

CITY OF PELHAM
Special Council Work Session
Pelham City Hall - Council Conference Room
March 28, 2011 – 7 p.m.

MINUTES

Members of the Pelham City Council met on March 28, 2011 at 7:27 p.m. The special work session was held in the Council Chambers of Pelham City Hall and was open to the public.

The following elected officials were present:

Mayor Don Murphy
Council President Mike Dickens
Councilmember Bill Meadows
Councilmember Teresa Nichols
Councilmember Steve Powell
Councilmember Karyl Rice

Media Present: Neal Wagner, Shelby County Reporter; Jeremy Gray, Birmingham News; ABC3340 and Fox 6 News.

Others present: Alex Dudchock, Shelby County Manager; Lindsay Carter, Shelby County Engineer; Reed Prince, Shelby County Facilities Management; Ray Hamilton and Christie Pannell, Shelby County Development Services; city department heads, city employees and members of the public.

The council work session was called to order by Council President Mike Dickens at 7:27 p.m.

Mayor's Comments

Mayor Murphy made the following comments regarding the proposed fire museum at the Pelham Civic Complex.

My main concern is for the taxpayers of Pelham, the average annual loss from 1998 to 2010 for the Pelham Civic Complex is \$957,238.00. Only 5 % of the students in the skate school are Pelham residents and no more than 11% of the hockey players over the last 4 years have been Pelham residents, yet all of the Pelham residents subsidize this facility. The museum will bring in consistent revenue and our city will enjoy many county sponsored improvements to the facility and surrounding area. Shelby County will be partnering with the city to make the needed improvements and upgrades at the Civic Complex. There will be an ice rink and skating, hockey, and public skating will remain. As the Mayor of Pelham, it is my duty and desire to provide the best solution for the residents of PELHAM and make decisions that utilize their tax dollars to benefit the city and all of our residents.

End of Mayor Murphy's comments.

Mr. Dickens informed the council of the meeting he and Mrs. Rice attended last week with Shelby County officials. Mr. Dickens further explained the motivation for calling tonight's council work session was to make sure everyone on the council is informed and gets the answers to the proposed fire museum. Mr. Dickens thanked Mr. Dudchock and his support staff for attending the work session.

Old Business – NONE

New Business – AS TIME PERMITS

1. Alex Dudchock, Shelby County Manager

Alex Dudchock introduced his staff tasked with the responsibility of developing the fire museum. Those individuals included Lindsay Carter, Shelby County Engineer; Reed Prince, Shelby County Facilities Management; Ray Hamilton and Christie Pannell, Shelby County Development Services. Mr. Dudchock noted 55 organizations were asked to submit proposals for the fire museum to the County. Only two responded, the cities of Pelham and Calera. There has been a lot of dialog between both cities. Shelby County needs supporting documents from Pelham in order that a recommendation can be made to the County Commission. He explained the County was committing \$ 500,000 from its lodging tax to the project. Mr. Dudchock explained the County's timeline for the opening of the fire museum.

City of Pelham Marketing Director Eva Shepherd provided the council with additional information regarding the Civic Complex ice related revenues. She explained Bama Hockey, skate school, figure skating and hockey numbers in her printouts.

Mrs. Shepherd made the following comments.

BAMA HOCKEY

Since this program was established, Mayor Murphy has been committed to work with the volunteer Club Hockey organization to help grow the program. The program books ice for practice games and home games each season. We have an annual contract for ice time and game schedule each season. Bama Hockey has hosted several tournaments, including the SEC Club Hockey championship. These tournaments have been subsidized by the Shelby County Dept. of Tourism to cover the cost of ice time. The tournament would not have been affordable for the club hockey organization without the assistance from Shelby County. We experienced tremendous growth this year due to the player's skill level and overall team rankings. Also, the club hockey volunteers and coaches established a new event – The Iron Cup. This event was a 3 game series with Alabama vs. Auburn at the Pelham Civic Complex. This event was held in January 2011 just after the Auburn National Championship win in football. We worked together to increase marketing efforts and had a great crowd for the series. The following week we also experienced good crowds for the 2 games against Florida. A few weeks later we hosted

two games (one Alabama and one Auburn) with very little attendance. These regional championship games were marketed in the same way as other games, but with less success. We are committed to work with Bama Hockey any way possible. We can still host their practice times and hopefully can work out a home game schedule. Their overall goal is to grow to the point where they are recognized and funded by the University of Alabama and can build their own arena on campus. Total spent to promote Bama Hockey through marketing efforts this season: \$2,500. Gross revenue to date: \$21,891.

PYHL – House Hockey Program

The house hockey program has been under the direction of a full time hockey director since July 2006. The participation in the program, with records going back for the past 4 seasons, is stagnant with an average of 200 players per season.

The hockey programs director has been out sick for the entire 2010 – 2011 season.

No more than 11% of the participants over the past 4 years have been Pelham residents.

