

City Council of Peachtree City
WORKSHOP MINUTES
September 2, 2008
6:30 p.m.

The City Council of Peachtree City met in workshop session on Tuesday, September 2, 2008, at 6:32 p.m. Council Members in attendance were: Mayor Harold Logsdon, Steve Boone, Don Haddix, Cyndi Plunkett, and Doug Sturbaum.

Logsdon said the purpose of the workshop was to discuss the recreation programming at the Tennis Center and Amphitheater.

Bill Bexley, chairman of the Peachtree City Tourism Association (PCTA), addressed Council and thanked them for the opportunity to participate in the workshop. He also thanked the citizens in attendance for coming and said their input would be important in the coming weeks. Bexley gave an overview of the PCTA, noting it was created in January 2004 as a 501(c)(6) to contract with the City to spend the portion of the hotel/motel tax allowed by law to promote tourism, conventions, and trade shows in the City. Under contract with the City, the PCTA also managed the Tennis Center and Amphitheater. Over time, as resources and staffing had been reduced, the management of the two venues had consumed the energies of the board to the detriment of tourism, convention, and trade show development. These factors were important because the business it attracted to area hotels and restaurants impacted other revenue sources for the City.

Bexley continued that the PCTA board of directors had discussed the future direction of the organization, and it was the consensus of the board that the business model should be retooled to more resemble a standard convention and visitors bureau and to focus on tourism. The Board's request was that, under a schedule approved by the City, they relinquish operation of the two venues. The decision in no way meant the PCTA was abandoning the venues or did not support their success, but would allow the association to support the venues through marketing rather than management. Whatever decision was reached, the PCTA board and staff would be glad to assist in any way in making an orderly transition. The board was recommending focusing first on the amphitheater, with a proposed date of October 1, in order to accommodate the booking season for the 2009 series.

Logsdon thanked Bexley and asked for staff comment, to be followed by public comment. City Manager Bernard McMullen said that staff had a presentation for Council covering various options available to Council.

Leisure Services Director Randy Gaddo gave a review of the Amphitheater, noting it began as a local amenity and was not intended to be a "profit" center. In 1997, the concert series expanded from one concert to two per weekend. The economy had slowed down while other area venues were built that competed for the same acts. A promoter helped to get better acts at better prices, but the costs continued to increase.

Gaddo said staff's assumptions included the City not wanting to relinquish local control, wanting to limit risk, retaining the amphitheater as an amenity, and breaking even. Option 1, which was a transition option, would continue PCTA oversight for a period of time, hire an amphitheater manager, which was budgeted in the FY 2009 PCTA budget, convert to one-night concerts versus two nights, and continue to enlist assistance from a promoter.

Gaddo said Option 2 would be to send out a Request for Proposal (RFP) for a management services company. This would keep some local control, but there would need to be a decision on the status of the current employees of the facility. A contract could be awarded as early as mid to late October, but the timing would be critical in order to secure acts and sponsors for the coming year. Staff also had no feel for what, if any, response might be received from these types of companies.

Option 3 was to hire an Amphitheater manager under a contract to manage the daily operations, hire and supervise staff, budget, schedule programming, and other duties. Gaddo said the City's preference was that first consideration be given to existing staff at the Amphitheater. Timing would also be critical for this option.

Gaddo outlined the potential risks associated with change, including loss of control of a local amenity, loss of citizen support, risk of valuing profit over propriety, and risk of destabilizing an operating venue. Plunkett added that they also wanted to be conscious of the sponsors who had supported the facility over the years.

McMullen said that he had spoken with Gaddo and Lauren Yawn, the PTCA's executive director, and did not recommend making any changes in the lease arrangement until responses were received on an RFP, if that was the direction Council wanted to go. If inadequate response was received, the PCTA should continue to manage the facility. Logsdon concurred. McMullen said staff had begun assembling an RFP, and felt one could be ready to go out by the end of the week.

Logsdon said he would like to hear from members of the public.

