The Regular Council Meeting of April 25, 2017 was called to order at 6:30 p.m.

MAYOR
Ron Reinhard

COUNCILMEMBERS
Susan Darst
Lou Hoffman
Phil Howard
Jennifer Nottingham
Lynn Tiner

OTHERS
Shannan Kinsley
Chief David Bejar
Chris Mikel
Susan Beavin
Don Reddout
Gigi Duke
Tom Haberman
Chandler Baker
Madeline McCloskey
Debbie Swisher
James Swisher
Kimberly Verity
Theresa Ernest
Jeff English
Kelly Dawley
Sunshine Baker

Mayor Reinhard declared a quorum with all Councilmember's present. The meeting was started with the Pledge of Allegiance.

APPROVAL OF MINUTES

Mayor Reinhard stated the January 24, 2017 and February 28, 2017 Regular Council Meeting Minutes are in final draft.

The minutes of the March 28, 2017 meeting were reviewed. Council member Nottingham stated on Page 4, top of the page 3 lines down, that's the first mention of Mario Hune and some people do not know him. It would be appropriate to identify him as Mario Hune, ESD No. 8 Board President so that people know who he is. Council member Nottingham stated for clarification on Page 4, under Agenda Item No. 5, line 21 where it quotes Council member Hoffman stating "this is a business" and continues on, she's not sure how far the quote goes. Mayor Reinhard stated Council member member Hoffman's quote ends 28 lines down where it ends with "Kris has". The discussion then moves on to a quote by Kris Hochart. The motion to approve the March 28, 2017 Regular Council Meeting Minutes with one amendment was made by Council member Nottingham, seconded by Council member Darst and passed with 4 YES and 1 ABSTAINING by Council member Tiner as he wasn't present at the meeting.

PRESENTATIONS BY CITIZENS AND VISITORS

Mayor Reinhard stated Presentations by Citizens and Visitors is an opportunity for citizens/visitors to address council. Comments are limited to three minutes. Council can't engage in discussion but can ask questions for clarification.

Trish Terrazas stated as she goes through Grey Forest, she sees all the signs that say "No Pesticides". She would like to give everyone a different perspective as she lives along the creek on Scenic Loop Road. On her days off, all she does is pull up bamboo. In addition, she has to hire someone because it continues to grow back from the creek onto their property. She now has to replace her septic system because of the bamboo getting into her lateral lines. She will be using herbicides to try and eradicate the bamboo. Trish Terrazas stated she pleads with everyone to realize there's another side to the story. In addition, it's a liability issue to the City if it's not taken care of.

Mark Peavy stated it has come to his and Sue's attention that some of their fellow citizens have concerns with the emergence of home sharing in the community. He would like to share their knowledge and experience in the matter to hopefully ease some of the concerns as well as enlighten the public of some of the benefits. First; good will, hospitality and fellowship. Through home sharing, they have met some of the most wonderful people they've ever encountered. Besides from being their host, they've established many lifelong friendships. Second, financial advantages. It has supplemented a retirement pension allowing them to tend to the care of their home and extensive gardens on a full time basis. Proceeds from this activity has afforded money to both the state and federal governments. In addition, area businesses all reap economic rewards from their visitors. Third, community benefits. Since moving to Grey Forest, they have enjoyed a sense of euphoria and live in an oasis of natural beauty. The residents of Grey Forest all share the deep love of the community. Residents feel blessed, lucky, honored and rewarded for choosing to call Grey Forest home. In the guest reviews of their rental, the common theme is heartfelt gratitude from all for sharing a small piece of this paradise. Their guest take home wonderful warm memories of a place of rare beauty and inspiration. No property owner

wishes to diminish the value of their property. As citizens, they wish to continue renting their property and insist on not only following municipal ordinances but maintaining and constantly improving their home.

Sue Peavy stated with the management platform they use, guests are screened with great scrutiny. They have never encountered a single infraction of the City rules or their own house rules. The guests know of the rules in advance. The rules are posted in their home and on the rental platform. The renter is provided a security card. They are made aware of the ordinances for noise and parking. Home sharing is not one to be concerned with creating potential problems but rather one of great anticipation in the chance of making new friends. As property owners, what they're asking for is the same rights as any property owner; to rent their home. Not to be discriminated against based on the duration of renting their home. Lots of municipalities are adopting short-term rental laws and they are looking for the same thing. They want to tell the rest of the story, be that other side and participate in the community's decision on this. They want to respect the ordinances. They've have had zero complaints or concerns. Their house is a single family home, it's not a hotel or lodge. The same home people rent out long term. They've been able to provide a service and lots of people have been able to share great experiences in Grey Forest.

