CITY COUNCIL OF PEACHTREE CITY
WORKSHOP MINUTES
MAY 1, 2012

Mayor Don Haddix called the workshop meeting of the City Council to order at 6:30pm. Those present were Mayor Don Haddix, Eric Imker, George Dienhart, Kim Learnard, and Vanessa Fleisch. Also present were Jim Pennington, Jon Rorie, Cajen Rhodes, Quinn Bledsoe and Joyce Williams.

The purpose of the workshop was to discuss recreational programming fees and the Stormwater Utility rate assessment.

Rorie stated that he wanted to mention some items covered in the March retreat that the department had been working on over the last four months. The facility use agreements were rewritten or restructured, with the purpose of placing the City in a good strong position with some liability concerns on the financial and use side. Some of the old agreements had not been enforced or followed through with. Rorie said he had met with the Associations to get their recommendations and to review the changes in the agreements. He said that they were moving forward with the process but it was not complete and only some of the agreements had been turned back in.

Rorie said some facilities had fallen into a state of disrepair and some had been kept up well with the support from the Associations to help maintain them. The department was moving forward with a true partnership and analyzing the City's fee structures to pay for the maintenance of these facilities.

Rorie's presentation included charts and figures regarding facilities and assessment, maintenance requirements, contractual services, recreational fees, youth sports association fees, programming fees, pool usage/membership fees, facility rental fees, and special event permit fees.

Rorie showed the Recreation Master Plan from 2007 – 2011 which stated:

- <u>Goal</u> was to successfully provide residents and local businesses with high quality, meaningful recreation opportunities.
- <u>Planning Assumptions</u> Volunteer staff would continue to be sufficient with citizens and programs in place. Acreage within PTC used for recreation would remain as designated. Planning assumptions would remain proportionally the same with more financial support received from higher user fees and grants/sponsorships.

Objectives:

- <u>Operations and Maintenance</u> Assess the adequacy of existing maintenance staff resources to effectively maintain existing and future sites and facilities.
  Periodically review maintenance operations and seek most economical providers.
- <u>Financing</u> Implement a three-tier (PTC, Fayette County, Out of County) fee structure to ensure all categories of users are paying for services commensurate with their tax participation.
- <u>PTC Recreation Programs are available to</u> 1st priority-All Peachtree City residents, 2nd priority-residents of Fayette County, 3rd priority-employees of Peachtree City businesses when participating in corporate teams, events, activities. 4th Priority- Individuals residing outside of Fayette County. Non-resident participation should be held to less than 30% for youth sports.

- Workshop to discuss recreational fees and maintenance requirements that are appropriate;
  programming fees, pool usage/membership fees, Youth Sports Associations' fees, special events and facility rental. City was underfunded to meet the demands of facility maintenance, facility repairs and capital needs.

Summary of Recommendations:

- *Programming fees* – increase by 10-20% depending on class. Average $6 per participant.
  Change Instructor/City split to 75/25 ratio, net revenue increase of $37,427
- *Pool Fees* for daily/quarterly passes, swim teams – no change, these were raised two years ago
- *Youth Sports Association fees* – use a three-tier fee system per participant; $15 for PTC, $25 for Rest of County and $50 for Out of County. The new agreements eliminated fenced accounts to cover portion of maintenance expenses.
- *User Fees* – establish a true partnership of a 50/50 split of users and City subsidy, 80% would go into General Fund Maintenance and 20% into Capital Reserve Fund.
- *Special Events* – develop a tiered permit system based upon support requirements. Charge for staff time at $25 per staff hour to provide support regarding parking/transport plans, tables, chairs, cones, barricades, trash supplies. Would start with a minimum permit fee of $50 and more information would be presented during the FY 2013 budget recommendations.
- *Facility Rental* –increase all rental rates by 20%.

Eric Snell of the Peachtree City Youth Soccer Association presented a chart to the group and discussed the figures he put together from cost components received from the Recreation Department in 2009-2010 for each facility. The chart showed the contributions from the City, fenced accounts, and organizations which covered mowing, lighting, marble dust, restroom cleaning, etc. and what the Association's expenses were for paint to line fields, repair of goals, etc., which the City never saw. Snell mentioned the average costs were based on per square feet per field per facility to find out the costs paid to run the facility from the City side and the costs from the Association side. Looking at the chart, the averages might already be at 40% Association and 60% City. Snell further stated, from current figures Rorie presented at this meeting, the Association's might be closer to a 50%/50% contribution. Snell said that the chart showed the Associations had already been contributing significant amounts towards maintenance and upkeep.

Snell did not believe the City received payback of any sort from the play parks, dog parks, tennis courts, pools, etc. Snell said he could see where Rorie had looked at revenue for the programs and for the pools and the costs on everything else. Snell said there was a disconnect there. Snell asked how much the City was supporting, citizen-wise, to the pool facilities and how much revenue came in from the pools, which was not as relevant as how much it cost to maintain a facility. He asked if an instructor charged $100 a class and the City took $50 dollars of that, whether the instructor still ran the program.