Iola Snow addressed Council on behalf of Fred Brown and herself, stating that they would not like the City to give up control of the facility. She recommended hiring a person with local contacts and the ability to recruit good acts. The facility should go after the types of groups that would fill the amphitheater. It had been very frustrating before the second night when newcomers could not get tickets. The City needed to get back to that point, and they needed to find out what the people wanted. In prior years, there were no results published on the post-season surveys. Snow said that a large group all dropped their season tickets in 2008 due to the price increase and the change in the types of acts that were unknown to them. The ages in the group ranged from 30s to 80s. She also felt the acts were too loud. She stressed that the volume comment also extended through the entire age range of the group.

Sue Johnson said she agreed, having held season tickets since 1994. She dropped out this year due to the price increase. She had held some bad feelings toward management prior to the

PCTA, but things had only gotten worse since then. They had looked too much toward profit, and not enough at having a fun night. Patrons were not willing to pay more to see a lot of the same shows they had seen in the past.

Janet McDaniel said that, in the 1980s, the amphitheater had featured local music and local artists, families attended, and it was a lot of fun. She felt there was a way to share the facility, having local musicians as well as major acts. She indicated her husband was a jazz musician, but his band could not play at the Amphitheater and was not recognized in its own City.

Dana Camp said she was a current season ticket holder and had been since 1994. She attended all the concerts, whether they knew or liked the band or not. She said they filled out the survey each year, and some of the acts that were scheduled had never even been on the survey. She was disappointed over the past couple of years seeing all the vacant seats in the back. The economy had hurt attendance. She said she received a lot of promotional emails from The Fred, and would have liked to have heard about this workshop that way. Camp added that the amphitheater sat virtually unused in July. When the annual surveys asked if patrons would pay more to bring one major act, she always said yes. Camp was also upset that they were looking at discontinuing the Friday night concerts, when that was the original night that the series performances were scheduled. She thought that ushers were now paid, when they used to be volunteers receiving a small stipend. She agreed that the PCTA should not be focusing on this, and felt someone should be hired versus bringing in an outside promotion agency. There should be events going on in addition to the concert series.

Mitch Bjugson said he had held gold tickets since 1994, and he agreed the amphitheater was an amenity for the community. He noted that many people went to restaurants before attending the concerts, along with the concessions at the facility. He saw multiple issues. The City should control the amphitheater. He did not know what the tennis center was not under the Recreation Department, and felt it logically fell there. The amphitheater revenue came from sponsorships, ticket sales, and concessions. Bjugson asked how the hotel/motel taxes worked. McMullen answered that the City received six cents on every dollar. By state law, 4% of the 6% had to go to the PCTA. Bjugson asked how the funds were split between the tennis center and Amphitheater, and felt the City should subsidize the Amphitheater as an amenity. If more conventions and events were brought in, more hotel/motel taxes would be collected, increasing funding for the venue. Bjugson asked how the single night sales would be prioritized based on the long-term ticket holders.

Marcia Morris had been a season ticket holder for five years, although they reduced their number of tickets from four to two. She suggested holding one concert per month from June to October. She felt that crowd conduct had degraded with no control over how attendees behaved, and attendees were often unable to hear the performers due to audience noise.

Randy Knapton, general manager of Lexus Atlanta, the title sponsor at the Amphitheater for the past two year, said they had contributed about \$150,000 over the past three years, and the primary reason they were there was due to Lauren Yawn and her efforts to communicated with the sponsors and make sure they got their money's worth. He felt that, although there were a

wide variety of acts, they were always entertaining. He said sponsors paid a large chunk of the bills, and they had gotten their money's worth.

Steve Brown said that there should be an analysis on the numbers from the PCTA before a decision was made. There was a lot of emotion behind the comments, but no meat. For a long time, it had gone pretty well. They had known for a long time that the age group would change, and he was not sure that had been accounted for. He recommended segmenting the series more to cater to different demographics.

Steve Thaxton said he had been a season ticket holder since the beginning, although they had gradually reduced their tickets from six to two. He felt Option 1 was the best, but was more concerned about how things had gotten to where they were now. During the previous administration, things had degraded in a political harangue, and both venues had lost their pleasant quality.

Nancy Larsen said she was very disappointed in the fights that had been held at the Amphitheater. She felt what they needed were the Paul Ankas and Bobby Vintons that were so great. She noted that Nancy Price and Kristi Rapson both lived here. She wanted musical entertainment for the residents.