Sunshine Baker stated at a recent Madla Fundraiser, expert Dixie Watkins described The Northwest Arch. Mr. Watkins explained in the presentation that in the absence of any regulations, where there are no existing statutes and just blank land; when a developer comes in and says, this is what I want to do, with no zoning guidance for the area, it's approved. If an organization has put into record what the zoning regulations should be, it's taken into consideration. If there is existing guidance or expressed druthers from organizations saying we prefer or want this, the planners generally abide by that. The expert explained this has been very effective but we need to take action. Therefore, he urges and requests City Council to get with the entities along Scenic Loop Road and establish such things as offset. If you go north of Babcock on Scenic Loop Road, they are building right down to the roadway. If we don't take action, there's no zoning guidance right now and no local communities have expressed what they want to happen along Scenic Loop Road. From an expert's point of way, it's a mechanism to save Scenic Loop. He urges City Council to establish planning forms to keep at least one section of Scenic Loop Road the way we're used to seeing it. Mayor Reinhard stated a City can adopt a resolution outlining something similar to our Master Plan which states the intent to preserve the natural environment of the area. When making it public record, it should be taken into account. It doesn't mean the County has to accept it but if it's on record saying this is what we would like, it should be considered. Mayor Reinhard stated he will ask Dixie Watkins to present at a future City Council Meeting.

MAYOR ANNOUNCEMENTS/FINANCIAL REPORTS

Mayor Reinhard reviewed the Monthly Financials. He stated the financials are up to date through the end of March with the exception of a couple payroll periods that haven't been registered in QuickBooks. We are doing well and expenses are under budget. Mayor Reinhard reviewed the City Attorney Legal Activity. The City Attorney did some review on damage to the Grey Forest Volunteer Fire Department sign. He responded to some questions about use of property including short term rentals, commercial property and consideration of a sign ordinance.

COUNCIL/STAFF ANNOUNCEMENTS

None.

COMMITTEE ANNOUNCEMENTS/REPORTS

Mayor Reinhard stated committee activity will be covered during Agenda Item No.'s 3, 4 and 6.

GREY FOREST COMMUNITY BOARD (GFCB) UPDATE

Mayor Reinhard stated Laurie Hawkins isn't able to be here this evening but Susan Darst as Council representative has been asked to give an update. Council member Darst stated at the last GFCB Meeting, the Board was provided preliminary plans for the Clubhouse ADA renovations. They are trying to work out the details and maximize storage space. They are working with the boy scouts to build a kiosk for the Clubhouse. They continue to work on signage and

hope to complete this month. Mayor Reinhard stated per the ordinance, there are a couple of Board positions that are open or are up for renewal in June. They are accepting resumes until May 4th for anyone interested in being considered. The GFC Board will make a recommendation to City Council for appointment.

SENATOR FRANK L. MADLA, JR. NATURAL AREA UPDATE

Council member Nottingham stated the Madla Board had its fundraiser on April 1st at Scenic Loop Café. It was a great success. Dixie Watkins gave a very good presentation. They cleared $3,163 on the Silent Auction alone. They are waiting on a total for the rest of the fundraiser as they still have pledges coming in. They have a meeting this coming Sunday evening and hope to have the totals then.

BOARD OF ADJUSTMENT UPDATE

Shannan Kinsley stated the Board of Adjustment had a meeting on April 17, 2017. The homeowner requested to build a carport on existing concrete and could not meet the setback of 25 feet on any public roadway. The plans called for the posts to be placed outside the existing concrete. The Board of Adjustment approved the variance to build the carport for the setbacks however, there was a concern by a Board member that placement of the posts outside the existing concrete would exceed the impervious coverage. Therefore, an updated survey will be required if the plans move forward with the posts being placed outside the existing concrete to confirm it doesn't exceed the impervious coverage.

POLICE DEPARTMENT ACTIVITY REPORT

Chief Bejar reviewed the March 2017 Monthly Activity Report. There were 120 calls for service, 959 hours worked, 5183 total miles driven, 51 traffic stops, 50 summons issued and 11 warnings issued.

PUBLIC WORKS ANNOUNCEMENTS

Mayor Reinhard stated Chris Mikel is not here this evening but the March 2017 Monthly Activity Report has been provided. Public Works continues to work on tree trimming, road work, mowing/weed eating and regular upkeep of City property.

