

The Special City Council Meeting of July 18, 2017 was called to order at 6:30 p.m.

**MAYOR**

Ron Reinhard

**OTHERS**

Shannan Kinsley

Andy Vyverman

Chief David Bejar

Matt Vyverman

**COUNCILMEMBERS**

Susan Darst

Brenda Reinhard

Holly Holleway

Lee Holleway

Phil Howard

Madeline McCloskey

Jennifer Nottingham

Mark Peavy

Lynn Tiner

Sue Peavy

Mitch Thornton

Mayor Reinhard declared a quorum with all Council members present. The meeting was started with the Pledge of Allegiance.

**SPECIAL CITY COUNCIL MEETING**

**DISCUSS AND ACT ON BUILDING AND ZONING ORDINANCE NO. 45B IN REGARDS TO USE OF PROPERTY, TO INCLUDE RENTAL ACTIVITIES**

Mayor Reinhard stated this has been an ongoing discussion. At the last Council Meeting, Council was in basic agreement to consider Short Term Rental's (STR) with restrictions. He asked Council to provide him their thoughts on restrictions they feel should be required. He basically put together those thoughts along with some restrictions other cities require. In order to make changes to a Zoning Ordinance, Council must have a Public Hearing. Mayor Reinhard stated the action he would like to take this evening is to review the proposed changes, modify as needed and send it to the City Attorney for review prior to the Public Hearing. Section 9, Use of Property was reviewed in detail. Mayor Reinhard stated use of property is currently broken into two sections; Allowed Use and Prohibited Use. The proposed change to the ordinance adds Section 9.03 on Short-Term Rentals and Section 9.03.01 on Short-Term Rental Licensing. There was lengthy discussion and the following changes were agreed upon:

Section 3, Definitions:

- Definitions for Short-Term Rental and Short-Term Rental Unit were added.

Section 9, 9.01 Allowed General Use:

- (11) added to allow for Short-Term Rentals in accordance with restrictions in Section 9.03.
- (12) addresses occupations/business typically performed at home and types of activities that you may not have; (a) will reflect "May not have client parking on the street".
- (12) (c) will reflect "Employees not related to the resident who are working in your home".

Section 9, 9.02 Use Prohibited:

- (3) minor wording change made.

Section 9, 9.03 Short-Term Rentals: Mayor Reinhard stated this is an entirely new section.

- (3) should reflect "accessory building" instead of structure.
- (4) add "in accordance with City Building and Zoning Codes and Ordances".
- (6) add "or guests".
- (7) remove (a) and (b); renumber (c) and read "a maximum of six (6) guests at any one time on a Short-Term Rental property".
- (9) add "or activities"

Section 9, 9.03.01 Short-Term Rental Licensing: Mayor Reinhard stated this is an entirely new section.

- (3) annual license shall be \$300.
- add number (4) requiring Health and Fire Inspections.
- add number (5) requiring proof of liability insurance.

### Conditions and restrictions:

- (2) add “complete” to application process.
- (4) limit the number of Short-Term Rental Licenses in the City to “five” at any one time instead of ten.

There was discussion on whether Council wants to regulate Long-Term Rentals and how many are allowed on one property. Mayor Reinhard stated you can prohibit concurrent rentals so that you’re renting to only one individual at a time. Council agreed Mayor Reinhard will add a section under 9.01, Allowed General Use stating that Long-Term Rentals greater than 30 days are allowed with no concurrent rental agreements. Council agreed to the City not pursuing tax revenue from STR’s as they do not want to promote tourism in Grey Forest. Mayor Reinhard stated he will make the changes discussed and send to the City Attorney for review. The Public Hearing will be held on August 22<sup>nd</sup>.

There was no further discussion. Mayor Reinhard adjourned the Special City Council Meeting at 8:07 p.m. and called a short recess.

## **CITY COUNCIL BUDGET WORKSHOP MEETING**

Mayor Reinhard called the City Council Budget Workshop Meeting to order at 8:18 p.m.

