

The Regular Council Meeting of June 27, 2017 was called to order at 6:30 p.m.

MAYOR

Ron Reinhard

OTHERS

Shannan Kinsley
Chief David Bejar

Steve Cook
Chandler Baker

Joe Bacchetta

COUNCILMEMBERS

Susan Darst
Holly Holleway
Phil Howard
Jennifer Nottingham
Lynn Tiner

Chris Mikel
Don Reddout
Charlan Beal
Kathleen McCloskey
Gigi Duke
Tom Haberman

Sunshine Baker
Mark Peavy
Brenda Reinhard
Kimberly Verity
Neil Verity
Madeline McCloskey

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

APPROVAL OF MINUTES

The minutes of the February 28, 2017 meeting were reviewed. Council member Nottingham stated she has some questions for clarification. On page 3, under Agenda Item No. 1, three lines down where it states “There are no property taxes throughout the lease”, what does that mean. Shannan Kinsley stated the finance company has the option to charge property taxes on rental of the copier but that tax is waived for the City. Council member Nottingham stated for clarification on page 5, under Agenda Item No. 5, ten lines down where it states “It will have a red light at the top of the tower”, is she correct that back in February it was supposed to have a red light but the current status is that the tower will not have a red light. Council member Howard confirmed the tower will not have a red light. Council member Nottingham stated for clarification on page 7, under Agenda Item No. 10, fourth line from the bottom of the paragraph where it states “You can have restrictions such as the number of signs, size, time period, etc.”, she’d like to confirm that was still Council member Darst speaking. Shannan Kinsley confirmed it was Council member Darst. The motion to approve the February 28, 2017 Regular City Council Meeting Minutes as written was made by Council member Howard, seconded by Council member Nottingham and passed unanimously.

PRESENTATIONS BY CITIZENS AND VISITORS

None.

MAYOR ANNOUNCEMENTS/FINANCIAL REPORTS

Mayor Reinhard stated Council has been provided the Monthly Financials. We are on track and underspent in a couple areas because the road work and clubhouse remodel haven’t been completed yet. Other than those, he thinks we’re pretty much on track.

Mayor Reinhard stated the City Attorney’s legal activity is provided to Council every month. The City Attorney reviewed a Public Information Request which fell within our retainer for the month of May.

Mayor Reinhard stated the Grey Forest Volunteer Fire Department sign has been moved directly across the street from City Hall facing the street. It’s not completed yet as we still need to do some rock work but it looks really nice. James Swisher has been very good to the City and we thank him for his assistance in getting the sign moved at no cost.

COUNCIL/STAFF ANNOUNCEMENTS

None.

COMMITTEE ANNOUNCEMENTS/REPORTS

None.

GREY FOREST COMMUNITY BOARD (GFCB) UPDATE

Mayor Reinhard stated the Grey Forest Community Board (GFCB) has a new Chairperson, Madeline McCloskey. The Chairperson is elected every year. Madeline McCloskey stated mosquito dunks were put in standing water that was reported to them. They met with the City Engineer today and he has their plans for the clubhouse renovation. James Swisher has an Eagle Scout that is going to make an information kiosk for the clubhouse. They are at least a few months out on it but it's going to be exciting. Council member Darst stated the parking at the clubhouse is now delineated with cedar posts. They have teams that play ball on the fields and no direction on where to park. With the cedar posts up, they are parking on the gravel and it looks real good. Madeline McCloskey stated they have a few more cedar posts that need to be put up but it does look really nice.

SENATOR FRANK L. MADLA, JR. NATURAL AREA UPDATE

Council member Nottingham stated the Madla Board continues to have work sessions. They had volunteers out there a week ago Saturday. They pulled a lot of beggar's lice. They are still trying to figure out what to do with the Johnsongrass as nothing has been practiced long enough to see if it's going to work. The main focus through the rest of the summer will be work sessions and trying to keep the area clean.

BOARD OF ADJUSTMENT UPDATE

None.

POLICE DEPARTMENT ACTIVITY REPORT

Chief Bejar reviewed the May 2017 Monthly Activity Report. There were 144 calls for service, 1000 hours worked, 5223 total miles driven, 51 traffic stops, 41 summons issued and 18 warnings issued. Chief Bejar stated last month he was asked how many of the citations are still for no through trucks. In April; 20 of 43 citations and May; 15 of 41 citations were for no through trucks. Council member Holleway asked if the fees can be raised for repeat offenders on no through truck citations. She stated companies are just passing on the charge to their clients so they don't care about the minimal fee we're charging. Chief Bejar stated there's a standard fine and the Municipal Judge can increase it. They haven't come across a repeat offender yet but if they do, they will make an indication of it to notify the judge.