Snell compared revenue on the program side against cost components. He asked what the costs were to maintain the pool, as it was a City facility. He did not have all the costs and what the City got from other Associations in equitable contributions. If it what was being paid by the other associations for the other facilities was equivalent, then maybe the City was on par.

Imker asked if the 50/50 split was for users and taxpayers. Rorie said yes that he also wanted to meet a target for user fees in the plan. Imker did some quick calculations and said that the 50%

split which was $125,000 for the taxpayers equaled 1/15 of a mill which translates to $8 per average resident household to maintain the fields out of their annual bill.

Snell said that a lot of time and work was done by volunteers and others who took ownership of a particular facility. Snell's concern was more work would fall onto the City. A clear understanding was needed of what the City and the Association would be responsible for.

Further comments and discussions took place from the representatives of the Associations. Some of the items discussed were monies spent by the Associations for improvements and or maintenance and the volume of work from volunteers. Imker asked for a rough estimate of an average cost breakdown of registration fees and an example was given by Girl's Softball.

Snell asked if the City was going 50/50 on sports associations why it was not suggesting 50/50 on the programs or the pools. The City was mixing the way fees were charged and that might need to be re-assessed. He suggested having an access card for use of tennis courts, rooms, etc. Mayor Haddix asked whether the priorities were right and that Snell had brought up some valid points.

Dienhart asked if staff would look at the pool fees. Pennington responded the City would look at the debt service and operational costs during the budget process.

Shayne Robinson, Recreation and Special Events Advisory Board chairman, said all of this was a work in progress and the important focus right now was the facilities (Baseball Soccer Complex and Braelinn) with the help of the Associations to get the job done. She added that the service the Associations provided was valuable and the City did not want to loose that. Funds were the issue. She further stated that, with the fee changes, she hoped the participation not dwindle.,

Fleisch said there were discussions last November about the possible partnership between the Convention & Visitors Bureau (CVB) and Recreation. After discussions with both parties, the City realized that it needed to work on recreation first and raise the fees. The partnership might happen in the future once the fields and facilities were in good shape.

Further discussion took place regarding tournaments. There was concern about the wear and tear on the fields and the availability of usage between outside organizers and the associations. Joe Kuebler, Recreation and Special Events Advisory Board member, said most requests for tournaments were usually March – May and September – November during main seasons. There were a limited number of slots during seasons, which might have an effect on City residents and their sports participation.

Leah Thompson, Recreation and Special Events Advisory Board member, suggested that maintenance would need to be clearly defined between the Associations and the City. Rorie agreed that the department would re-assess and add the maintenance details to the current agreement. Pennington added that a semblance of equality was needed to provide the highest level of performance and that's why staff will be going through these agreements.

Imker encouraged all parties to participate in the budget process to make sure funds were getting into those separate accounts.

Mayor, Council Members, City Manager and Association's commended Rorie, Cajen Rhodes, Quinn Bledsoe, and the Recreation and Special Events staff for providing detailed data and information so the Board and Council could make good decisions, mentioning they had seen and recognized the latest repairs and improvements to some of the facilities and appreciated their efforts.

Stormwater
Public Services Director Mark Caspar gave a PowerPoint presentation and talked about the history of the Stormwater Utility. The utility was established in February 2006 with a staff of 9.5 people/personnel for routine maintenance. The revenue bond was issued in May 2007. The original proceeds were $3,745,000 with a current interest rate of 4.07%, and the remaining balance was $754,731 (expected to be allocated this year on remaining projects.) The current debt service was approximately $275,000 a year until the bond matured in May 2027.

Caspar said that, originally, when the utility was established it was projected that a rate increase would occur in year five, which was last year. A rate study analysis would need to be done. Caspar worked with a consultant on what was being done, what was being seen, what projects would need to be done, and to come up with a proposed list of projects. Some of the projects on the list already had a conceptual or final design plan or had a definite need for one.

The new proposed capital projects were the Rockspray Pond rehabilitation – $911,000, Braelinn/Creekside/Southside Church (BCS) pond repairs – $500,000, Kedron Ponds rehabilitation –$927,000, Westpark detention pond preventative maintenance – $150,000, Golfview Drive drainage system replacement – $1,294,000, Harbor Loop drainage system replacement – $1,500,000, stream restoration projects – $350,000, pipe lining program – $2,500,000, and bond issuance costs – $75,000, which totaled $8,207,000.

Caspar mentioned that Rockspray, BCS, and Kedron ponds provided a tremendous amount of detention. Caspar explained that staff was seeing some failing infrastructure and ongoing flooding issues on Golfview Drive, Harbor Loop, and several other locations. Stream bank restoration helped with erosion along the stream bank by adding new vegetation, and preventing sediment from going downstream. Caspar added that the Rockspray Pond project was ready to go as soon as the funds were available.

Pipe lining, when it could be done, might be more economical and become a vital part of the maintenance program. The road/asphalt did not have to be torn up, and the lifespan was 50 years. Work was done under Peachtree Parkway about a month ago and that project cost $12,000. If staff had done it the work and disrupted traffic, it would have cost about three times that amount to replace the pipe. However, pipe lining was not perfect for every situation. There were already needs for its use on Peachtree Parkway, City Hall, and Windbreak.

