

## **Parks & Recreation Board Meeting Minutes**

The Parks and Recreation Board of the City of Mesa met in a regular session at the Parks and Recreation office at 125 N. Hobson Street, Mesa on April 12, 2007.

### **Members Present:**

LeRoy Brady  
Russ Gillard  
Reggie Dye  
Connie Gullatt-Whiteman  
Don Goodrum  
Walter "Bud" Page, Jr.  
Marilyn Wilson  
Jeff Kirk

### **Staff Present:**

Darla Armfield  
Rhett Evans  
Mike Holste  
Sue Deck  
Robert Howerton  
Dale Furnas  
Rochelle Rotert  
Sherry Woodley  
Dawn Bies  
Kelly Rafferty  
J.D. Dockstader  
Andrea Moore  
Dave Dunne

### **Members Absent:**

Dina Lopez, excused  
David Martinez, unexcused

The meeting was called to order at 12:00 p.m. by Bud Page, Chair.

### **Approval of Minutes**

Mr. Page asked if there was a motion for approval of the minutes from the March 8, 2007 meeting. Marilyn Wilson made a motion, Russ Gillard seconded, and it was unanimously carried to approve the minutes from the meeting of March 8, 2007.

### **Chair Comments**

Mr. Page shared an article that had been published in the Mesa Tribune regarding the Kino Fast Pitch Girls Softball League. Dennis Ferguson, Fast Pitch Hall of Fame alumni, has stepped in and will be running the league, which will fill the gap left by the termination of the Mesa Girls Softball League been run by Chester Smith for the past 38 years. Mr. Page reported that the Mesa HoHoKams made a donation of \$10,000 for the purchase of uniforms and equipment for the league. Mr. Page mentioned that Mr. Ferguson has asked for others to come forward to help out with the league.

Ms. Wilson said the HoHoKams should be complimented for their generous donation.

### **Public Comments**

None.

### **Director's Report**

Rhett Evans introduced staff members Kelly Rafferty, Sue Deck and Dave Dunne to give a quick overview of the cemetery, golf, and baseball pro formas.

### Cemetery Pro Forma

Mr. Rafferty reported that the cemetery, which was established in 1891, has 10 full time employees (FTE's) who maintain 65 acres of developed land. He reported there are 11 acres of undeveloped land and four future expansions planned, with an estimated build-out for years 2024/2025. He reported that for FY 2006/07 there was projected revenue of \$1.3 million, with a projected ending fund balance of \$6.6 million. Mr. Rafferty stated that some of the challenges faced are maintaining the fund balance for sustained operations after build-out and increasing operational costs; however, there were opportunities for the Cemetery, such as the planned expansions, the facility's affordability in today's market, and its excellent reputation. Mr. Rafferty stated that some of the operational improvements planned are: maintaining a progressive/equitable fee structure, purchasing capital equipment from the cemetery fund, expansions in both grave spaces and niches, and having an estimated fund balance of \$22 million in FY 2024/25 to cover ongoing maintenance costs at build-out.

Mr. Rafferty asked Ms. Deck to share the cemetery financial information with the Board.

Connie Gullatt-Whiteman asked when the land that houses the radio tower would be available for use by the Cemetery. Ms. Deck stated it would not be available for use until FY 2016/17. Mr. Evans informed the Board that the radio tower land was one of the previously mentioned planned expansion areas.

Ms. Deck gave the Board financial history for the two previous fiscal years and outlined the direct costs and revenue for FY 06/07. She stated that through March 2007, the cemetery is at about 70% of their projected revenue, capital outlay was slightly higher than projected due to some unplanned expenses associated with the expansion areas, expenses were pretty close to where they should be, and cost recovery is at 127%, with \$192,529 going to the ending fund balance. Ms. Deck reported to the Board that the fund balance would be split with some of the funds set aside to cover capital outlay and emergency expenses through build-out and the remainder of the funds going to the perpetual care fund for sustainability at build-out. She stated that the Cemetery would need to have a return of 5.5% interest on the fund balance.

Mr. Evans explained to the Board how the Cemetery would remain self-sustaining through the fund balance with a 5.5% return on the fund balance.

