

April 27th, 2010
Recessed Meeting
Budget Workshop

At 5:30 P.M., on Monday, April 27th, 2010, in the Board Room of the Landis Municipal Building, Mayor Dennis Brown called to order the Town of Landis Board of Aldermen recessed meeting from April 19th, 2010. Those present along with the Mayor were Aldermen Tony Hilton, Roger Safrit, Craig Sloop and James Furr, Town Manager Reed Linn, Public Works Director Steve Rowland, Recreation Director Julie Noblitt, Police Chief Brian McCoy, Deputy Town Administrator Debbie Goodman, Administrative Assistant Heather Wood and Town Attorney Rick Locklear.

A quorum was met.

Mayor Dennis Brown re-opened the meeting and welcomed all those in attendance.

Manager Linn provided the Board with an overview and highlights from the previous meeting. The main topic had been the re-organization of the Recreation department. Staff had met and had been asked to come up with plans to help consolidate the Recreation department.

Staff had managed to reduce the proposed Recreation budget by \$116,000.00. All ball programs had been removed, they would be contracting out the running of the pool (which they would receive bids for).

Manager Linn stated that in the overall budget, the furlough day had once again been removed per the Board's request, a credit card transaction fee had been added, an energy rider fee had been added and they were looking at \$30,000.00 savings on healthcare. Staff had yet to hear from Salisbury yet concerning the water and sewer rates for the 2010-2011 budget year.

In the Recreation department, the biggest thing had been to contract out the running of the pool. They were looking at the company that runs the pool at Irish Creek and they were based out of Charlotte with a lifeguard staff of 500. The estimated contract with them would cost around \$31,000.00. Manager Linn explained that the pool would now run year round, but would only be open from mid-May to mid-March as it always had been in the past. The company would provide the lifeguard staff and would also provide staff year long to check the pool and the property. In the past, the Town had never operated the pool year round, they simply "let it go" during the months it was not open to the public. The company was recommending keeping the pool running year round because it would cut down on the initial start up cost. They would handle any maintenance and chemicals purchase. The company would provide the same services that the pool currently offered. The cost of the chemicals would be included in the contract.

Manager Linn stated that they had also spoken to a local vendor about contracting out the selling of the concessions. The company that would run the pool could handle concessions but it was not their area of expertise. They had spoken to a local company, who could add more "features", but they had no details as of yet.

Manager Linn also went over some of the operational procedures the company that they would be contracting the running of the pool with used. They would have the same hours, but the last ten minutes of

every hour would be an “adult swim” or pool check, which would allow the adults to swim without children in the water. They were also adamant about safety and cleanliness—the pool would be checked every hour for cleanliness.

The Town would still issue memberships and keep the money from those; money for day passes would also come back to the Town. Last year, the Town had made \$20,000.00 in revenue on pool passes; the contract amount for the pool would be around \$31,000.00. Staff had taken representatives from the company on a tour of the pool and they had stated that the Town had a nice facility and they felt that they could enhance one another. There were still a few details to work out if the Board wished to go this route.

Manager Linn once again restated that all ball related programs had been removed from the budget. He stated that a part time person in Recreation had been left in the budget, who could do several things—such as sell concessions, help enforce things at Lake Corriher and to help Director Noblitt with maintenance.

The new total for the Recreation budget was \$169,347.00.

If the Board did not choose to go with the contracting out the running of the pool, they would have to add in the operational cost of the pool. This budget total reflected the Charlotte Swim Club running the pool. They would also provide the paper products for the pool.

Alderman Hilton stated that he had requested a detail of pool costs, and that it had been \$47,000.00 last year with payroll, utilities, chemicals, repairs, concessions, etc. Manager Linn commented that this year repairs were already made. Alderman Hilton stated that based on the numbers he had been given, that it seemed like a good idea to contract a private company to run the pool.

Manager Linn also pointed out that an advantage of using this company would be that possibly starting next year; the pool could open earlier and closer later in the year. Currently the pool does not open 7 days a week until after school lets out because most of the lifeguards are in school and it closes after school starts back. Opening earlier in the season and closing later would allow adults to swim while children were at school, or for adults with small children to come. The company would also handle pool rental. Ms. Gibson stated that there would be two regional supervisors who would regularly check the pool, as well as a pool manager, an assistant manager and a head lifeguard always on the premises.

Alderman Furr stated that from what he had heard tonight that the items covered by the contract only accounted for \$32,387 of the budget and the Town would take care of the rest. Alderman Hilton stated that it was “still a deal” and would not be using Landis personnel.

Alderman Furr commented that he was concerned as to where the lifeguards would be brought from. Manager Linn stated that the company had indicated if they needed additional lifeguards they would look to the lifeguards that had been working at the Landis pool. This company’s lifeguards were required to take first aid, attend seminars, pass a written test, etc. Any Landis lifeguards that applied would have to also complete all these courses, but they would be given “first look”. Also, the company would carry any liability, if something happened they would be the “first in line” since they run the pool. Alderman Furr stated that he didn’t want to see a company come in from Charlotte and displace the local lifeguards; it was a good “summer job for people”. Manager Linn said they were also willing to take on our lifeguards at other

places if they needed them as well, that the Landis pool was part of the “big picture” and they ran other local pools.

Alderman Hilton stated that they would be able to operate more hours as well and that he thought staff should be told to pursue the matter. Mayor Brown agreed and asked if Manager Linn could do it not. Manager Linn stated that they could work out the contract but it would not take effect until July 1st, 2010. However, they would need to be ready to take over and operate the pool in May and funding wouldn't begin until July 1st with the new budget year.