Charlie Nelson, publisher of *The Guide Magazine*, said his concern was that the Amphitheater was one of the most important tourism assets in south metro Atlanta, and he did not want the City to make a mistake. He agreed that some serious study should be made. Properly run, both venues would help to bring tourism. He worked with people at the Airport in tourism publication in that area. He asked if anyone had worked with the Georgia International Convention Center. Before the City cast out the current management, they should make sure it was done for the right reasons. There was no reason there could not be tournaments at the tennis center to fill up local hotel rooms.

Lisa Miller, an Amphitheater sponsor, said she had been through several managers at the facility. She had been a sponsor since 2002, and felt that the current staff was very professional and catered to the sponsors. The ushers were paid, but they were also trained and could actually answer questions. She had attended comedy nights and plays at the amphitheater that had minimal attendance. Hiring an outside agency was not the best course. The City should focus on the employees already here. She noted that, relating to bidding, one of the City jobs her print company had bid on was awarded to the Georgia Corrections Center. There were a lot of options for use of the facility, including rentals. The City needed to support the venue that was here.

Frances Meaders said that the City had lost the fun in the Amphitheater. She did not know if it was the groups, the crowd, or the behavior, and said she could listen to the concerts in her driveway. She said they should not put out an RFP, but keep it in local hands and make it fun again.

Logsdon said they had heard good comments, and it seemed that they favored Option 1. Gaddo noted that was a transition option. Logsdon asked for Council thoughts on staff direction on

which way to proceed, knowing nothing would be finalized by October 1. Logsdon added that he felt Council agreed the Fred was an important part of the City.

Boone said he liked the concept of bringing in local acts and other users for the venue throughout the summer. He also thanked the sponsors for holding out through the good and not-so-good times. He said everyone wanted to see the venue as both a success and under local control. Boone favored Option 1, but working with the PCTA to evaluate the options that would keep it under local control. He said the City had a great spot to have fun, and he supported Option 1, not as a transitional option.

Logsdon clarified that Option 1 did not place the venues under City control, but kept them under the PCTA control. Boone said he agreed that the PCTA had been given the priority to attract tourism, and corrected his statement to say he supported Option 3, keeping the Amphitheater under City control, but having an Amphitheater manager.

Meaders asked if Option 3 had to be a contract, or could be a City employee. Logsdon said that had not been finalized.

Nelson asked why an amphitheater manager could not stay under the PCTA. McMullen felt that might not be a good thing – if that person worked for PCTA, they would be running a City venue and supervising City employees. It became very complex. Plunkett said that she also saw the PCTA as still being involved as sponsors. Nelson asked where the money would come from to run the venue. Plunkett said that, in the perfect world, the venue would support itself. The current PCTA budget was break-even for single night concerts in 2009.

Bill Warren asked if the discussion involved the PCTA discontinuing involvement with the entertainment. Logsdon said, essentially, yes, and that the PCTA would become a sponsor much as Lexus was a sponsor. Warren said that he thought divesting the PCTA from the process would be preferable.

Sturbaum suggested the options before them could be modified to obtain the best possible setup for the venue. Gaddo said that one of the reasons he came up with Option 1 was the time deadline necessary to set up next year's season.

Haddix said they needed some way to have whomever was running the facility have a vested interest in making the amphitheater a success, whether it was a contract or a profit sharing arrangement.

Bjugson said he was still hearing that the series were one night and asked if that was finalized. Logsdon said not completely. He also said they also needed to clarify the difference between making it "profitable" and making it "work" – profitable might not bring back the fun.

Plunkett said she shared everyone's vested interest in the venue, holding season tickets since 1994. She stated that no one was talking about getting rid of the venue. She said she had served as the PCTA liaison from Council for the past year, and this conversation had been ongoing. She

also commended the commitment of the volunteers who served on that board and the amount of time they had invested in the amphitheater.

Plunkett said she liked a lot of the ideas brought out during the meeting, including the local artists and spotlight concerts, and those areas were the things a tourism association could not really do, but an amphitheater manager could. She said she also could not support any plan that did not take the season ticket holders into account because of their ongoing support of the venue. Plunkett said that, as a side note, the concerts Ms. Larsen liked were the ones she did not, and the range of tastes was going to continue. They had to strike a balance, and she personally hoped to find three of the five concerts as ones she wanted to see. A manager was needed who understood the City and knew that the programming should maintain a PG rating.