It is an expensive sport, requiring \$450 +/- to participate. We currently have 15 players that have not paid their fees, totaling \$4262.50.

We are currently operating the program with an Interim Hockey Director. He has plans for summer camps, afternoon practices (stick & puck) and “learn to hockey skate” classes.

BYHL – Travel Hockey Program

This program is governed by a volunteer board of directors. This program books ice time at full rate for practice time and home games. Participation in the house program is required. The house program of course feeds new players into the travel program. Our staff works with the travel board to schedule the ice time each season.

It will be a challenge during December and January to book home games for this league on our practice arena, if we only have one sheet of ice. It would be ideal to schedule as many away games during those months as possible.

Notes:

During the Bama Hockey games, the house program players have been able to perform during periods. This is great exposure for our hockey programs.

We have had an issue with parents trying to gain free access to these games by entering the facility through the back doors. These doors are meant for employee access only.

We have recently had to install new doors and change out locks, plus add an alarm that is set off when someone uses the door as an exit at cost of \$1,500+. The parents should use the main entrances as everyone else and also be willing to pay to support the Bama Hockey games. Cost of ticket to Bama Hockey game - \$5.00

The hockey parents are frustrated with the overall program. Much of their frustration stems from the absence of the Hockey Director. He has been out sick, due to back pain and surgery for an extended period of time and has recently resigned. We will work with our Interim Hockey Director to grow the programs in 2011.

SKATE SCHOOL

The skate school is a great program for our facility. The program is designed to teach tots to adults how to figure skate. Basic skills classes and continued learning through classes and private lessons are offered. When possible, an annual Ice Skating Christmas Show is performed, featuring ice skating students and coaches. The Skate School, through classes and private lessons, YTD has created \$152K in gross revenues. It is projected to create \$300K+ gross revenue this fiscal year. Although the facility has had a program and director for many years, the skate school has not established the Pelham Civic Complex as a regular host site for any regional or national competitions. If the program had been able to establish the complex as a host site for a regional or national competition, it would have been a major boost to all ice related programs at the facility. The skate school utilizes the majority of ice time available on the practice arena hosting classes and free style sessions throughout the week. The schedule of the skate school would be modified to some degree to accommodate other house programs, such as hockey and public sessions, but the core schedule of the skate school would stay intact. The percentage of Pelham residents that participated in the Skate School since 2007 is less than 8%. This year, 5% are Pelham residents.

BFSC – Birmingham Figure Skating Club

The Skate School and the Pelham Civic Complex serve as the home ice for this club. The club promotes the sport of figure skating through special events throughout the year, and just 2 years ago started a regional skate competition at the Pelham Civic Complex. Many of their members are students in our skate school and take private lessons with our coaches. The club is celebrating its 50th year in 2011. I do not know how many competitions they have hosted over their 50 years as a club. They certainly want to maintain the main arena as their host site for the Magic City Ice Classic each September. Both programs – the Skate School and BFSC, have devoted parents and supporters of the programs. We have many talented skaters in our skate school and are committed to continuing to offer classes and private lessons. We will host special figure skating events when our schedule permits.

MARKETING THE FACILITY – ICE EVENTS ONLY

Response to comments regarding lack of marketing: October 1, 2011 to Present

- Spent \$21,000 to promote ice skating, utilizing radio, TV spots, print and web advertising. For the TV spot we used our own skaters, from the skate school, as talent for the spot. It aired on “Skating with the Stars” plus cable channels with the demographic for teen audiences.
- Revenues on ice skating related events (public skating, private parties & skate classes)

Public skating & private rentals	up \$20,407
Birthday parties	up \$ 1,740
Skate School & lessons	<u>up \$14,771</u>

YTD revenues are up \$36,918 through February, 2011

- Most advertising has stopped for the season, but our website exposure and advertising in the Birmingham Parent and Kid's Directory will continue.
- We are continuing to promote ice skating birthday parties, with special advertising, including online coupons, etc.
- We have established presence on YouTube, Facebook and Google and will continue to have a greater online presence.
- Large ticket items, such as extended run TV spots and billboards are not financially feasible.

End of Mrs. Shepherd's comments.

Mr. Dickens asked how the fire museum would affect the current ice and hockey programs and seating capacity of the Civic Complex. Mrs. Shepherd stated it was her intention to recommend upgrades to the current practice arena and install additional bleachers. Mrs. Rice inquired about the lack of a scoreboard in the practice arena.

Mr. Dickens asked Finance Director Tom Seale to compare the income vs. expenses of the various Civic Complex programs and share the information with the Council.

Mr. Meadows stated he was a "bottom line person". He stated he would like to see better communication between the city and the hockey, skate school and figure skating groups. He plans to bring a resolution to the council to encourage working with those who are using the facility. Mr. Meadows reminded the council of the partnership between the City and the County that resulted in the building of the bridge at Oak Mountain State Park.

Mrs. Shepherd's made the following comments.

