



CITY COUNCIL WORK SESSION MINUTES

Pelham Senior Center
March 7, 2022 – 4:30 p.m.

Proper notice of the regularly scheduled work session of the Pelham City Council was given in advance of such public meeting and the notice remained posted throughout the scheduled meeting.

Members of the Pelham City Council met on Monday, March 7, 2022, at 4:30 p.m. The regular work session was held in the Pelham Senior Center and was open to the public.

Call to Order

The work session was called to order by Council President Mercer at 4:31 p.m.

Record of Attendance

The following elected officials were present:

Council President Maurice Mercer
Councilmember Larry Palmer
Councilmember Rick Wash
Councilmember Mildred Lanier
Mayor Gary Waters

Not Present: Councilmember David Coram

The city clerk/treasurer recorded all elected officials, with the exception of Councilmember Coram, were in attendance and a quorum was present. City Manager Gretchen DiFante and City Attorney Josh Arnold were in attendance.

Media Present: None

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

Approval of Minutes

A motion was made by Councilmember Wash to approve the February 21, 2022 Regular Work Session Minutes. The motion was seconded by Councilmember Lanier.

There being no further discussion the motion passed unanimously by voice vote of those members present.

Executive Session

Council President Mercer stated for the record the purpose of the Executive Session is to discuss the consideration the governmental body is willing to offer or accept when considering the purchase, sale, exchange, lease, or market value of real property, per Section 36-25A-7(6) Code of Alabama 1975, as amended.

City Attorney Josh Arnold stated the purpose of tonight's Executive Session is appropriate under Section 36-25A-7(6) Code of Alabama 1975, as amended.

A motion was made by Councilmember Palmer to enter into an Executive Session of the city council for the stated purpose. Said motion was seconded by Councilmember Lanier. Council President Mercer asked the city clerk/treasurer for a roll call vote. The vote to adopt said motion was recorded as follows:

Maurice Mercer, Council President	<u>Yes</u>
David Coram, Council Member	<u>Not Present</u>
Larry Palmer, Council Member	<u>Yes</u>
Rick Wash, Council Member	<u>Yes</u>
Mildred Lanier, Council Member	<u>Yes</u>

Council President Mercer asked the members of the city council, Mayor Waters, City Manager Gretchen DiFante, City Attorney Josh Arnold, Director of Economic Development Michael Simon, Fire Chief Mike Reid, Police Lt. Doug Setliff, Director of Development Services & Public Works Andre` Bittas and City Clerk/Treasurer Tom Seale to attend the Executive Session. Council President Mercer stated he expected the city council to return from the Executive Session in approximately 30 minutes. The city council went into Executive Session at 4:34 p.m.

Councilmember Wash moved to adjourn the Executive Session. Said motion was seconded by Councilmember Palmer. The motion passed unanimously by voice vote of those members present, and the Executive Session was adjourned at 5:10 p.m.

Council President Mercer called the work session back to order at 5:11 p.m.

Old Business

1. Discussion – Process Equipment, Inc. d/b/a ProcessBarron: Tax Abatement Request

Director of Economic Development Michael Simon explained the tax abatement request by Process Equipment, Inc. regarding the purchase of manufacturing equipment to expand their operation in Pelham.

Mr. Simon reviewed the following questions posed by the city council during the February 21, 2022 council work session.

Question: What specific taxes are being abated during the requested ten (10) year time period?

Response: At the time of purchase, the non-educational portion of the sales tax and use tax on the goods, materials and products purchased for construction and completion of the proposed new addition. Post project completion and Certificate of Occupancy, the non-educational portion of the property taxes collected on the proposed new addition only, not on the existing ProcessBarron property.

Question: Should there be a “cap” on the total amount of sales, use or property tax abatement provided over the ten (10) year period requested under Process Equipment's application request?

Response: The Alabama Department of Revenue Tax Abatement Program includes regulations stating that for both sales tax, use tax and property tax, the overall value of capital purchases and property investment must not exceed the approved investment amount plus a 10% de minimis deviation. For the additional investment to be included, the abatement agreement must be amended to reflect the additional investment. This provision does provide protection against a higher loss of tax revenue.

Question: What, if any, are other examples the Tax Abatement Program previously approved in the City of Pelham?