Mr. Gillard thought 5.5% was fairly conservative and asked if the fund balance would continue to build if the actual interest rate were to rise. Mr. Evans replied yes.

Reggie Dye asked if staff expected to reach or exceed the projected \$1.2 million in revenue. Ms. Deck said that while sales were not something staff could project, staff was basing the estimate on 500 grave spaces sold per year and felt confident that number would be met.

Mr. Page asked how many unsold grave spaces remained. Ms. Deck answered there were approximately 3,000-3,200 spaces remaining. Mr. Page then asked if opening/closing fees would increase in future years. Ms. Deck stated that projected revenues included a 3% annual increase.

Mr. Goodrum asked if O&M costs would go down after build-out. Mr. Evans replied that those costs would primarily be personal services for maintaining the facility; however, some of the sales at this time are pre-need and, therefore, the cemetery would still need to provide opening

and closing services in the future. The decisions about the number/type of staff required had not been made as it was so far in the future.

Ms. Wilson asked if the capital outlay costs for FY 07/08 were up due to the expansion. Ms. Deck stated that it was due to a planned niche bank expansion and capital equipment needs.

Ms. Gullatt-Whiteman asked about vandalism, especially at build-out when staffing levels would be lower, and asked if vandalism was a big issue at the Cemetery. Mr. Evans explained that with the gates surrounding the property, vandalism was quite low at the Cemetery.

Ms. Gullatt mentioned the microburst when several trees were uprooted on the property. Mr. Evans confirmed that it had occurred in 2003/04.

#### Golf Pro Forma

Mr. Rafferty reported on annual rounds and revenue for both Dobson Ranch and Riverview Golf Courses. He reported that Dobson Ranch had projected revenue for FY 06/07 of \$1.6 million and Riverview had projected revenue of \$800,000. He stated that some of the challenges in golf included increasing capital costs for the facility and equipment and increasing operational costs. He pointed out that opportunities for the golf section included the food and beverage contract at Dobson Ranch coming for renewal in 2007, on-line reservations system, and increased sponsorships at both facilities. Operational improvements for the golf section include a progressive/competitive fee structure, new revenue generated by sponsorships and a revamped catering/concessions contract in FY 07/08. Mr. Rafferty reported to the Board that Dobson Ranch been rated the #8 public golf course by the Arizona Business magazine.

Ms. Gullatt-Whiteman asked for the latest information on the Waveyard Project at Riverview. Mr. Evans stated that Council was deciding whether to put the Waveyard Project on the ballot for November 2007, as bonds for Police, Fire and Streets were also being considered for that ballot and the Council was concerned with overwhelming the voters. He stated that if the project does not go on the ballot for November 2007, there was a good chance it would go to another city.

Mr. Rafferty asked Ms. Deck to share the golf financial information with the Board.

Ms. Deck said that through March revenue was at \$1.8 million, about 70% of the target goal, expenses were at \$1.3 million, capital outlay very minimal, and debt service at \$44,000. Direct cost recovery at \$401,000, equaling 127%, with an ending fund balance of \$603,000, with only the direct costs included, not including indirect costs. She informed the Board that revenue is projected to increase by 1.5% annually, while expenses are projected to increase by 3.4%.

Mr. Goodrum asked if these figures included both Dobson Ranch and Riverview. Ms. Deck replied that both facilities are included.

Mr. Page asked if the City uses reclaimed water at Dobson Ranch and if reclaimed water would be used at the Waveyard project. Mr. Evans explained that the City uses reclaimed water at both golf courses and that he assumed that most likely it would not be used at the Waveyard project since the uses are different.

Mr. Rafferty introduced Dave Dunne to the Board.

Mr. Page reported that he had seen a video of Mr. Dunne on Channel 11 and that he had done an excellent job of the report about the facility.

