

PARKS AND RECREATION COMMITTEE

DATE: September 10, 2009

CALLED TO ORDER: 5:01 p.m.

ADJOURNED: 5:56 p.m.

ATTENDANCE

ATTENDING MEMBERS

Susie Day, Chairwoman
Vernon Brown
Monroe Gray
Janice McHenry
Mike McQuillen
William Oliver
Mike Speedy

ABSENT MEMBERS

AGENDA

BUDGET HEARING

Arts Funding
Review and Analysis

PROPOSAL NO. 321, 2009 - adopts the annual budget for the City of Indianapolis and Marion County for 2010 (Parks portion only)
"Do Pass As Amended"

Vote: 4-3

PARKS AND RECREATION COMMITTEE

The Parks and Recreation Committee of the City-County Council met on Thursday, September 10, 2009. Chairwoman Susie Day called the meeting to order at 5:01 p.m. with the following members present: Vernon Brown, Janice McHenry, Mike McQuillen, and William Oliver. Councillors Monroe Gray and Mike Speedy arrived shortly thereafter. General Counsel Robert Elrod and Chief Financial Officer James Steele represented Council staff.

Chairwoman Day asked all members to introduce themselves and indicate which areas of the County they represent.

BUDGET HEARING

Arts Funding

Sean Mulholland, chairman of the board of directors of the Arts Council of Indianapolis, stated that they continue to work with the current administration to find alternative funding sources for the arts in Indianapolis. He said that this is a transition period of moving toward a more stabilized funding format instead of relying on property taxes. Dave Lawrence, Arts Council director, stated that although the economy is showing some slight improvement, it is still unstable, and the city continues to face difficult decisions. He said that the support given to the arts does not stay with the Arts Council, but is re-allocated through a competitive grant program with a very fair and open grant process. He said that these grant dollars do not fund main stage performances or salaries, but instead are used to support free concerts, after-school programs, free tickets and cultural tourism activities, to name a few.

[Clerk's Note: Councillors Gray and Speedy arrived at 5:04 p.m.]

Mr. Lawrence said that to say that arts are not an essential service is really not accurate. For many residents, producing art is their main source of income, and some artist claim that they have to "dance to breathe," and it is such a part of their quality of life that it becomes essential and very crucial. He said that art programs are a great deterrent of crime and provide a vital source of economic development for the city. He said that a recent study showed that the arts brought in over half a billion dollars of economic development to the city, half of which stays with the city. Mr. Lawrence said that supporting the arts is therefore a smart business decision and a wise investment of dollars. For every one dollar invested in the arts, the leverage is five-fold. He said that he appreciates the allocation provided to the arts community and hopes that the Council will continue to look at all the benefits as they consider future budget decisions.

Councillor McQuillen said that he found the 2008 financial report of the Arts Council online and noticed that they spent \$368,000 in administration costs. He asked what the cost is for 2009, as he believes they earlier testified it was less. Mr. Lawrence said that 2009 is not complete, so he cannot say for sure, but they believe it will come in at approximately 3% less than 2008. Councillor McQuillen asked if most of this reduction is due to a couple of positions that the Arts Council has decided to leave vacant. Mr. Lawrence responded in the affirmative. Councillor McQuillen asked if members of the group awarding the grant allocations recuse themselves if they serve on the board of a particular recipient, so that the decisions are fairer and more objective. Mr. Lawrence said that the scoring recommendations are actually done out-of-state, and the board simply ratifies those decisions. If a board member is the member of a grant recipient board, then they recuse themselves from discussion on that grant and do not vote on that particular allocation. Councillor McQuillen asked if each grant recipient is then voted on individually. Mr. Lawrence said that the board acts on the recommendation through one full vote, but affected board members can sign a conflict of interest form recusing themselves from the vote on a particular grant. Councillor McQuillen said at the end of the day, however, the board still takes just one vote on the total allocation. Mr. Lawrence responded in the affirmative. He added that he has brought copies of the Arts Council's annual report for committee members. He clarified that the Arts Council does have other funding and income that pays for other grants, services and programs that cannot be funded through the city's grant program. He said that, therefore, this discussion really only applies to the allocation of the one million dollars from the city. He said that they have budgeted less for administrative costs for 2010, at less than half the amount spent last year.