GFU UTILITY ANNOUNCEMENTS

Mayor Reinhard stated over this past weekend, GFU held the 50th Anniversary and Annual Meeting at the Grey Forest Community (GFC) Clubhouse. There was good food and it was very well attended. The Board of Trustee's is looking to hold the Annual Meeting at the GFC Clubhouse in the future and it's under discussion to open it up to the citizens. The utility continues to do very well and have good operations. They hope to commence installation of the new water tank in the next couple of weeks.

FIRE DEPARTMENT REPORT

Don Reddout stated City Council has been provided the March 2017 Incident Response Report. There were four calls for service; one EMS, two other than medical and one was cancelled on scene. The Average Response Time was 5.33, Average Number of Personnel 2.5 and Average Number of Apparatus 1.25.

NEW BUSINESS:

1. DISCUSS AND ACT ON SETTING DATE FOR ANNUAL JUNK DAY

Mayor Reinhard stated every year, the City gets containers for the citizens annual junk day. Citizens have been very successful at filling the containers with stuff they no longer want. Chris Mikel proposes setting it for May 20th as the weekend before is Mother's Day and the weekend after is Memorial Day. The motion to schedule Annual Junk Day on Saturday, May 20th was made by Council member Nottingham, seconded by Council member Howard and passed unanimously.

2. DISCUSS AND ACT ON NEW LOCATION AND MOVING OF THE CITY'S GREY FOREST VOLUNTEER FIRE DEPARTMENT SIGN

Mayor Reinhard stated Council had a Workshop Meeting in conjunction with ESD No. 8 in early April where Council decided during that meeting that the City would move the Grey Forest Volunteer Fire Department sign in order to preserve it as constructed. There have been a few recommendations made for its new location. One has been to place it down by the GFC Clubhouse because at one time the Scenic Loop Playground Volunteer Fire Department was housed out of the shed behind the clubhouse. The current Council Chambers that they are sitting in at one time held the fire trucks so there has been the recommendation to place it outside City Hall near the flagpole where it would be visible. There has also been discussion of perhaps getting a historical marker given that there has been volunteer fire department activity for well over 50 years. Council agreed they'd work on getting the sign moved within three months because the ESD would like to put up a sign that announces their presence of providing fire services on the land and building that they lease from the City. Mayor Reinhard stated at the Workshop, it was discussed that by Council agreeing to move the sign, they were committing the funds necessary to move it. In order to know what it's going to cost to move the sign, we need to know where it's going to go. Council member Howard stated he proposes the sign be moved in front of City Hall where people coming in or traveling by could see the history and later a plaque and/or history of the department could be added. Council member Nottingham stated there have been two other suggestions. One being on the side of the Fire Station between the flagpoles. The other suggestion was made by Council member Hoffman at the April Workshop to put it across the street from City Hall along with the playground historical marker. She likes Council members Hoffman's suggestion. If placed at City Hall, people will have to park their cars and walk across the street to read it. We could move the playground marker over about 6 feet and a relocate the Fire Department sign in the middle. Council member Hoffman stated subsequent to his suggestion for the historical marker, he likes going back even further on the history of the Fire Department and relocating the sign to the clubhouse where they were originally housed. He suggests first dealing with the removal of the sign from its current location and then ask the GFC Board to come up with a plan for it to be moved over to the clubhouse. Going even further back to our cultural roots is a real point of interest for him and he'd like to embellish that history. Council member Darst stated she likes the idea of having it across the street from City Hall. She feels we already have the historical marker there that signifies history and it's only appropriate to add the history of the Fire Department. Council member Tiner stated he likes the idea of relocating it across the street next to the current historical marker. It's more assessable there than any other location. Council member Hoffman stated it's confusing, the whole reason for the ESD putting up a new sign is to designate what the operations are. Now you just want to move the sign over. Council member Nottingham stated if she has an emergency and is looking for a Fire Department, she doesn't care if it's ESD No. 8 or Grey Forest, she just wants a Fire Department which is what you'll get by turning there. Mayor Reinhard stated it sounds like the most prevalent discussion from Council is for the sign to be relocated across the street from City Hall and asked if there was a motion. Council member Darst made the motion to set the location for moving the Volunteer Fire Department sign parallel to the street in the general location of the historical marker. The motion was seconded by Council member Tiner and passed unanimously. Mayor Reinhard stated we will look at getting quotes to get the sign moved. The intent will be to have the sign look as it does now.

UNFINISHED BUSINESS:

3. DISCUSS AND ACTION ON UPDATE ON CITY ENGINEER STREET PLAN AND REPAIRS

Mayor Reinhard stated a couple of meetings ago, Council approved moving forward with the needed road work on Cedar Crest. There's a little confusion on what Council looked at versus what was in the City Engineers original plan. The City Engineer is working on getting a survey to see what they would need to do to fix the low water crossing Council identified as well as the area that was problematic in his original report.