### Stadium Pro Forma

Mr. Dunne gave an overview on the history of Hohokam Stadium and Fitch Baseball Complex, and explained to the Board that while the Stadium was used primarily for Spring Training, Fitch Park was used approximately 11 months of the year for the Chicago Cubs minor league teams. Mr. Dunne told the Board the new stadium was built in 1997 for \$30 million, with \$20 million being paid for by the Tourism and Sports Authority and the other \$10 million by the City of Mesa. Some of the challenges in the baseball section are the rising debt service, upkeep of the facility (carpeting, outfield pads, surfaces in the dugouts/tunnels, seats needing to be replaced), limited opportunity for special events at the facility (weddings, health fairs, concerts), increasing operational costs and capital equipment replacement. He reported that there are four partners involved in the baseball operation at Hohokam Stadium - the Chicago Cubs, the City of Mesa, the Mesa HoHoKams, and Ovations Food Services, the concession vendor. He stated that the previous contract was not a very good deal for the City of Mesa and the fans suffered due to the previous contract limitations. The current concession vendor has increased food/beverage and merchandise by \$500,000-\$600,000 over the best year in the old contract. He reported that there was a huge variety of food/beverage and the concessionaire is considering have the store open year-round or at least during the holidays. He informed the Board that Ovations had done \$1 million in improvements at the Stadium; suite sales have improved due to the improvements. Ticket sales for Spring Training 2007 were \$2.5 million, leading all of Major League Baseball (MLB). There were 16 games playing in 2007, seven games were on national TV, and eight games were sold out. Mr. Dunne said that a portion of the Spring Training revenue is needed to fund operational improvements. He said there has not been a lot of return on the investments from Spring Training. He reported that the HoHoKams had been a good partner, helping the City with some of the needed improvements; however, they were not going to be able to fund the future improvements. He said the City had been creative using sponsorship ticketing, facility fees, and were talking about naming rights for the facility in an effort to increase revenue for the program. He reported that Hohokam Stadium led all of MLB in attendance with 175,891 for 16 games, leading the league nine out of the past 10 seasons. The Cubs set a Spring Training record for attendance at the March 29<sup>th</sup> game with 12,900. There was \$6 million in revenue generated through the facility through Spring Training 2007. Mr. Dunne reported that a study done by the Cactus League determined the majority of people attending games were from out of state, and spent \$225-\$250 million in the host communities around the valley. The Wall Street Journal mentioned Mesa, Arizona and Hohokam Park as the best place to go for a Spring Training game and the Cubs at Fitch Park were featured on the cover of Sports Illustrated for the Spring Training season.

Ms. Gullatt-Whiteman asked when the Board could take a tour of the facility. Ms. Wilson asked how staff seated 12,900 people at the facility when it only seats 12,700. Mr. Dunne explained that the added tent, as well as the patio areas, is not being included in the number of seats.

Mr. Page asked about the March 29<sup>th</sup> game setting an all time Spring Training record for both Cactus and Grapefruit Leagues. Mr. Dunne confirmed this.

Ms. Deck reported that the revenue received year to date for pro baseball was \$876,000, which did not include any revenue from Spring Training. She reported that the City receives \$100,000 for bed tax contributions from Mesa Convention & Visitors Bureau annually, has sponsorships of \$20,000, miscellaneous revenue (weddings, concerts, etc.) of \$90,000, expenses of \$1.5 million, capital outlay of \$15,000, and debt service of \$300,000. Projected O&M profit and loss is projected at (-\$992,000).

Mr. Dye asked if the bed tax and sponsorship amounts would increase or remain static. Mr. Evans stated that the bed tax was part of the deal when the Stadium was built and would remain at \$100,000. Staff is hoping to increase sponsorship funds with naming rights, etc. to help with the bottom line at the Stadium.

Ms. Gullatt-Whiteman asked if new hotels in Mesa would increase the bed tax we receive. Mr. Evans replied that the amount is a set amount and would not change. Jeff Kirk stated that the bed tax is a pooled amount for projects.

Mr. Goodrum asked where the money was coming from to keep the facility going. Mr. Evans responded that it was from the City General Fund.