FIRE MUSEUM

Marketing Points

- Marketing – provides a year round attraction with changeable displays to keep it fresh and unique.
- Tourism – Pelham becomes a destination city. This gives us exposure in the tourism industry that we have never had before. Tourism buses, special excursions, etc. We will be home to the only fire museum south of Memphis, and will have a regional collection of artifacts.
- School programs – we can offer fire safety programs and fire prevention programs to schools across the state.
- Ease of transition – already have ticket booths, our entire staff is experienced in working with large groups of adults and children, and handling parties, parents and private groups. The staff is fully capable of handling the transition from ice to museum.
- Birthday party packages: we already have 6 party rooms, designed for ice skating birthday parties. We will also be able to offer parties for kids featuring the fire
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museum. We can use fire trucks as the theme of the parties in the rooms adjacent to the fire museum.

- We can also offer parties that include both: School children and special groups (YMCA, etc.) can tour the fire museum and then have some extra fun on ice. We could package it to include ice time, pizza and soft drinks – just like our ice skating packages and market it as a Fire & Ice package!
- We can host conferences for associations focused on fire safety, fire equipment, fire fighters associations.
- Establish programs to partner with fire departments – both municipal and volunteer
- Sponsorship opportunity – there is a great opportunity for sponsorship revenue for the displays in the fire museum.
- Gift shop – additional revenue could be generated through a museum gift shop.
- Will bring great exposure and tourism traffic to the city of Pelham and will benefit our hotels and restaurants.
- Work with our own fire department to promote fire safety.

End of Mrs. Shepherd's comments.

Mr. Meadows questioned Mr. Dudchuck on the project timeline. Mr. Dudchuck explained the process was "fluid" at this time. He further commented there will be discussions with the Smithsonian Institute, the University of Montevallo and national fire organizations about partnering with Shelby County with regards to the fire museum.

Mr. Dudchuck noted for the record the King collection of fire equipment and artifacts has been transferred to the County. He said there is a possibility of acquiring additional assets from Memphis, Tennessee and Lewisville, Mississippi and that the fire museum must be a living program. The timeline to open the museum will be driven by the work schedule and assets that need to be acquired.

Mr. Dickens mentioned increasing the current lodging tax to improve the commercial district in and around Highway 119. Mr. Dudchuck said the county's use of its lodging tax is in the amount of \$ 500,000 would be used as conservatively as possible. He said it was important to improve the bottom line for the Pelham Civic Complex by investing in the facility. The County will be an ongoing partner in the building. The fire museum must be an amenity to the county and city. He plans to ask assistance from the seniors and paid and volunteer fire and EMS organizations to staff the fire museum. Mr. Dudchuck said the programs at Pelham Civic Complex will continue, the workload will increase and there is a lot of work to be done.

Dr. Nichols questioned the current parking agreement between the city and Verizon Amphitheater. Mr. Dickens noted there were additional parking opportunities on the west side of the building. Mr. Dudchuck stated the county will work with the city to provide additional parking through the purchase of property and the construction of a parking lot. Mr. Dickens said a partnership with the county offered many other opportunities.

Mrs. Rice asked about a 501(c)(3) Internal Revenue Service designation. Mr. Dudchuck said a 501(c)(3) could be used as a vessel to accept donations if needed. He further stated the revenues at the Memphis fire museum had been severely affected by the economy.

Dr. Nichols was concerned about the flexibility of the Pelham Civic Complex. Mr. Dudchock explained the fire museum would be built out in phases following an agreed upon work plan.

Mr. Dickens stated it was critically important to maintain the freshness of the museum and wanted to be assured it would continually be updated. Mr. Dudchock said the county is committed to the partnership in order to maintain and expand the exhibits.

Dr. Nichols asked about the need for museum curator. Mr. Dudchock explained it is the County's desire to partner with retired fire fighters to volunteer at the fire museum. The county will assign someone on staff as an archivist.

Mr. Powell said it would be a challenge to abandon the current programs at the Pelham Civic Complex to build a fire museum.

Mr. Dickens asked the council to direct any additional questions to Christie Pannell at telephone number 620-6223.

Mr. Meadows suggested the skate community organize a board to facilitate the use of the Pelham Civic Complex. Everyone must communicate to make things happen.

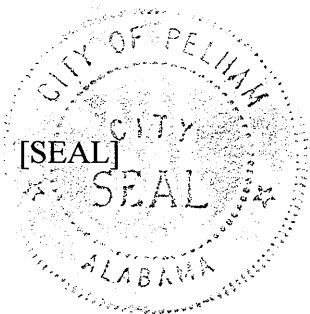
Mrs. Rice thanked the people and various organizations from other communities for coming to Pelham which has a positive impact on our economy.

Announcements - NONE

Adjournment

Mr. Meadows moved to adjourn the work session and said motion was seconded by Dr. Nichols. The motion passed unanimously by those present and the work session was adjourned at 9:05 p.m.

Respectfully submitted,



Tom Seale, Finance Director/City Clerk