

**SPECIAL ROLLA CITY COUNCIL MEETING MINUTES
MONDAY, FEBRUARY 27, 2012; 5:30 P.M.
ROLLA CITY HALL COUNCIL CHAMBERS
901 NORTH ELM STREET**

Presiding: Mayor William S. Jenks, III

Council Members in Attendance: William Lindgren, Jr., Monty Jordan, Greg Sawyer, Stan Spadoni, Gary Hicks, Don Morris, Lou Magdits, Jim Williams, Carrolyn Bolin, Tony Bahr, and Fran Mazanec

Council Members Absent: Susan Eudaly

Department Directors in Attendance: Recreation Center Director Scott Caron and Finance Director Steffanie Rogers

Other City Officials in Attendance: City Administrator John Butz, Communications Director Scott Grahl, and City Clerk Carol Daniels

City Administrator John Butz began the meeting by saying the next few hours would be spent talking about the parks and recreation system. He noted it is a very diverse system and includes The Centre and SplashZone, which are the big high dollar assets the City has in its park system. However, they are just really pieces of a more comprehensive system the City has been developing in Rolla for many years. Additionally, some time will be spent talking specifically about the recreation center. Mr. Butz indicated he would like to discuss where the Council wants to go overall with the parks and recreation system, with the consolidation of the management, and the elimination of positions. Ultimately, the Council will be asked to discuss how the City will fund the park system sustainably over time. Mr. Butz told the Council it is very much their meeting. Although an agenda and packet of information was provided to the Council, staff's goal is to make very short presentations on elements and then turn it over to the Council for conversation.

Mayor Jenks commented one thing he would like to achieve at this meeting is a consensus on the ordinance amending Chapter 31, regarding the Parks and Recreation Department.

Mr. Butz added at the end of the meeting, he would be providing the Council with a draft letter that would engage the businesses in Rolla by asking what the City can do to be more business friendly. He recalled Councilman Don Morris suggested this letter at a previous meeting.

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Recreation Center Director Scott Caron addressed the Council and provided an overview of The Centre's five-year operations comparison.

Councilman Spadoni arrived at the meeting at approximately 5:39 p.m.

Mr. Caron then provided an overview of the Recreation Sales Tax Revenue Projections. He reported in 2005, the City saved about \$250,000 because of the bond refunding. He said the City took the opportunity to pay about \$200,000 more per year to be able to pay off the bonds earlier. The original bonds would have been paid off in 2014, but the final bond payment was made about two weeks ago.

Mr. Butz noted there is about \$3 million in the Parkland Reserve Fund. Since the bond was paid off two years early, almost all of the sales tax will go into the Parkland Reserve Fund. At the time the sales tax sunsets, the balance in this fund would be about \$4.8 or \$4.9 million. Mr. Butz said one of the questions becomes is this the amount we want to have or do we want to roll back the sales tax early. He said this is a question the Council must ultimately decide.

Mr. Caron told the Council it is not a question as to whether The Centre is being used, because programs are changed and added regularly. The bottom line is there is not enough revenue that can be squeezed out of the facility. Mr. Caron said a renewal of the parks and recreation sales tax for the entire park system is needed.

Mr. Butz pointed out the Parkland Reserve Fund can only be spent down with a two-third's majority vote of the Council. To the extreme if the Council does not want to spend down the reserves to maintain The Centre and the voters do not authorize even an eighth of a cent in sales tax, the only thing the City can do is close the indoor swimming pool and reprogram the space.

Councilman Bahr suggested asking Rolla Municipal Utilities (RMU) to give a utility discount to The Centre. Mr. Butz commented there are some cities that just pay the wholesale price for electricity, but most cities pay at retail. The Rolla Board of Public Works would probably only agree to it if the City Council authorized it, even for just The Centre. Mr. Butz said the estimated savings would be about \$30,000. Mr. Butz added the City pays the 5.5% PILOT (payment in lieu of taxes) like other RMU electrical users. RMU then submits a check to the City for the PILOT, which is placed into the General Fund as revenue. He said the Council could say the City would not be charged the PILOT, which would save all City operations 5.5%.

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Councilman Magdits commented on the reasons why the voters did not approve the extension of the sales tax. One reason was the introduction of the senior center with the sales tax extension without knowing who would operate the facility, what it would include, and where it would be located. Instead of asking for only \$200,000 to fix the problem, Mr. Magdits pointed out the ballot asked for \$1.9 million. When the Council went to the community and talked about The Centre, consistently the Council heard the question, "Why should they pay for something they are not going to use?" Mr. Magdits said the Council heard time and time again the non-users did not want to pay for users. You are not going to get 19,000 people to vote for something 3,000 people are going to use.

Mr. Magdits added we have a General Fund problem, but the Council is making it a park problem. He said we want to ask for \$1.9 million so we can forget the park subsidy and devote the rest to the General Fund. He said the City has a General Fund problem, which is starting because of the \$300,000 fire grant, that we have no way to fund.

Mr. Butz said it is not just fire, but public safety overall. A very large percentage of the General Fund balance is spent between police and fire.

Mr. Butz told the Council Missouri cities are not authorized to have a public safety tax or a law enforcement sales tax. However, he commented third class cities are permitted to do a fire sales tax up to about one-fourth percent. Mr. Butz said there is a way to generate revenues and sales tax to go the General Fund to help fire expense. He added he believes the community would support this tax if the voters knew it would prevent laying off six firefighters.