Ms. Wilson said that the balloon payment seems like an impossible scenario and that something like naming rights may help. Mr. Evans explained that early on the City didn't pay a lot towards the debt service so it is coming due at the end of the loan. Mr. Goodrum asked if there was any expectation for the facility to recover its costs. Mr. Evans said that the expectation was most likely for it to remain the same, that the stadium had previously been at 46% cost recovery and most recently at 56%, which is very good for a facility that size. Mr. Goodrum asked how other stadiums are doing. Mr. Dunne replied that none of the Spring Training facilities in all of MLB makes money. Ms. Wilson stated that this is one of those cases where a property tax would help to fund some of these areas of the City, that we couldn't just shut it down because we don't have any money. Ms. Deck said that Spring Training is more of an economic impact when looking at what it costs to host Spring Training versus what does the City gets back.

Mr. Page asked what the percentage was of visitors from out of state. Mr. Dunne said preliminary numbers showed it was 55-60%. Mr. Page replied that if the Stadium were shut down it would impact 45-50% of the local residents also.

### **Park Ranger Update**

J.D. Dockstader gave an update on the Park Ranger program, including some history on the program, how it had gone from 16 employees to 4 FTEs in recent years. With those changes within the program, staff is starting to see the impact in the parks. Mr. Dockstader mentioned four points of impact:

- To date, approximately \$30,000 has been spent on vandalism repair. Since these costs were not tracked last year, it is difficult to say how much higher vandalism costs are this year; however, both maintenance supervisors agree that graffiti and vandalism have noticeably increased over the past year.
- Staff has refunded \$3,000 in reservations fees this year, and anticipates seeing a more substantial impact next year when groups that have traditionally used our parks and ramadas don't return. Many users have called in to complain that there are no Rangers to assist them in removing people from the ramadas that they have in fact reserved.
- There have been many public complaints about the lack of trash removal during high-use weekend time periods. When a larger number of Rangers were on staff, they would visit parks during the day and change out the liners in the full trash barrels, resulting in much cleaner parks. Now that the Ranger staff has been reduced, trash barrels are not being emptied during the day. Although extra bags are always available to the patrons, they are not using them and removing full trash bags. Staff has suggested increasing the number of trash receptacles at heavy-use parks to see if it improves the cleanliness of the parks.

- Citizens via complaints have reported more drug activity in parks. Because the Ranger staff is so small, there is no way to provide a consistent presence, and unfortunately, the unsavory element that is promoting these activities knows that. Staff has asked the Police Department and other City departments who drive City vehicles to use the parks' parking lots when they must pull over to complete reports, etc. Hopefully, additional City vehicle presence will serve as a deterrent.

Mr. Dockstader would like to see the Board start a grass roots effort to increase the Parks Ranger Program. He feels we are putting our reputations and our citizens at risk by not providing that service.

Ms. Gullatt-Whiteman asked if staff had been fielding questions/comments from citizens and if Council is getting any input, and how would the Board go about getting citizens to give more input since they are seeing the drug activity. Mr. Dockstader replied that Sherry Woodley had been receiving calls and emails, but he did receive an email from a City Council member about the parks being used improperly, trash building up, parking illegally in the street, changing clothes out in public places after games, etc. Ms. Woodley said staff used to send the calls to the Council offices, but had been directed to stop sending the calls to Council.

Mr. Page asked if the Mesa Public Schools (MPS) had any type of security to help with the vandalism at the pools. Ms. Woodley said they had security officers that were supposed to be patrolling and that the Rangers used to coordinate with them. The Rangers don't get by the pools like they used to as they are spread so thin that the whole security presence has been diluted. Mr. Page asked if there was a predominant day that the vandalism in the parks or pools occurs. Mr. Dockstader replied that he believes it is weekend nights when later curfews are in effect.

Mr. Page asked when the pools open. Mr. Evans replied that it is Memorial Day weekend. Mr. Page asked if having the pools open had any impact on slowing down the vandalism at the pools. Ms. Armfield indicated that it is a year round problem.

Mr. Goodrum asked if there was any campaign to get this vandalism information out to the public. Mr. Dockstader replied there was a campaign started called "Stop The Metal—ing", which focused more on the copper wire theft issue. Staff would like to start another campaign to share this vandalism information with the public.

Mr. Goodrum said he knew the Ranger program had been cut back but didn't know about the issues associated with it. Mr. Evans informed the Board that City staff would welcome any input from the Board and for the Board to work as an advocate to help staff with these issues. He thinks that the City needs to focus on the broad scope of what will happen in our parks and facilities in years to come and get that message out to the public. Staff would like to work with the Board to develop that information and get it before Council members.