PUBLIC WORKS ANNOUNCEMENTS

Chris Mikel reviewed the May 2017 Monthly Activity Report. Public Works continues to work on tree trimming, citizen's brush chipping, mowing/weed eating, road work, regular upkeep of City property and animal control. Junk Day went well and everything was filled up fast. Next year they'll want to order a larger container for metal. Chris Mikel stated last month he referenced some Mitsubishi trucks that he thought would be good for Public Works. After further research, he found bad reviews on the transmission. In addition, he spoke with Mr. Mander who also recommends not going with Mitsubishi. Mayor Reinhard stated he has asked Chris to give him the specifications on what Public Works needs to get the job done. He will then work with GFU to help find something that meets our specifications.

GFU UTILITY ANNOUNCEMENTS

Mayor Reinhard stated the utility continues to do very well. They will be moving forward to get the water tank on Nottingham installed and into service over the upcoming months. They are doing some engineering work right now and hope to have it ready to go into operation in the August/September timeframe.

FIRE DEPARTMENT REPORT

Don Reddout stated there were ten calls for service in the City for the month of May 2017; 3 EMS, 2 No Response and 5 other than medical. The Average Response Time was 3.75 minutes, Average Number of Personnel 2.6 and Average Number of Apparatus 1.4. There was nothing out of the ordinary except for a larger number of calls.

NEW BUSINESS:

1. DISCUSS AND ACT ON CITY OF GREY FOREST, TEXAS ANNUAL FINANCIAL REPORT WITH SUPPLEMENTARY INFORMATION FOR THE YEAR ENDED SEPTEMBER 30, 2016

Mayor Reinhard stated the City Auditor, Steve Cook is in attendance this evening to present the Annual Financial Report for the Year Ended September 30, 2016. Steve Cook stated the Annual Financial Report provided to Council this evening is in draft format so if there are any adjustments, it's easier to change although he doesn't anticipate any. Steve Cook stated the format of the report is the same as last year. Most of the language in the report is mandated and there's no way around it. This evening he would like to give just a few high points. Steve Cook stated the City has done a good job with procedures. How the assets are managed and internal control is most important to him. The City has a good system for a small entity. The numbers are good and nothing is purchased without authorization. There are multiple signers on the accounts. No one has an unequal amount of authority to purchase things. Nothing significant was bought during the 2015-2016 Fiscal Year. Steve Cook stated the Independent Auditor's Report basically states that he didn't find anything significant and it's his qualified opinion that the City has a clean bill of health with good internal controls. The Management's Discussion and Analysis is to give the Financial Highlights. There wasn't a lot going on last year. The total assets as of September 30, 2016 were \$3,369,235 compared to 2015 at \$3,364,429. Total liabilities as of September 30, 2016 were \$345,162 compared to 2015 at \$394,529 which represents a decrease and is good. At year-end 2016, the total net position improved to \$3,169,279. Steve Cook stated the City did a good job staying within budget. There was more revenue than budgeted mostly in Fine and Forfeitures. Expenditures were a little below budget. The big difference in the report this year from the previous year is in the Pension Plan. The Pension Plan is all required reporting and the numbers come from the Texas Municipal Retirement System. Steve Cook stated if there are any questions or comments; please feel free to contact him. If there are no adjustments to the report, he will send the final report. Mayor Reinhard stated Steve Cook has presented Council with a good report and thanked him. He stated Steve Cook is also the auditor for Grey Forest Utilities and is very familiar with the City.

2. DISCUSS AND ACT ON APPOINTMENT OF FOUR BOARD MEMBERS FOR TWO YEAR TERMS TO THE BOARD OF ADJUSTMENT

Mayor Reinhard stated the terms of four Board members on the Board of Adjustment expire on July 25, 2017. The Board members need to be reappointed or replaced. Tom Crick, Sean Skaggs and Holly Thornton have all agreed to continue on the Board. Sue Peavy has asked to step down from the Board and will need to be replaced. Mayor Reinhard stated typically what we do is ask an Alternate if they are interested in taking a permanent position and then replace the Alternate. Aurelia Scharnhorst is the next Alternate to move up. We have reached out to her to see if she is interested in a permanent position and are waiting to hear back. Therefore, we will not appoint a replacement for Sue Peavy this evening but the other Board members have been doing a good job and he'd like Council to consider reappointing them. We will work on Sue Peavy's replacement at the next meeting in addition to possible replacement of an Alternate. The motion to reappoint Tom Crick, Sean Skaggs and Holly Thornton to the Board of Adjustment for two-year terms was made by Council member Nottingham, seconded by Council member Tiner and passed unanimously.