Review and Analysis

PROPOSAL NO. 321, 2009 - adopts the annual budget for the City of Indianapolis and Marion County for 2010 (Parks portion only)

Councillor McHenry moved, seconded by Councillor McQuillen, to "Amend" Proposal No. 321, 2009 as per Exhibit A. Chairwoman Day asked Mr. Steele to explain this amendment. Mr. Steele said that this amendment moves \$653,922 from Character 03 to Character 01. He said that when the budget was presented, the department anticipated that a mowing contract would be put out for bid for certain parks and therefore moved those funds from personnel to contracts. He said, however, that it is anticipated that employees will actually bid on that contract, and if they win the bid, the money would need to remain in Character 01. He said if an outside contractor wins, then the money would need to come from Character 03. He said that this amendment moves it back to Character 01 until the outcome of that bid process is known.

Councillor Brown asked if this increase in Character 01 is therefore not a raise for current employees. Mr. Steele said that it is not. Councillor Brown asked if this change guarantees that any jobs will be saved. Mr. Steele said that if current employees are

awarded the mowing contract, then this would essentially prevent the loss of jobs. He added that American Federation of State, County and Municipal Employees (AFSCME) employees did receive a salary increase, and therefore, there is a slight increase for current employees included in that transfer amount. Councillor Brown asked if that increase is not already in Character 01. Mr. Steele said that the salaries, along with increases, were moved to Character 03, but this amendment would move it back to Character 01.

Councillor Gray asked what the purpose was for moving the money out of Character 01 in the first place. Angela Daniel, Chief Financial Officer (CFO) for the Department of Parks and Recreation (DPR), stated that they built the budget with some of the weekly salaries line moved to Character 03, because of the decision to bid out some of these contracts. Councillor Gray asked if the department was anticipating that the private sector would win the bids. Ms. Daniels said that they could not predict who would win, but did some projections that some might be won by outside contractors. Councillor Gray asked if they are now anticipating that city employees will win the bid and are therefore moving it back. Chairwoman Day stated that she is the one who requested that this amendment be drafted to move the funds back to Character 01.

Councillor Speedy asked if union employees submit the winning bids if they are then considered private contractors. Mr. Steele said that it would depend on the parameters of the bid and how they submit the bid. Councillor Speedy asked if current union employees will have the opportunity to match the best bid or if their up-front bids are the only ones considered. Stuart Lowry, DPR director, stated that the bid process is handled through the Purchasing Division, and he is not sure of their regulations. He added that it might depend on the rules of the request for proposals (RFP), as different RFPs have different stipulations. Councillor Speedy said that he understands they have the discretion to allow current employees to match an outside bid.

Councillor Brown stated that if there is an opportunity for DPR employees to match the low bid, then the director could insist that those bids be accepted in order to keep employees in place, and surely he would support such. Mr. Lowry said that he supports giving the employees the opportunity to compete and find efficiencies through the RFP process. Councillor Brown said that they need to check with Purchasing to determine if the matching of bids is allowable. Councillor Speedy said that it is his understanding that the Purchasing Division can orchestrate an opportunity for the union to match the lowest bid. Mr. Lowry said that once the bids go into that RFP process, the Purchasing Division is responsible for overseeing all aspects of the bid to see that it is processed fairly. Councillor Brown asked if Mr. Lowry can offer a commitment to keeping DPR employees. Mr. Lowry said that it is his intent to give current employees every opportunity to keep their positions through the bid process. David Reynolds, City Controller, stated that when the administration sat down with union representatives, he made it clear that the first option was to identify savings instead of resorting to an RFP process. He said that if the unions and administration can work together to find ways to achieve the same savings without initiating the RFP process, then they will not need to

do so. He said that if they do go down the RFP path, then Purchasing would have the opportunity to allow DPR employees to make the best and final offer against a low bid. Councillor Brown asked if Mr. Reynolds is guaranteeing that option. Mr. Reynolds responded in the affirmative.

Councillor Gray asked if contractors win the bid and the money is moved to Character 01, what happens to the employees. Mr. Lowry said that if an outside bidder wins, then there would be a reduction in full-time equivalent (FTE) positions. Councillor Gray asked if they would then be laying people off. Mr. Lowry said that in essence, that would be the result, as they would not have that position anymore.

Councillor Oliver asked if Chairwoman Day is accepting public comment. Chairwoman Day said that public testimony on the budget was accepted at the last meeting, and this meeting is for review and analysis by the committee. Councillor Oliver said that the union president testified at the last meeting regarding the negative impact of the bidding process on employees. He asked if an outside vendor wins the bid will they have access to the city's facilities and resources, giving them an unfair advantage. Samantha Karn, Office of Corporation Counsel, stated that the bid process will compare apples to apples and will use baseline numbers to look at everyone's bids. She said that if an outside vendor uses the city's resources, they would have to pay for the use, and that would be included in the RFP. Councillor Oliver said that there has been a lot of discussion about outsourcing, and he disagrees with that process and feels that the administration would be throwing the city employees under the bus and giving an unfair advantage to others.

