

CITY OF PELHAM – WORK SESSION

**Pelham City Hall – Council Conference Room
June 18, 2012 – 6 p.m.**

MINUTES

Proper notice of the regular scheduled Pelham City Council Work Session was given at least 72 hours in advance of such public meeting and the notice remained posted through the scheduled meeting.

Members of the Pelham City Council met on June 18, 2012 at 6:00 p.m. The regular work session was held in the Council Conference Room in Pelham City Hall and was open to the public. The work session was called to order by Council President Nichols at 6:00 p.m.

Call to Order

Roll Call

The following elected officials were present:

Mayor Don Murphy
Council President Teresa Nichols
Councilmember Bill Meadows
Councilmember Steve Powell
Councilmember Karyl Rice
Councilmember Ron Scott

Media Present: Wesley Hallman, Shelby County Reporter

Others present: City department heads, city employees and members of the public.

Approval of Minutes

A motion was made by Mr. Meadows to approve the June 4, 2012 regular work session minutes. The motion was seconded by Mr. Scott and by voice vote the motion was passed unanimously by those members present.

Mayor's Comments

Mayor Murphy elected to hold his comments until council meeting.

Review of Council Agenda

Dr. Nichols reviewed the council agenda for June 18, 2012.

- A. Call to Order
- B. Invocation
- C. Pledge of Allegiance
- D. Roll Call
- E. Consent Agenda

(A consent agenda is presented by the Council President at the beginning of a council meeting. Items presented on the consent agenda are considered routine and non-controversial and are organized apart from the rest of the agenda and are adopted by general consent without debate. Items may be removed from the consent agenda on the request of any one member. Removed items may be taken up either immediately after the consent agenda is approved or placed later on the agenda at the discretion of the Council President and City Council.)

- 1. Approval of the June 18, 2012 City Council Agenda.
- 2. Approval of the June 4, 2012 regular City Council meeting minutes.
- 3. Approval of the following non-budgeted expenses from restricted fund accounts. None

F. Public Hearing - None

G. Mayor's Comments

H. Proclamations – None

I. Requests to Address the Council

- 1. Judy Berneske, 714 Crowne Reserve Drive, Hoover, AL 35244 regarding water and mold issues with her townhome in Pelham.

J. Old Business – None

K. New Business

1. **Resolution 2012-06-18-01** authorizing the Mayor of the City of Pelham to negotiate a contract with HHH Acquisition Company for the purchase of approximately 30 acres of real property, with improvements and attached appurtenances, for the purpose of commercial and industrial development. The property is currently known as the former headquarters and distribution center for Moore-Handley, Inc. Possible partners in the project are Shelby County, Alabama and the Shelby County Economic & Industrial Development Authority. The negotiated purchase contract, due diligence and closing requirements will require final approval by the Pelham City Council. Mr. Powell noted the potential commitment from Shelby County in the purchase of the Moore-Handley property. He asked "Where does the city expect to be at the end of this process?" Dr. Nichols stated the sales price is at \$ 3.4 million, with Shelby County contributing \$ 1.2 million of the purchase price and HHH Acquisition holding a \$ 1 million mortgage and the City of Pelham contributing \$ 1.2 million. She further stated Shelby County is looking at the project as an economic development project. Summer Classics wants to move their entire manufacturing facility to Pelham from Calera/Montevallo. Dr. Nichols said the resolution is for the mayor to negotiate the contracts and bring the contracts back to the council for review. She stated the county wants a commitment from the city with regard to the property purchase. Mrs. Rice had no additional comments. Mr. Scott said this is the right time to move forward. Mr. Meadows stated he was ready to move forward. Mr. Powell said a lot of work had gone on behind the scenes to get to this point. He noted there would be approximately 125 new employees relocating to Pelham.
2. **Resolution 2012-06-18-02** authorizing the Mayor of the City of Pelham to negotiate a contract for the sale of approximately 17 acres of real property, with improvements and attached appurtenances, to Summer Properties, LLC or Assigns for the purpose of commercial and industrial development. Possible partners in the project are Shelby County, Alabama and the Shelby County Economic & Industrial Development Authority. The negotiated sales contract, due diligence and closing requirements will require final approval by the Pelham City Council.

L. Council and Public Comments

M. Public Announcements

N. Adjournment

Old Business – AS TIME PERMITS

1. Presentation by Bryan Schultz and Pat DeLorenzo regarding the purchase of the Pelham Civic Complex by SportsPlex of America, LLC.