Mr. Butz referred the Council to the draft ordinance amending Section 13-31 of the Code pertaining to Parks and Recreation Depreciation Reserve Account. For discussion purposes, \$3 million is used as the minimum amount the account should reach before the sales tax is repealed. However, the Council ultimately needs to decide the exact amount. As mentioned by Councilman Magdits, the Council should not choose to spend it on other park-related items. Rather the voters should decide it. Mr. Butz suggested the Council repeal the sales tax early.

Regarding the earlier utility discussion, Mayor Jenks mentioned he recently attended a meeting where it was reported nationwide electric costs would be increasing by 40% to 60% because of the Clean Air Act. Power plants would be taken off line as early as next year. Mayor Jenks stated this needs to be taken into consideration when the City calculates the utility costs pertaining to The Centre.

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After discussion pertaining to the amount that should remain in the Park and Recreation Depreciation Reserve Account, before repealing the park sales tax, Mr. Butz indicated he would provide the Council with some month-to-month forecasts.

Mr. Butz commented that up to this point, the City has not been making cuts to the park system. The City has done the same transfer from the General Fund to the Park System for the past several years.

Mr. Caron then provided an overview of the Parks Five Year Operations Comparison chart. He then explained the current maintenance standards and showed at what levels the parks are currently maintained, and what levels are being recommended. Mr. Caron informed the Council it takes approximately one hour to mow one acre of land and the parks system currently mows 200 acres.

Mr. Butz said he believes this information is very important and the City has never categorized the parks and assessed the cost of doing the various levels. Ultimately, he said this is something the Council needs to address during ward or community meetings. Mr. Butz said staff is not asking the Council to adopt the standards, but noted this is the schedule staff is preparing to use in 2012.

In preparation for this meeting, Mr. Butz informed the Council staff reviewed every plat and found interesting language on a variety of the undeveloped/underutilized parks.

Mr. Caron noted if the plat stated, “restricted dedication”, it means the land is dedicated for “public use forever.” An “unrestricted dedication” means the land is dedicated for “public use,” but it does not state forever.

Mr. Butz said staff is not necessarily recommending the parks listed under “unrestricted dedication” be sold because their value must be weighed. Mr. Butz encouraged the Council to take some time over the next few weeks to review the standards assigned to the parks. Additionally, he asked the Council to review the list of parks with unrestricted dedications.

With the merging of the Parks Department and The Centre, Mr. Caron noted it allows more flexibility. As an example, previously the skate park closed at 5 p.m. Mr. Caron said the manager on duty at The Centre now closes the skate park at dark.

In response to Councilman Williams about opening and closing the park restrooms, Mr. Caron explained they would be closed when the skate park is closed and staff will work with the leagues on closing the ball field restrooms.

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Regarding the condition of the park bathrooms, Mr. Caron commented if it were up to him, he would demolish the restroom in Green Acres Park and the restroom next to the skate park in Ber Juan Park and replace them with portable bathrooms.

Mr. Butz added the bathrooms are in terrible condition have been vandalized, and are not ADA (American with Disabilities Act) compliant.

A motion was made by Bahr and seconded by Bolin to remove the restroom in Green Acres Park and the restroom located next to the skate park in Ber Juan Park and place a portable ADA compliant portable restroom in the Green Acres Park. A voice vote on the motion showed eleven ayes, zero nays, and one absent. Motion carried.

Mr. Caron referred the Council to the schedule of softball and baseball tournaments for 2012. He reported all of the teams are from out of town with the exception of the first tournament in May.

Councilman Magdits encouraged Mr. Caron to continue to reach out to the Lions Club for use of their soccer fields.

After some discussion, Mr. Butz summarized the Council discussed the prospect of what to do with the \$3.5 million in the Park Land Reserve Fund and that staff would be providing a cash flow position and suggestions regarding the issue of what to do with the park system. Regarding the park system, Mr. Butz said he believes the City will ultimately need \$200,000 to \$300,000 a year for The Centre support and \$200,000 a year in park system support. He said it might be a quarter cent sales tax that would address The Centre support and to do things in the park system and maintain the General Fund support. Mr. Butz noted the idea of a one-eighth cent sales tax for the Fire Department was discussed.

If the Council is going to consider the park maintenance standards, Mr. Butz said some community meetings would be needed. He asked the Council to review the standards provided and to provide suggestions.

Councilman Don Morris said as he understands it, the Council's primary goal is to provide the best quality of life for people in this community and the only way to fund it is through the sales tax. The better Rolla's businesses do the more sales tax for the City. Mr. Morris explained a Rolla businessperson suggested to him the City contact its businesses by letter and encourage them to provide ideas and comments to the Council. He said Rolla Area Chamber of Commerce President, Mike Thompson has offered to encourage responses from the business community.

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Mr. Butz provided the Council with a draft of the letter to be sent to the Rolla businesses. He indicated they would be mailed to the businesses within the next few weeks.

Mr. Butz concluded the meeting by reminding the Council the next workshop would be held on Monday, March 26, 2012, at 5:30 p.m. relating to new EPA (Environmental Protection Agency) and DNR (Department of Natural Resource) standards.

XI. ADJOURNMENT

Having no further business, the meeting adjourned at approximately 8:08 p.m.

Minutes respectfully submitted by City Clerk Carol Daniels.

CITY CLERK

MAYOR

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