## **DISCUSS AND ACT ON PLANNING OF THE CITY OF GREY FOREST 2017/2018 FISCAL YEAR BUDGET**

Mayor Reinhard stated as requested, he provided Council an advanced copy of the budget data for the Workshop. The draft is for the Fiscal Year which begins on October 1<sup>st</sup>. He’s provided Council a summary which is the draft budget compared to last year’s budget. The detailed spreadsheet shows the draft budget and the last five years actuals/budget. Since the current 2017 Fiscal Year is not completed, he has to project the actuals and approximate where he thinks we will be at the end of September. Mayor Reinhard stated as it stands now, we are projecting \$215,000 in positive variance on the expense budget. This is attributed to a few big items that will not be done this year such as a road project, clubhouse remodel, new Public Works vehicle and not hiring additional Public Works staff. However, some of these items will be carried over to the 2018 budget. In addition, if current projections hold, we will have expensed about \$150,000 less than the 2017 Fiscal Year Budget which carries over into a larger Opening Balance and Contingency Fund. Mayor Reinhard stated as the Budget Officer, he’s required to provide the proposed budget to the City Secretary no later than August 29<sup>th</sup>. The proposed budget is posted on the City Website. In September, Council will hold a Public Hearing on the budget as prescribed by the laws of the State of Texas. Immediately after the Public Hearing, Council must take action on the budget. Council must approve the budget prior to October 1, 2017. Mayor Reinhard reviewed the draft budget in detail. He stated overall, there are not many budget items going up significantly. City Operations Income was reviewed. Opening Balances were reviewed. He stated restricted fund balances must be used for specific items and can’t be considered in the general fund for all budget items. Ad Valorem Property Tax is estimated as we haven’t received valuations from the Appraisal District. Most income line items are about the same as last year. He might lower Sales Tax to \$24,000, increase Franchise Fees to \$25,000 and increase Permit’s by \$300 for Short-Term Rentals. There’s a programmed 5% increase for GFU Revenue. Fines was increased due to truck citations and collection activities. The Police Radio Grant is completed and has been closed out. The Grey Forest Community Board (GFCB) and Madla Board projected what they expect to bring in. Administration Expenses was reviewed in detail. Mayor Reinhard stated City staff have been given salary increases of 2.5% each year and he maintained that. He stated most of the estimates were based on previous actuals. There was discussion on Line Item No. 108, Mayor/Council Expenses and increasing the Line Item to \$4,200 for a projector, white board and possibly blinds for Council Chambers. Mayor Reinhard stated he will slightly increase Line Item No. 130, Appointed Committees to allow reimbursements for the Road Improvement Committee. Council member Darst stated she would like to consider a larger salary increase for City staff. Public Works Expenses were reviewed in detail. Mayor Reinhard stated he will verify the contract amount for Line Item No. 200, Garbage Collection/Recycle and make sure it’s correct. Mayor Reinhard stated he provided a 3% increase for Public Works Full Time Pay, Line Item No. 205. There was discussion that a large burden is put on Public Works with no help. Council agreed that a 3% to 4% increase would be appropriate. Mayor Reinhard stated maintaining a Public Works Part Time employee has been difficult as most people can’t make a living off of it. Chris has asked to eliminate both Public Works Part-Time Positions and consider hiring a Full-Time position where he has a better chance

at getting someone dependable. Council agreed to eliminate both Public Works Part Time positions and add a Public Works Full-Time position at \$12.50 hour/\$26,000 year with benefits. Mayor Reinhard stated he expects that some tree trimming work will be needed this year and recommends Line Item No. 214, Debris Clearing/Tree Trimming be increased to \$5,000. The Line Item for a new Public Works Truck was discussed. Council agreed to increase the Line Item to \$45,000. Council would like to consider a lease option and compressed natural gas. Mayor Reinhard stated he will work with GFU on these specifications and purchase of the truck. Mayor Reinhard stated something that was brought up this year for consideration is a uniform allowance for Public Works. They use their own clothes and he'd like Council to consider some good quality work clothes. Council agreed they would like to look into a uniform service for Public Works. Council member Darst stated she will get the name of a company that provides these services. Mayor Reinhard stated most of the remaining estimates were based on previous actuals. Mayor Reinhard reviewed Capital Improvement/Infrastructure. There's a Line Item of \$65,000 for the Grey Forest Community (GFC) Center Remodel. The remodel is included in the current budget but work was not completed and has been carried over. They have not gone out for bids yet so this is only an estimate. Not knowing what Line Item No. 201, Road and Bridge is going to cost, he would like to leave a placeholder of \$60,000 in the budget. Mayor Reinhard reviewed Public Safety Police in detail. He stated the lease on the Police Interceptor is over and the City now owns the vehicle. Chief Bejar has requested purchase of another Interceptor for the Police Department with the same leasing terms. The Dodge truck is in pretty decent shape but is five years old with over 100,000 miles. It's not a very good Police vehicle as it has a 6-cylinder engine but could serve Public Works well as a second vehicle. Council agreed on the purchase of a new Police Interceptor on a lease to own contract. Public Works will be given the Dodge truck. Mayor Reinhard stated he needs to include a 2.5% increase for 4xy, Shift Officer Salary as he didn't mean to leave it out. Mayor Reinhard stated the remaining estimates were based on previous actuals. Mayor Reinhard reviewed Court Costs in detail. He stated he gave the Municipal Judge a 1.5% increase this year rather than the 2.5% in the past and needs to add the same to the Prosecuting Attorney as he left it out. The remaining expenses are based on previous actuals. Mayor Reinhard stated Line Item No. 601, Health Authority and Inspection is the same as last year but may need to be increased for Short-Term Rentals. Public Safety Fire, Line Item No. 700, Contract is with Bexar County ESD No. 8 and will probably increase but we do not have those valuations yet. Emergency Management, Line Item No. 800 is for the reverse emergency notification system. Parks and Programs, Cooperative Programs Line Item of \$200 is for a July 4<sup>th</sup> joint celebration. Grey Forest Community (GFC) Park Operations of \$5,224 is an estimate for fixed expenses, services, repairs, water testing and events. Madla Park Operations of \$14,721 is based on the estimated restricted carryover of \$8,721 and estimated income of \$6,000 from fundraisers. This amount may change based on actuals at yearend. Mayor Reinhard stated he will make the changes discussed this evening and submit the proposed budget to the City Secretary. He stated this is only the proposed budget, it's not final and changes can still be made. The Budget Public Hearing will be held on September 19<sup>th</sup> at 6:30 p.m. The Public Hearing is an opportunity for citizens to speak and comment on the proposed budget. He encourages all to attend.

There was no further business. Mayor Reinhard adjourned the City Council Budget Workshop Meeting at 9:50 p.m.

These minutes were written/recorded by Shawwan Kinsley

These minutes were approved as  written  amended on the 24 day of October, 2017.

Signed:   
Ronald G. Reinhard, Mayor