3. DISCUSS AND ACT ON CITY SUPPORT OF FOURTH OF JULY PARADE

Mayor Reinhard stated annually, the Scenic Loop Playground Club (SLPC) puts on a 4th of July celebration. They will be holding the celebration on July 4th starting at 10am. This year instead of late in the afternoon in the middle of the heat, they are going to start the parade and celebration early with lunch. To hold the parade, they have to get Police support for traffic control. Chief Bejar has reviewed the route and doesn't have any problems with it. Mayor Reinhard stated technically Council does not have to approve the celebration although traditionally Council does act on it since we engage the City Police Department in the activity. Council member Nottingham stated she would prefer that the parade route go south on Hilltop around the corner down Park as it would encompass more of the City. Mayor Reinhard recommended Council member Nottingham contact the SLPC and ask them to consider a change. The motion could

support any route approved by Chief Bejar. The budget also allows a monetary contribution of \$200 towards the celebration that the SLPC could request from the City. The motion to approve City support of the 4th of July parade being put on by SLPC with any route Chief Bejar approves was made by Council member Howard, seconded by Council member Holleway and passed unanimously.

4. DISCUSS AND ACT ON SETTING DATE FOR A BUDGET WORKSHOP

Mayor Reinhard stated each year; Council approves a budget that controls income and expenses for the City. The Mayor is the City Budget Officer. As the City Budget Officer, he prepares and submits a proposed budget each year for Council to consider. The City Budget Officer has to submit a proposed budget to the City Secretary by mid August. In the past, he has prepared an initial budget and then Council meets in an Open Meeting to discuss what the proposed budget will be. He has started working on various aspects of the budget and will compare a five-year trend. In addition, he has requested budget input from City staff. Dates for a Workshop were discussed and Council was in agreement to hold a Budget Workshop on July 18th at 6:30 p.m. It will be an Open Meeting and the public is welcome to come.

UNFINISHED BUSINESS:

5. DISCUSS AND ACT ON CONTRACT MODIFICATION BETWEEN THE CITY OF GREY FOREST AND C-6 DISPOSAL SERVICES PROVIDING FOR THE COLLECTION, REMOVAL AND DISPOSAL OF SOLID WASTE IN REGARD TO RECYCLING AND RECYCLING CONTAINERS

Mayor Reinhard stated at the last meeting, Council renewed a five-year contract with C-6 to provide garbage and recycle pickup. We've had a number of citizens request a covered recycle container with wheels. The City approached C-6 about getting these new recycle containers. C-6 has proposed providing 96 gallon containers for recycling which is the same size as the current garbage cans. If the City moves to a bi-weekly recycling pickup, there would not be an increase in the contract. If the City wants to keep weekly recycling with the 96 gallon containers, the contract would increase \$514 per month, approximately \$6,200 per year. C-6 would continue to pickup up small bins if citizens don't want a 96 gallon container. In addition, C-6 will provide an additional 18 gallon container if a citizen doesn't want the larger container however; recycle services would be bi-weekly regardless of which container used. Trash pickup would not change with either proposal and will continue twice a week. Mayor Reinhard stated we will also try to negotiate with C-6 hopefully at no additional cost a 30 yard open top container for metal scrap. The open container is used for metal only during the City Annual Junk Day and Public Works recently expressed that the 20 yard is not large enough. Council member Howard, Council member Holleway and Council member Darst agreed that they like the idea of bi-weekly recycling services with the larger 96 gallon container. The motion to modify the contract with C-6 as discussed to every other week recycling with 96 gallon containers was made by Council member Howard, seconded by Council member Tiner and passed unanimously.

6. DISCUSS AND ACT ON PROJECT PLANNING TO IMPLEMENT STREET IMPROVEMENTS BASED ON THE CITY ENGINEER STREET ANALYSIS

Mayor Reinhard stated a little over a year ago, the City Engineer did an analysis of the streets. At that time, Council asked him to break the projects up into segments as we only had a certain amount of money each year. A year has gone by and no projects were completed. Cedar Crest was looked at but found it not to be a safety issue. Mayor Reinhard stated Council member Howard has been analyzing the City Engineer's report and would like to look at putting together a firm plan of action to repair the roads sooner, rather than later. Once a plan of action is approved, then they can look at the financing options. Council member Howard stated he's been looking at the traffic flow and the denser the traffic is; more funding is available. He's looking at breaking the project into two segments; Grey Forest internal roads as the priority and Scenic Loop Road as secondary. Since Scenic Loop Road is bordered by Bexar County roads on both ends of the City, he'd like to request funding from Bexar County. Some of the roads are in really bad shape and they continue to deteriorate. There are safety and drainage issues. The City Engineer's plan came back with over seven million dollars in work. If you have all the parts come together at once and use synergy, it can come back less expensive than doing

projects piece by piece. Mayor Reinhard stated he's not looking for Council to pick a project or make a decision tonight. What he's looking to do is form a Road Improvement Committee to be led by Council member Howard. Council member Howard will select individuals with knowledge and expertise in the different areas along with working with the City Engineer. The committee would form a plan of action on what they'd like to accomplish, outline a timeline and report back to Council on a regular basis. The motion to establish a Road Improvement Committee and appoint Council member Howard as Chair was made by Council member Darst, seconded by Council member Nottingham and passed unanimously. Mayor Reinhard stated the committee can include a second Council member without creating a quorum and asked if there were any volunteers. Council member Holleway stated she's interested in serving on the committee.