Ms. Gullatt-Whiteman asked about cameras being installed to provide additional security. Ms. Armfield said four cameras had been included at the Carson Pool renovation but we're having difficulty with not enough cameras to provide adequate coverage at the sites. She mentioned that it was better to have cameras installed during construction and not after the fact.

### **Reports on Meetings/Events Attended by Board Members**

None.

## Staff Updates

Ms. Armfield gave a status update on the Carson Pool renovations. She informed the Board that there had been some problems with the sewer/backwash system and had to postpone the opening while the problems were taken care of. She said the anticipated completion date for these repairs is by May 25<sup>th</sup> so it will hopefully be complete in time to open for Memorial Day weekend. She showed pictures of the old and new sites to the Board.

Ms. Wilson asked when the dedication would be. Ms. Armfield replied that it would probably be the Friday prior to Memorial Day weekend, tentatively May 25<sup>th</sup>. Mr. Evans added that staff would send out invitations to the Board and that the Mayor and a member of MPS would be breaking in the slides at the event.

Ms. Armfield informed the Board that architects for the improvements at Rhodes and Kino pools had been selected. Staff is evaluating two facilities, Mesa Jr. and Taylor, for the next renovations as the diving well is cracking at Mesa Jr. and separating from the main tank, which staff has determined is more urgent than renovations at Poston.

Mike Holste went over the large variety of programs in the TimeOut brochure for summer. He said the workforce is down for summer programs this year due to increased competition with cities around the valley.

Mr. Page asked what the circulation of the TimeOut was. Mr. Holste replied that it was around 12,000 per session, down some since its online debut.

Mr. Holste reported that on March 30 - 31 the City of Mesa hosted the Special Olympics State Basketball and Cheerleading Competition. The activities were held at eight different sites with 1,200 participants and 1,100 spectators in attendance. A total of 69 teams from throughout Arizona participated in several different levels of competition, and everyone had a GREAT time in Mesa!

Andrea Moore reported to the Board that the playground at Kingsborough Park would be upgraded to make it ADA accessible through CBG funding starting at the end of the summer. She reported on an event at Park of the Canals on March 31<sup>st</sup>, which had 250 volunteers from ASU Cares who cleaned up the vegetation, painted, and installed a trail at the park.

Mr. Evans told the Board that Council does not plan to include the Park Bonds on the ballot for the upcoming vote in November 2007. Concerns noted include: there would be no capital for infrastructure upkeep/improvements; there would be a 12 year gap in adding any new parks in Mesa; and questions about whether the City banks land for future parks or sells some of the undeveloped land to generate park development funds. Ms. Moore will be looking into the various options.

Ms. Wilson stated that parks are an absolute necessity and wondered about the wisdom of not putting the issue on the November ballot. She felt it should be put before the voters and let them decide. Mr. Evans said that the bonds would be financed with a secondary property tax and Council feels they may not pass. Ms. Wilson asked about the timeline for getting the bonds on the ballot. Mr. Evans said he would get that information for the Board.

Ms. Gullatt-Whiteman asked about the Pioneer Park locomotive report. Mr. Evans reported that a draft of the report was expected from the consultant next week and that the issue would be on the May agenda for action to be taken.

Ms. Deck told the Board the PRCF department budget presentation would be April 19<sup>th</sup> at 7:30 a.m., with Fees and Charges following the study session. Ms. Wilson asked if staff wanted the Board to attend. Mr. Evans replied that the fees and charges could raise some questions about what fees are being raised and why. He invited the Board to attend if they have interest in either the Pro Forms or Fees & Charges. He asked Ms. Bies to send out the agenda for the meetings.

Mr. Page asked if there were any other items for discussion.

Mr. Page asked if there was a motion to adjourn.

Mr. Goodrum made a motion, Mr. Gillard seconded and the motion was carried unanimously. The meeting was adjourned at 1:25 p.m.

Respectfully submitted,

J. Rhett Evans  
Parks, Recreation and Commercial Facilities Director