Response: The City of Pelham has previously approved three (3) Tax Abatement Program application requests for the following:

- Resolution 2019-10-21-04: Prints Well Inc. and Amazing Grace Properties, LLC: Project cost \$6,687,900; Tax Abated \$152,000; Term: 5 years
- Resolution 2018-11-19-02: Extrulex North America, LLC: Project cost - \$705,091; Tax Abated -\$46,423; Term - 5 years
- Resolution 2013-07-15-07: Summer Classics Properties, LLC: Project cost - \$4,413,000; Tax Abated - \$195,000; Term - 8 years

New Business

1. Discussion - Draft Request for Proposals and Developer Qualifications for the City owned property known as the Oak Mountain Trail development site (formerly known as the Susan Schein property)

Director of Economic Development Michael Simon explained the request for proposals and developer qualifications for the property known as the Oak Mountain Trail development site. He explained the process of selling the property to potential buyers and the particulars involved with the request for proposals.

2. Discussion - Draft Entertainment District Ordinance

Director of Economic Development Michael Simon presented a draft Entertainment District ordinance for city council review. He noted the entertainment district would allow for the movement of individuals with alcoholic beverages within the district boundaries. He stated the district would assist the developer in attracting clients, customers and establishing rules and regulations. City Attorney Josh Arnold further explained the Alabama Alcohol Beverage Control Board (ABC) licensing requirements, specifically, requiring four (4) ABC licensees to establish the district.

3. Review and Discussion – Compensation Pay Plan (2022)

City Manager Gretchen DiFante, Human Resources Director Tracy Hill and Finance Director Jamie Wagner presented the 2022 Compensation Pay Plan and the budgetary impact to the city council for review and comments.

COMPENSATION ADMINISTRATION PROJECT UPDATE (RECAP)

- The City Council, City Manager, and Mayor considered it important to have a third party consulting company create a comprehensive compensation study for the City of Pelham. Use of a vendor ensured objectivity and professionalism as well as access to data from many salary survey programs.
- HRM, Inc. consulting company was selected to create the compensation plan with the support of the City Manager and funding provided by the City Council. The pay plan developed is professional in its development, equitable based on market conditions, and easy to understand.
- In Spring of 2019 HRM began to review and update the compensation administration program covering approximately 350 employees working in approximately 100 unique position titles. The plan began with updates to the job descriptions with HRM, Dept Heads, HR, and the City Manager working collaboratively.
- Sources used for market data comparison include all publicly available government salary data plus salary survey data available from non-profit and industry specific entities. The market data includes the cities of Alabaster, Hoover, Huntsville, Mobile, Tuscaloosa, Mountain Brook, Pell City and many others.
- The project consisted of two main parts –
 - Job Analysis
 - Conduct job analysis for approximately 100 benchmark position titles, consisting of job description review and interviews with managers to develop understanding of essential duties, responsibilities, minimum qualifications, and reasonable recruitment areas.
 - Conduct FLSA exemption reviews on all positions.
 - Compensation
 - Compile market compensation data for each benchmark position.
 - Update and/or develop pay grade and range classification system. Recommend the proper slotting of positions within salary grade structure.
 - Evaluate internal and external equity for each position, including Adverse Impact Ratio Analyses.
- The first part of the project was completed and the updated job descriptions were presented to the Personnel Board in the Fall of 2019. The Board recommended the updated job descriptions to the City Council and they were approved and implemented.
- The Personnel Board did not recommend the second part of the project and the compensation plan did not forward to Council for review.
- In early 2021 we asked HRM to partner with us to update the compensation project from 2019. The project included approximately 30 new and/or updated position descriptions since the last market study project was completed. Market data from 2019 was aged 5% and compared with new market data.
- The updated pay plan was presented to the Personnel Board 3/1/22 and the Board recommended the plan to Council for approval. Council members have received a copy of the proposed plan for review.

2022 IMPLEMENTATION OF PROPOSED PAY PLAN WILL:

- Reduce number of plans from 17 step plans to 2 – the Main Employee Plan and the Public Safety Plan.
- Standardize differentials between steps. (3.5% between steps for the main plan, and 4.5% between steps for the public safety plan).
- Standardize % between grades. (4% between each grade).
- Provide employees with a base pay increase based on current step as it related to new steps.
- 15 employees below the new range minimum will be given an increase and brought to the new range minimum.
- 16 employees above the new range maximum will have their pay rate frozen until such time as the Pay Plan is adjusted by the City Council so that their pay rate falls below the adjusted maximum.
- No employee's pay will be negatively affected. The plan has no recommended decreases in current pay for any City employee.
- An implementation date of 4/23/22 to be effective on the 5/13/22 paychecks.

Councilmember Palmer, Councilmember Wash and Council President Mercer complimented everyone involved in preparing the new proposed compensation pay plan.