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

Mayor Reinhard stated there has been a lot of discussion in the City regarding rental properties and businesses. Short Term Rentals (STR) was a big part of the discussion but at the time, the Senate had passed a bill that forbade municipalities from prohibiting Short Term Rentals or heavily regulating them. The House did not act on the bill, it's not part of the Special Session and the State didn't take any action. Council previously agreed they'd revisit this discussion once it played out in legislation. Items to discuss and consider are on STR'S, what businesses are/aren't allowed and does Council want to consider limiting the number of Long Term Rentals. Mayor Reinhard stated there are several options to consider for Short Term Rentals such as; prohibit STR's all around, allow STR's without restrictions or allow STR's with restrictions such as the owner must live on the premises, limit the number of rental units on a single property and limit the total number of renters on a property at any one time. He stated these are just some regulations that other cities are putting in place. Also for consideration is limiting things such as the number of vehicles and restricting on street parking. There could be a permitting process and associated fees. Council member Holleway stated the ordinance prohibits businesses. If they're making money and generating income, that's a business. She's doesn't want to live next door to a motel. She's concerned with strangers walking the creeks. She has talked to people living in other areas that complain of violations by STR's on things such as noise and parking. Chief Bejar stated the Police Department has received only a couple of calls but they haven't found any violations. Council member Darst stated the ordinance is ambiguous and we need some clarity. It's important to keep the sense of community which is why they all live in Grey Forest but on the other side, respecting property owner's rights. She is in favor of modeling an ordinance similar to Austin which allows STR's through a permitting process and the owner must live on the property. There should be inspections. She does not support non-monitored rentals. There are citizens running STR's now that do it very responsible. Council member Tiner stated there are several people currently doing a good job running STR's as you don't even know they're doing it. He also understands there are people on the opposite end. He feels if the City does allow STR's, there should be restrictions such as owner occupied, restrict number of rooms and no parking on the street. Council member Howard stated he likes allowing owner occupied STR's with restrictions. Council would need to explore those restrictions and be very clear. He'd like to explore taxing the activity. Mayor Reinhard stated from what he can tell, the taxes that would apply to this activity would have to be directed towards tourism and he doesn't think Grey Forest wants that. Council member Nottingham stated she's torn between restricting STR's at all and allowing them with a lot of restrictions. If Council goes with allowing STR'S with restrictions, she definitely wants Fire Inspections as part of the licensing and the owner must occupy the property. Mayor Reinhard stated several citizens have raised their hand to speak and he'd like to address them. Sunshine Baker stated "if you allow STR's with restrictions, you have changed Grey Forest forever. That Grey Forest should not be compared to Austin as we don't have the same infrastructure". Don Reddout stated "he's not necessarily against STR's but thinks there needs to be a way to legally restrict how many there are in the City". Tom Haberman stated "Ordinance No. 45B is very clear in that STR's are not allowed. If Council is going to allow STR's, he'd like to encourage Council to require the owner be present on premise and only allow one rental per property". Neil Verity stated "if the ordinance is transparent and the proper restrictions are put in place making sure the facilities are maintained to a certain standard, he would be okay with STR's". Kimberly Verity stated "if you're going to restrict STR's, Council needs to be prepared to look at all the

businesses in Grey Forest because everyone knows Grey Moss Inn is not the only business here". Mark Peavy stated "he read a statement in April on how having a STR has been a wonderful experience for them and allowed them to retire. They are on the property at all times. His concern is how the City is going to control Long Term Rentals in Grey Forest". Mayor Reinhard stated Council has had good discussion. They've heard from several citizens on how they feel. From what he's heard, it sounds like Council is willing to consider STR's with restrictions such as the owner must live on the property and limiting the number of rental units. Mayor Reinhard asked Council to prepare a list of restrictions for consideration at the Budget Workshop. Once Council determines the direction they want to go in, it can be drafted into ordinance format and sent to the City Attorney for review. Council must conduct a Public Hearing before the Building and Zoning Ordinance can be adopted.

There was no further business or discussion. Mayor Reinhard adjourned the Regular Council Meeting at 8:50 p.m.

These minutes were written/recorded by Shannon Kinley.

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

Signed: 

Ronald G. Reinhard, Mayor