \$79,000 annually, with the total combined annual premium estimated at \$1.55 million. The proposed changes consolidate the City's medical plans from four to three, with no changes recommended to dental, vision, life, or disability coverage. The City also discussed employee benefit education, wellness initiatives, and upcoming open enrollment dates.

Mayor Miner called for a Motion. Councilmember Neal made a motion to approve the item as presented. Councilmember Downey seconded the motion

With no further discussion Mayor Miner called for a vote.

Motion passed 5-0-0-0.

Ayes: Downey, Neal, Welch, Taylor, Hill

Nays: None

Abstain: None

Absent: Blackburn and Shelbourne

ITEMS FOR FUTURE AGENDAS

There were not items for future agendas

ADJOURNMENT

Mayor Miner adjourned the meeting at 8:29 p.m.

Approved: this 24 day of August, 2026

Signed: this 25 day of August, 2026

APPROVED:

/s/ Arthur L. Miner

Arthur L. Miner, Mayor

ATTEST:

/s/ Linda Proskey

Linda Proskey, City Secretary