Alderman Furr inquired if the estimated labor costs in the contract took into account pool rentals. Manager Linn stated that it was “turn key”, all of that was included. Mayor Brown inquired if that was no matter how much or how little the lifeguards worked. Ms. Gibson confirmed that was the case, stating that it also takes into account early closures due to inclement weather.

Manager Linn stated that there would also be 1-2 people who checked on the pool once or twice a week year round to check to make certain everything is alright; the contract would also cover any chemicals needed. He went on to say there had been some concern about increased utility bills due to year round operation and they intended to put the pumps on a timer during the off season so they did not run constantly when it was not in use. Keeping the pool running year round would also cut down on start up costs.

Mayor Brown inquired if they needed to take action to move forward. Manager Linn stated he just needed direction and he could have a contract ready to present at the May meeting. Alderman Sloop inquired about bids, since they were required to try and get three. Alderman Hilton said they may not be able to get three bids and Alderman Sloop said they had to at least attempt. Alderman Hilton stated that they could contact other companies and have the bids ready to go in May.

The Board agreed to move forward with the contracting out of the pool to a private company. Alderman Furr agreed reluctantly.

The next order of business was the establishment of a credit card transaction fee. Ms. Goodman stated that she had contacted several other municipalities to see how they handle things. Some charged fees, some didn't. She stated that the Town could not charge fees on transactions made in office, but they could on phone or online transactions. Also, the Town could not charge fees to make a prophet. There was further discussion of rates and fees.

Alderman Hilton commented if the Town was losing money they needed to recoup the costs. The Board agreed to let staff proceed with establishing transaction fees. Alderman Furr instructed them to proceed with caution and a close analysis.

The Board then next heard further information regarding establishing an energy rider fee. Manager Linn stated if the Board felt it was something they wanted to begin charging, they would need to adopt a resolution establishing it at the May meeting or before they adopted the budget. The Board was in agreement to proceed with establishing the fee.

There was still no further information concerning the water and sewer rates from Salisbury for 2010-2011. Manager Linn stated that they were going to look back over the last four years and get an estimate based off that until they heard from Salisbury.

Alderman Hilton then stated that he knew they would not be able to change the way the Town collects its garbage, but he had spoken to the Rowan County landfill and currently they were already charging additional fees for items that were not supposed to be in the landfill, but eventually they would start turning the trucks away. They were looking at state mandates concerning recycling. He went on to say that staff had researched and found several different companies to collect the Town's recycling at \$2.75 per household per month. The containers would be provided and were 60 gallon carts. It would be single stream recycling and would be picked up with a truck with an arm on it. He stated that the Town would have to start doing recycling better, and that using single stream recycling, more people would get involved because they would not have to sort. It was his opinion the Town should look into a service for roll out recycling. They would pick up two times a month, every two weeks, and the entire Town would be collected in one day. Director Rowland commented that it could take two days. Last month there were 1310 households that had garbage collection service. Alderman Safrit stated that soon recycling would be mandatory.

There was further discussion concerning roll out recycling. Director Rowland stated that right now only around 200 households actually recycle. Alderman Safrit stated that the Town needed to say recycling was mandatory or they would be charged a fee. Director Rowland stated that they could put fliers on the carts as they were put out at the residences. Alderman Safrit stated that people would be confused, thinking it was for roll out garbage. Alderman Hilton said they may be confused at first, but they would get used to it. He stated that people were already putting their recycling on the curbs, so roll out recycling would not be a change.

Director Rowland stated that he had spoken to three companies, but they would not offer hard numbers until the Board had made its decision. Alderman Safrit stated that he felt it was a good idea, that the Town needed to do something different. Alderman Hilton stated that the Town could take a "leadership role in the county" (concerning single stream recycling). Director Rowland commented that he felt bins for recycling were a good idea no matter which way the Board decided to go.

The Board instructed staff to pursue roll out recycling with a private company and to prepare the budget to reflect that.

Mayor Brown then inquired about the comment that had been made concerning the elimination of all ball programs from the recreation budget. He inquired if they would complete the current spring season. Manager Linn confirmed they would, but there would be no fall season unless another organization took over the ball program. He went on to say he had also adjusted the budget for field maintenance, stating that if another company wanted to step in and run the program, the Town could provide the field maintenance and establish fees for field usage; for example day and night rates would be different due to the necessity of lights. Also, if they needed someone from the Town there, that would be an additional fee. Mayor Brown asked if the current season would be completed by July 1st. Director Noblitt confirmed that it should be.

Alderman Hilton had a few questions concerning the recreation budget. Manager Linn stated that the budget did not reflect all the savings yet. Alderman Hilton asked about the cost of radio maintenance. Ms. Gibson

confirmed those were phone/Nextel costs. He also inquired about building maintenance, wondering why it had increased. Manager Linn stated that was for new roof, paving, etc.

Alderman Hilton then inquired about the mowing contractors. Director Rowland stated that they did not have bids yet but a “ton of people” had picked up packets.

Alderman Hilton stated that he appreciated the hard work staff had put into the budget process by looking into ways to save money and the sacrifices that had to be made. He commented that he was glad employees were able to get full salaries. Alderman Furr agreed.

The Mayor instructed staff to have a completed and balanced budget for the May regular meeting and they would decide further then.

Alderman Sloop motioned, seconded by Alderman Safrit, to adjourn the meeting. All voted aye.

The meeting adjourned at 6:25pm on Tuesday, April 27th, 2010.

Heather Wood
Administrative Assistant