4. DISCUSS AND ACT ON REQUEST SUBMITTED BY MOBILITIE INTELLIGENT INFRASTRUCTURE FOR PLACEMENT OF A POLE STRUCTURE

Council member Howard stated there was question on the requirement of having a red light on the tower. He discussed this with the representative from Mobilitie and they can remove the red light because the tower is under 150 feet. As far as compensation to the City, they're changing the agreement from a fixed dollar amount to a percentage of income which in the long term, would be more revenue for the City. They continue to work on an agreement and he will present it to Council once something is finalized.

5. DISCUSS AND ACT ON AMENDING ORDINANCE NO. 164 AS AMENDED, ESTABLISHING RULES AND REGULATIONS REGARDING OAK WILT

Mayor Reinhard stated this has been a discussion over the past couple of months. After the last meeting, Council agreed and voted on changes to various sections but wanted to see the ordinance in final format. The changes have been made to the ordinance and are marked in red. Council member Howard stated on Page 2, under (B)(4)(d), Exceptions in red, he would add the word "Oak" to "trees trimmed or removed". Mayor Reinhard stated the discussion and intent was that if you're not licensed, you need a permit to trim any trees and the resident would be present even if they're not trimming Oak Trees because there is no certainty that they understand the difference in what is being trimmed. This way the resident supervises all activity. It was Council's consensus on Page 2, under (4)(d)(3) Tree Permits, Exceptions; add "on any tree" so that it reads "all cuts and/or wounds on any tree will be painted immediately with an acceptable wound dressing". The concept is that if you're not going to hire an individual licensed by the City of San Antonio and the resident can't be present, then you have to spray all cuts and/or wounds on any tree because again, there's no certainty that they understand the difference. Council member Hoffman stated on Page 1, under (B)(3) Firewood, it states "Firewood from diseased trees shall not be brought into the City and/or ETJ at any time" and then goes on to state "Residents should use only well-seasoned firewood", he thinks the first "shall" should be changed to "should" making it consistent. He stated we're not going to have the police out there verifying the seasoning of the firewood citizens bring in. He would make them both consistent with "should". Council member Nottingham stated she would make them both consistent with "shall". She stated not that we're following citizens around but at least we have it written and is stronger wording. Mayor Reinhard stated if you have should, there isn't anything to enforce. There was further Council discussion if they want the wording to read "should or shall". It was Council's consensus with the exception of Council member Hoffman to not change the wording on Firewood and keep it as is. Mayor Reinhard stated the only change made this evening will be on Page 2, under (4)(d)(3) adding "on any tree". Council member Howard made the motion to approve Ordinance No. 164 as Amended. The motion was seconded by Council member Darst and passed with 4 YES and 1 OPPOSED by Council member Hoffman.

6. DISCUSS AND ACT ON BUILDING AND ZONING ORDINANCE NO. 45B IN REGARDS TO USAGE OF PROPERTY, INCLUDING BUT NOT LIMITED TO RENTAL AND OTHER BUSINESS ACTIVITIES

Mayor Reinhard stated in the previous version of Ordinance No. 45B, there's very convoluted language prohibiting occupations and businesses typically not performed at home. He would like to make Ordinance No. 45B clear and outline basically what is and is not allowed. Rentals have been a discussion item and the ordinance currently doesn't address them at all. Mayor Reinhard stated he put together changes to "Use of property" for Council consideration. The changes are things he's heard from previous Council discussions and from citizens on rental activities. Given the consternation over rentals and the current ordinance not addressing them at all, he took some of the discussions and put together the framework so Council has something to start from. The allowed general use is Single Family Dwellings, City Parks/Facilities/Municipal Operations, Fire Department Operations, public use buildings, private family gatherings, occasional events, studios/facilities used for art, existing Grey Moss Inn, garage/yard sales and occupations/businesses typically performed at home. One thing currently not addressed in the ordinance but has been a discussion item is limiting the number of Single Family Dwellings on a single property for rentals. Prohibited use is occupations and businesses typically not performed at home, party/wedding venues, enterprises requiring parking, goods for sale, etc. Short-term rentals have been a big discussion topic and whether Council wants to allow them or not. Mayor Reinhard stated again, he only put together the framework so Council has something to start from. They can add to it, remove