4. Discussion – FY2022 Annual Street Resurfacing Project

Director of Development Services & Public Works Andre` Bittas reviewed the proposed FY2022 street resurfacing project. He noted the street evaluation and assessment project completed in 2019. Acting City Engineer Chris Cousins reviewed the specific list of city-wide resurfacing projects in FY2022 and the budgetary impact.

5. Discussion – Set Date and Time for Pelham Board of Education Place 4 Interviews

Council President Mercer requested the city clerk/treasurer contacted everyone to confirm their availability on March 21, 2022 at 4:30 p.m. He suggested scheduling the interviews in 20-minute intervals.

Review of March 7, 2022 Council Agenda

Council President Mercer reviewed the February 21, 2022 city council agenda.

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/or non-controversial and are organized apart from the rest of the agenda and are adopted by general consent and vote by the city council 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 March 7, 2022 City Council Agenda
2. Approval of the February 21, 2022 Regular Council Meeting Minutes
3. Approval of non-budgeted expenses from restricted fund accounts: None

4. **Ordinance No. 276-01** for consideration abolish the Pelham Beautification Board by repealing Ordinance No. 276 in its entirety. **First Reading was on February 21, 2022.**

There were no questions or comments from the city council.

5. **Resolution 2022-03-07-01** for consideration to approve the tax abatement request of Process Equipment, Inc., doing business as ProcessBarron

There were no questions or comments from the city council.

6. **Resolution 2022-03-07-02** for consideration to designate an official voting delegate and alternates for the annual Alabama League of Municipalities annual business meeting

It was the consensus of those members of the city council present to designate Councilmember Palmer as the city's voting delegate. Councilmember Lanier and Council President Mercer will serve as first and second alternates, respectively.

7. **Resolution 2022-03-07-03** for consideration to enter into an agreement with the Shelby County Park and Recreation Authority for site work and project administration for the Racquet Club sidewalk and drainage project

Acting City Engineer Chris Cousins explained the project where customers are now using the lower gate to enter the Racquet Club. He said this area was never intended to be an entrance which has resulted in drainage issues and damage to the turf. He stated the Shelby County Park and Recreation Authority has agreed to assist with regards to site work and project management. He further explained the budget adjustments needed to finance the project.

8. **Resolution 2022-03-07-04** for consideration to approve a professional services agreement with Mcleod Architect to provide architectural design services for the restoration of Fire Station No. 2

Acting City Engineer Chris Cousins explained the cleaning has been completed and the city is ready to move forward with reconstructing Fire Station No. 2. He stated the need to hire an architect to bring the building into code compliance.

9. **Resolution 2022-03-07-05** for consideration to approve a public works contract to perform full depth pavement patching and repairs along various sections of Grey Oaks Court

Acting City Engineer Chris Cousins explained the necessity to patch Grey Oaks Court prior to the paving this summer.

F. Public Hearing(s) – None

G. Mayor's Comments

H. Proclamation(s) by the Mayor and Others – None

I. Report of the City Manager

J. Report of the City Attorney

K. Request(s) to Address the Council – None

L. Old Business / Resolutions / Ordinances / Orders and Other Business – None

M. New Business / Resolutions / Ordinances / Orders and Other Business

1. **Resolution 2022-03-07-06** for consideration to increase the minimum hourly compensation pay for parttime and/or seasonal employees in the city's unclassified positions

Council President Mercer noted the difficulty in attracting qualified individuals. City Manager DiFante echoed the comments of Council President Mercer.

2. **Resolution 2022-03-07-07** for consideration to authorize an increase in the base pay compensation for the Pelham City Manager per the Employment Agreement

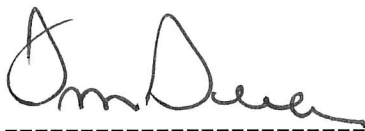
Council President Mercer stated City Manager DiFante received a favorable review and is due the increase per the Employment Agreement.

(End of March 7, 2022 Agenda Review)

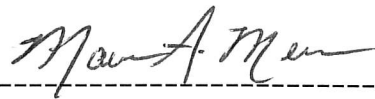
Adjournment

A motion to adjourn the work session was made by Councilmember Wash and seconded by Councilmember Lanier. The motion passed unanimously by voice vote of those members present, and the work session was adjourned at 6:47 p.m.

Respectfully submitted this 7th day of March 2022.



Tom Seale, MMC, City Clerk/Treasurer



Maurice Mercer, President of the Council