Learnard asked if the stream restoration project was just in one spot. Caspar said no, that it was projected funds as part of stormwater management. One of the projects he would bring to Council this summer would be Phase 2 of the Bridlepath project where the dam would be knocked out in order to rehabilitate the stream flow and restore the stream bank. Phase 1 of the project was the realignment of the cart path. Dienhart asked what the ballpark figure was to knock down the dam. Caspar said the estimated cost was $175,000 – $200,000. Stormwater Project Manager Mike Madison said that $500,000 a year might be a good starting point as most of the pipes are over 25 years old. Assessment would be critical and the pavement program should be assessed once every other year, which had not been done with the City's stormwater structure.

Fleisch asked if the City was obligated to use the bond money only on the specific projects listed. Caspar said the current bond had a contingency line item and any savings from a particular project or a project that might have been cancelled would go into that line item and could then be allocated to another project where it was needed. Pennington said the second bond could be written the same way.

Imker asked what projects could be put off until the next potential bond in 2017. Caspar explained that it was a question of risk assessment of known hazards downstream. Upcoming inspections would determine what areas were critical and which ones could wait. The Golfview project would need some upsizing on the system, and lining was not an option. Caspar mentioned that he would come back to Council to ask for $77,000 out of Stormwater reserves for pipe lining that was not covered under the old or new bond.

Caspar stated that there were new National Pollutant Discharge Elimination System (NPDES) permit requirements that would go into effect in January 2013, including additional inspections, total maximum daily load (TMDL) requirements, and additional education. Imker asked about permit fees. Caspar explained the City did not pay a permit fee and the $50,000 for year one (due the largest amount of inspection needed) and $30,000 for following years were costs associated with the right to discharge stormwater. There were about 20 items that the City had to do in order to be in compliance with the current permit. An example of the requirements was street sweeping.

Caspar continued that additional crew was needed for routine maintenance based on equivalence and the focus on pond and swale maintenance, street sweeping, and pipe replacement. There were full-time equivalents, three personnel working on stormwater issues cleaning swales, ponds, and street sweeping and three personnel from the streets crew doing paving. When a pipe replacement was needed all six personnel were pulled to do bigger jobs which meant there was no paving done during that time. This was a way of cost sharing between the General Fund and the Stormwater funds due to not knowing the level of maintenance needed at that point. Moving forward, crew was needed to maintain 67 detention ponds and each one could take up to a week to clean out. The approximate annual funding of $358,247 for additional employees would be paid with the billing rate increase.

The projected new expenses for bond debt service (assuming 3% interest rate over 20 years), new Municipal Separate Storm Sewer Systems (MS4) inspection requirement, proposed unplanned projects, and the new personnel increase totaled $1,189,220.11 annually.

Caspar recommended a residential rate increase from current $3.95 per Equivalent Residential Units (ERU) per month to $7.80 per ERU per month for single family homes. He had not included commercial billing not included in presentation, but they paid on an impervious surface rate. Caspar further stated that at the current rate $20,002.80 came out of the General Fund to the Stormwater Fund for City properties and $335,502.00 for City streets and multi-use paths. With the increase Stormwater would receive $39,499.00 for City properties and $662,688 for City streets and multi-use paths. Caspar suggested that the billing be sent out two times a year instead of the current once a year billing.

Imker said he would like to know how much in principal remained on the current bond. He said he would like Caspar to show the figures for a $6 million bond, $8 million, and a $10.7 million bond and what the rates would be for each as well as what projects could be left off the list. He also requested the cost of billing for once a year and two times a year. He asked Caspar what would be the minimum bond the City could get away with that would last for five years. It might be more or less but to treat this fairly.

Fleisch asked how much was left on the current bond and what was that earmarked for. Caspar said there was $750,000 left on the bond with Wynnmeade, Preston Chase, Lenox Road and Bridlepath projects remaining. Caspar further stated that some of these projects would use the balance and some of projects would be moved to the new bond.

Learnard asked how well did the $150,000 allotted a year go for lining the pipes. Caspar said not very well, the last two projects were about $25,000 (48 feet) and the new one at $77,000 (400 feet). He would have a better idea after assessments were done this year. Learnard said there needed to be better emphasis on this to stay ahead.

Haddix said his concern was that every project was needed and the responsibility fell on property owners. For all intents and purposes, it meant a tax increase. The City could not keep charging the citizens more and more money. He needed to see a corresponding reduction in the millage rate to balance this to a zero amount to taxpayers.

Learnard asked if there was a time constraint. Caspar said he would get all the information together to present at the May 17 meeting for a vote with the intention of a bond. Caspar also said at that meeting he would discuss the credits stormwater offered with the Adopt-A-Mile, Park, Path programs, adding they would like to consider a rain barrel credit.

There being no further business to discuss, the workshop adjourned at 9:30 pm

Joyce Williams
Joyce Williams, Recording Secretary

Don Haddix
Don Haddix, Mayor