Plunkett continued that she supported asking staff to work toward Option 3, and she felt that could be accomplished in a timely manner. Once that was in place, they could work with that person to direct the amphitheater in the future. Boone concurred. Logsdon agreed, but clarified that the direction might be for staff to find a blend that achieved Option 3, either as a contract or a City employee. Despite the economy, people would come if the City made the venue it needed to be.

Haddix said the hardest part to him was to have someone tell the City the acts they needed to bring. Sturbaum said this should be something that the manager did all the time, and that person should already have a network of contacts in place to fill the venue.

Logsdon again thanked those attending and directed staff to come up with something like Option 3. McMullen said that they would begin the hiring process to advertise for the employee, and then staff would come back to Council to look at the PCTA budget and issues surrounding the other employees. Council agreed. Plunkett asked that additional information go out about the number of seats, saying that there were enough seats to accommodate all the current ticket holders, even if the exact seats changed.

Logsdon asked if there were a way to track ticket participation. McMullen said that the records only went back about four years, but they would need to look at the current season ticket holders, which were becoming fewer each year, and ask how many Fridays would buy Saturday only, and how many Saturdays would buy Friday only tickets. The sad fact was that the current number of season ticket holders provided one full amphitheater, but they had two nights of concerts and all the associated costs.

Tim Lydell asked if there was going to be another workshop on the issue. McMullen said that the final hiring would have to come to Council, and Council would have to establish an enterprise fund before moving forward. He did not think a public hearing was required, but it would be up to Council. Logsdon said that it would come back to Council again. Lydell said he thought bringing it back in a workshop would allow for further meaningful exchange.

Plunkett asked for those attending to email Council. Logsdon said that everyone who spoke that evening supported hiring a manager under City control, which was the direction given to the City

Manager. He was not sure what an additional workshop would bring up once staff began working. Plunkett recommended that the new manager hold a town hall meeting.

John Thibadeau noted that there was very little discussion on the tennis center, and asked that it be included in discussions as Council moved forward. Logsdon said that the City was not prepared to address that venue that evening with the same degree of urgency.

Gaddo said that other local facilities in metro Atlanta all ran them differently. Some of the City-funded facilities had a full staff, some had contracted pros, and some were operated privately, with the full operation contracted out or the facility leased out, some on a profit-sharing basis. Staff had not gotten full details and had focused on the Amphitheater to meet the time crisis for that venue.

McMullen said that the concert scheduling made the Amphitheater staff's first priority.

Logsdon asked for audience input on the tennis center.

Bjugson asked Gaddo how he felt about pulling the tennis center into recreation. Gaddo said he had insufficient information because he did not know enough about how it was currently being operated. Bjugson said the City ran a great recreation department, and he could not say the tennis center fell into that category.

Delisa Roberts said the tennis center had been an important factor for her son when she decided to move here three years ago. She felt there were some basic requirements to run a good academy program – consistent skills taught to each group level, lower levels having the opportunity to drill with higher groups, pros available for private lessons on a regular basis, and pros able to observe the kids during tournament play. None of these things ever happened. She presented two charts, one with the top 200 boys. Very few drilled at the tennis center (only 18%), and most were going out of town to drill. Of the 13 boys on the McIntosh tennis team, only one drilled at the tennis center. She also played in the Atlanta Lawn Tennis Association (ALTA), and the pricing structure was unfair. When McIntosh played Starrs' Mill, they were given six courts, four of which had no area for viewing. Instead, members were given preference for games with no spectators. When there were tournaments, even national ones, the center brought in nothing for the participants, which was not how other centers handle these events.

Thibadeau said they had been paying members of the center for their four years in the City. He thought the center was a tremendous asset that was underutilized. Management had not been tied into the real tennis community in the City or state. The center was good enough to hire someone at that level, but it was currently not at that level. There was also a lack in the concessions area. In order for the restaurants to be successful, they needed support from the center or the City, but he understood the last restaurant could not even advertise on site outside the restaurant area. Not having food there gave a bad impression of the center to all those who visited from other areas.