Mr. Schultz said his company is currently looking to build two sheets of ice in Hoover. He said opportunities exist to purchase the Pelham Civic Complex and upgrade the facility and expand the programs. He wants to explore the opportunity to purchase the facility at a future council work session. He said trade shows and large events would be kept but not at the expense of the ice programs. Mr. DeLorenzo said his company has a large stable of experts to assist in the operation of their facilities. Having the right people in place is very important. Mr. DeLorenzo said there are a lot of opportunities with the Pelham Civic Complex. He further stated SportsPlex of America, LLC has the expertise. He stressed the need to work with the younger kids in order to get them involved. Mr. DeLorenzo stated proper people and programs can grow the ice sports in the Pelham/Hoover area.

Dr. Nichols noted SportsPlex of America, LLC is planning to build a facility in Pelham or Hoover. She stated if the Pelham Civic Complex is sold there are opportunities to expand the current programs. She further stated the city is exploring options but there remains a lot of due diligence to be done. Mr. DeLorenzo said the issues facing Pelham are common throughout the country. He said new rinks are being built. Dr. Nichols repeated that queries to local high school athletic directors had been made. Mr. DeLorenzo said there is interest in the high schools. Mr. Schultz stated 2% of Pelham residents use the Pelham Civic Complex. He further stated if a facility is built in Hoover it would have a negative effect on the Pelham Civic Complex. He said there are opportunities to grow figure skating and ice hockey in this area. Mr. Schultz said there is a need to expand these programs with fresh ideas. SportsPlex of America, LLC can bring new ideas to Pelham. He said their ultimate goal is to grow the programs through and existing facility.

Dr. Nichols questioned Mr. Schultz about the current banquet facilities at the Pelham Civic Complex. Mr. Schultz stated SportsPlex of America, LLC does not operate banquet facilities so the city may have an opportunity to continue in this role under an agreement. He further stated his company would not charge for community activities, graduation, chamber of commerce events or tree lighting ceremonies. Mr. Schultz said they would like to go through the Pelham Civic Complex with their architects in order to significantly upgrade the facility. He said overall the Pelham Civic Complex is a good facility with tremendous opportunities.

Mr. Meadows asked if the company operates any other ice rinks. Mr. DeLorenzo said SportsPlex of America, LLC does operate ice rinks in several parts of the country. Mr. Schultz said it was their goal to change the dynamics of the rink from the ground up. They want to remodel the existing Pelham Civic Complex, including the seating and locker rooms. Mr. Meadows said he wants to hear from the council that there is an interest in this proposal. He said the council needs to lay out for the City what needs to be done whether it is a sale or rink management. He further stated the city needs to start talking. Neither Councilmembers Rice nor Scott had any additional questions.

Mr. Powell commented on the two different concepts from two different companies the council has heard from over the past month. Mr. Powell mentioned the Citizens Advisory Committee. Mr. Schultz said they planned to meet with the committee on Tuesday. Mr. Powell asked if the Pelham Civic Complex cannot be sold is SportsPlex of America, LLC willing to partner with the City of Pelham. Mr. Schultz said there are several options to be considered. Mr. Powell said growing the programs could require additional facilities. Mr. Schultz said typically another rink should not be built closer than 20 miles from an existing rink. Mr. Powell stated for the benefit of Mr. Schultz and Mr. DeLorenzo that the Pelham Civic Complex is an ice, multi-use and banquet facility. Mr. Schultz said a multi-use facility is very important in offering a blend of activities to make the facility profitable. Mr. Powell asked if the lack of "ice" in the Complex's name was an issue. Both Mr. Schultz and Mr. DeLorenzo said there was not an issue with the name. Mr. Meadows asked Finance Director Tom Seale to look into whether the Pelham Civic Complex can be sold. Dr. Nichols stated that would be information the council would need in order to move forward. Dr. Nichols said she planned call a work session in July to discuss the Pelham Civic Complex. Mr. Scott stated he wants to see something in writing from our attorney that the Pelham Civic Complex can be sold. Mrs. Rice, Mr. Powell and Dr. Nichols asked the staff to proceed with the research.

Mrs. Rice said the Pelham Civic Complex is multi-use, hence the name of the facility. She noted prior to the opening of the Pelham Civic Complex there was no place in Pelham to host large events. She further stated the Pelham Civic Complex is an asset to Pelham and was not opposed to hearing more. Mrs. Rice said the Pelham Civic Complex is not a drain on the city. Mayor Murphy agreed with Mrs. Rice, but stated the facility still loses money and wants to get the expenses down. Mr. Schultz said the Pelham Civic Complex is going to be an asset to the community and still provide opportunities to Pelham. He said taxpayer monies currently being spent could be directed toward other projects in Pelham.

New Business – AS TIME PERMITS

Announcements

Adjournment

Mr. Meadows moved to adjourn the work session and said motion was seconded by Mr. Scott. The motion passed unanimously by those present and the work session was adjourned at 6:54 p.m.

Respectfully submitted this 18th day of June 2012.



Tom Seale, CMC, City Clerk