items or not change it at all but he thinks they need to address some of the issues that have been causing some consternation in the City. Council member Darst stated she did some research on Short-term rentals and Texas Senate Bill No. 451 currently passed in legislation which states a municipality may not adopt or enforce a local law that restricts the use or regulates short-term rentals. What a municipality would be able to enforce is fire/building codes, health/sanitation, traffic, solid waste. They can choose to have a tax on the income and require registration. The bill is not law yet but she thinks they need to take it into consideration. As a parent, it scares her to think there could be people in the neighborhood that she doesn't know and aren't invested in the community as the people who live there. However, she does respect property owners and being able to do what they want with their property in a responsible manner. If this is the way that legislation is going, she thinks they should look at the things that they can control. Council member Howard stated under allowed general use, he would like Council to consider allowing short-term rentals that can house up to five people if it's the owner's primary residence and they live on the property. Council member Hoffman stated after listening to how the Peavy's conduct renting their guest house, he suggests allowing short-term rentals if the homeowner lives on the property. Council member Tiner stated he also agrees with allowing short-term rentals if the homeowner lives on the property. Council member Nottingham asked if the homeowner doesn't live on the property, could they have a property manager that lives on the property that supervises the other homes. Council member Howard stated he feels no because a property manager doesn't have the same vested interest as a homeowner. Council member Hoffman stated there's pending legislation and Supreme Court cases. At this stage, why don't we find out what's going to happen in Texas law before we try to regulate our own local law. He knows it's going to delay things but if not, he's afraid we're going to have to come back and fix things later. Council member Howard stated he agrees with Council member Hoffman's point and thinks we should table this. Council member Darst agrees in waiting until legislation passes and we see what the complete picture is but thinks the short-term rentals were only a part of the overall clarity that needed to be achieved in amending Ordinance No. 45B. There are other changes that still need to be clarified. Mayor Reinhard stated it sounds like Council may want to put this on hold to see what happens in legislation. In the meantime, we have some active short-term rentals. He wants to confirm that Council is saying short-term rentals are prohibitive based on our current ordinance but we're not going to take any specific action against any activity until we see what happens in legislation. Council member Howard made a motion to table this item pending the outcome of legislature, revisit and react to what the legislature passes and lifting the cease and desist for short-term rentals. The motion was seconded by Council member Hoffman. There was further discussion. Council member Howard stated this activity has been going on and may have been out of compliance based on the current ordinance, but we're talking about the financial being of some citizens. There doesn't seem to be a lot of anguish going on with the neighbors so let's go back to the way it was and figure out what the legislature is going to do. Once legislation passes what they are going to do, Council can see how they want to proceed for the City. Council member Nottingham stated the cease and desists are being lifted for short-term rentals only. Mayor Reinhard stated we have a motion, second and called for a vote. The motion passed unanimously.

7. <u>DISCUSS AND ACT ON AMENDING ZONING ORDINANCE NO. 45B AS AMENDED, SECTION 18: SIGNS OR CREATION OF A NEW ORDINANCE REGARDING SIGNS</u>

Mayor Reinhard stated there has been a lot of discussion about signs in the past year. At the last Council Meeting, he put out a Sign Ordinance Concept for updating Ordinance No. 45B or creating a new separate ordinance. He'd like Council to decide what it is that they want to do about regulating signs and then put it in ordinance format. The current ordinance basically has a two sentence statement that regulates signs stating any sign up past 72 hours must be on private property and can be left up as long as you'd like. He's heard that citizens want more regulations. On the other hand, we also want to respect individual's rights of freedom of speech. The basic concept is you're allowed a total of one sign during a period of a calendar year. The type, size, structure, content and location of a sign on a property may change throughout the calendar year, however the total time period during that year that the specific sign may be displayed on a property is sixty days during the calendar year. It then regulates size, height, location, etc. therefore allowing citizen's freedom of speech but placing restrictions. Council member Hoffman stated this is all about them hating those Grey Forest

Preservation signs stating No Herbicides. He stated the signs are not offensive and they're trying to fix something that is not broke. Mayor Reinhard stated he has heard from many citizens that have a different opinion about the signs. Council member Howard stated we need to create a balance to not disturb your neighbors. He's all for people stating their views but somehow we need to balance it out. He provided additional information for Council consideration and would like to have them to review his suggestions. There was lengthy Council discussion on what they want conceptually. Council member Nottingham stated she would like to table this item to the next Council Meeting to give them a chance to further review. Mayor Reinhard stated we would carry this item over to the next meeting.

There was no further business or discussion. Mayor Reinhard adjourned the Regular Council Meeting at 8:49 p.m.

These minutes were written/recorded by Shannan Kinsley.

These minutes were approved as written/~~amended~~ on the 26th day of September, 2017.

Signed: _____

Ronald G. Reinhard, Mayor