Brown said he opposed privatizing the facility because it would be put in someone else's hands, and, if they could not make it profitable, they would let it go into disrepair and ask for

commercial zoning to redevelop the site. Logsdon said he would never vote for selling the center.

Judy Hall said she had lived here for 15 years and was part of a tennis group. She had been an off-and-on member, and the last time there was a public forum, nothing the public said was acknowledged. She said it was frustrating to come to the meetings, speak in public, and have nothing happen. People visited and raved about the facility, but they had stuck with the pros they felt deserved their allegiance. She said there were a lot of people who wanted to see it flourish again.

Wendy Owen, United States Tennis Association (USTA) Georgia tournament director, said they were bringing in 500 people from across the state to a tournament in the near future. She said she had concerns about how the facility was judged as "making money." The center would not receive money for the tournament, but the community as a whole would benefit from having 500 visitors. The tournament would "make money" for the city, but not for the center. Plunkett asked how many of the City's recreation facilities "made money."

Sharon Martin said she drove her son to Tyrone three times a week for tennis. There was a revolving door at the Tennis Center for the pros, and the junior market should be more of a focus, as it used to be. The tournaments the center used to have moved to north Atlanta, but wanted to come back. There was still a lot of opportunity out there to bring those back. The dues needed to be relooked. Hall added that the center did not have a program that they could use. The pros, the programs, and the leadership were not being done. Martin joked that a good tennis player gave more consideration to their pro than to who they were going to marry.

Sharon Griner, the USTA local league coordinator, said she wrote grants to get tournaments here. No one had approached her to do any in the past two years. Owen had met with Yawn a couple of weeks ago, and was passed off to Ben Maes, the head pro, who was responsible for running a tennis center, not attracting tournaments. There is a cost split of 50%, and those were areas not getting a lot of attention.

McMullen and Logsdon said the tennis center discussion would come back after staff had more time to gather information.

Plunkett said she liked Hall's suggestion of including the people who played tennis in the process of deciding how to move forward.

McMullen asked that anyone with comments send them to Randy Gaddo, and said staff would go through the same process in looking at options for the tennis center as they had for the amphitheater.

Haddix said there were a lot of negative feelings about the center in the community. It could not be run by committee, but needed a single person with a financial interest in the successful operation. He felt privately-owned facilities served the patrons better and worked better. The facility was now 13 years old, and the City kept hearing that it would make money, but the

finances did not factor in the other costs associated with the facility. He felt it was a failed model, and the best model was private ownership. He asked if it made sense to keep on the same failed path.

Martin said she felt there was some intermediate point between the current model and going fully private. Haddix reiterated that it had not succeeded in 13 years, and it needed to change.

Plunkett said she would never support selling the center and privatizing it, noting that none of the City's recreation facilities were designed to make money. She did not care how it had gotten here, but cared about running it in the best possible manner from here on. Boone said he did not support selling the facility either, and felt it could be a successful venue.

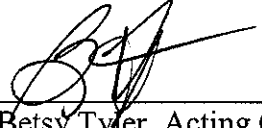
Becky Grant said that one to two tournaments a month were held at the center. Some were junior, some were national, some were USTA, and the management looked closely at it. There was a balancing act between the tournaments/tourism, members, and non-members.

Logsdon said Council and staff had heard a lot of good comments, and thanked those who were in attendance. He said they would talk further on the tennis center at another workshop.

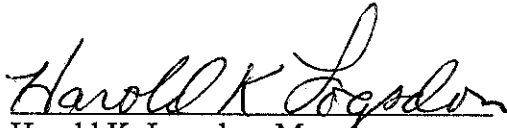
Robert Sasseville, a local business owner, said that stand-alone private tennis facilities did not make money. The last one in Norcross sold for \$1.00. It was a quality of life element, and he moved his business here six years ago because he appreciated how much the City valued tennis.

Meaders said that she had served on the committee that started the center, and there was no intent at the time for it to be a revenue generator – the money made would go back into the facility. It was intended to provide tennis to the community. Logsdon said his understanding was that it would become self supporting. Haddix said Development Authority of Peachtree City's minutes reflected that it would become a money-maker.

The meeting adjourned at 8:52 p.m.



Betsy Tyler, Acting City Clerk



Harold K. Logsdon, Mayor