The motion to amend as per Exhibit A carried by a vote of 6-1, with Councillor Oliver casting the negative vote.

Mr. Lowry gave a quick overview and brief presentation of a handout regarding questions and concerns raised at the last meeting. [Clerk's Note: A copy of this handout is on file in the Council office with the official set of these minutes.] The presentation covered the following key points:

- Sustainability Partnership – a pending stimulus grant of \$950,000 to help reduce utility costs through installation of solar power roofs at the Major Taylor Velodrome and Riverside Family Center and a green roof system at Holliday Park.
- Brightpoint, Inc. Partnership – \$50,000 in improvements and upgrades to Watkins Park
- Mowing – late finalization of contracts and wettest summer since 1964 produced challenges, but 20 total mowing cycles are projected through October
- Maintenance – current RFPs include electrical, plumbing/pool plumbing, and HVAC; potential RFPs include mowing, trash, athletic field maintenance, turf maintenance, painting and power washing/graffiti removal

- Windsor Village Park – increase in programs and amenities resulted in double the amount of users in one year's time
- Programs – usage and attendance at day camps and after-school programs increased in the summer of 2009
- Play Indy! Program – though sites decreased, number of participants increased over the past three years.
- Eastside Mobile Recreation Unit – participants increased 67% and 102 backpacks were distributed to far eastside neighborhoods

Mr. Lowry added that the handout also provides supplemental materials on land stewardship, mowing, legal settlement increases, team communications, 3rd Street and Venture, the summer lunch program, and aquatics programs.

Councillor Gray stated that it is great to bring in new programs and renovated facilities through partnerships, but asked how they will maintain these if they eliminate maintenance positions. Mr. Lowry said that the new facilities should have a more sustainable life span, and they are trying to be more efficient with their dollars and do more with less.

Councillor Oliver said that he mentioned some areas that were not being mowed at the last meeting, and some of that has been corrected somewhat, but he still has concerns about taking parks property off the mowing rotation without any taxpayer input. He asked if they are planning to cut at the same level in 2010 as they have in 2009. Don Miller, Land Stewardship, stated that the portion of Washington Park that has been designated as a future wildflower/prairie area was planted this year and they expect to see the results in the second or third year. This area was bare soil and they had to clear invasive brush from around the area to provide a better view of the path. He said that this designated area will not cause them to lose usable acres and had no impact on the picnic or play areas. Councillor Oliver said that he does not understand why a prairie habitat is needed for the monarch butterfly and hummingbird when they are not protected species. He asked why this area was chosen instead of a roadway or highway. Mr. Miller said that DPR currently has 260 acres of prairie habitats and is not sure exactly why this particular area was chosen, but they intentionally avoid areas where the habitat would conflict with playgrounds or active play or recreation areas. He said that all of these locations go through the park planning division. Councillor Oliver said that another sign indicated that eliminating this area from mowing would decrease expenses and emissions that cause pollution. Mr. Miller said that they are actively seeking to decrease spending and to decrease pollutant emissions. Councillor Oliver said that he cannot support taking away parks land to save a few thousand dollars. Jeff Ward, environmental education administrator, stated that over a 20-year period, this could result in a \$6 million savings; but he added that these habitats are used for educational purposes, and DPR naturalists use them to teach children. Councillor Oliver said that they are balancing the budget on the backs of his residents, and citizens pay taxes for infrastructure and quality of life.

Councillor Brown said that he appreciates the mobile unit efforts, but these vans cannot provide grass, tennis courts, pools, or computer labs. Mr. Lowry said that the vans provide supplies and staff to help neighborhoods with ideas on how to create recreational opportunities in their own backyard. Councillor Brown said that organized play is great but there are so many apartment complexes full of children on the east side, with no recreational facilities. Mr. Lowry said that they are looking at greenspace per capita, as well as housing density, and trying to add greenspace where possible.

Councillor Gray asked if there are consequences if the mowing is not done by the vendor to the department's satisfaction. Mr. Lowry said that they can work with the vendor and mitigate, or even terminate, the contract, if needed. Councillor Gray asked if they have terminated any contracts this year. Ron Banks, maintenance supervisor, said that the contractor responsible for Douglas Park and Sahn Park realized he had underbid and followed the proper procedures to cancel his contract, but they have not terminated any other contracts.

Councillor Speedy moved, seconded by Councillor McHenry, to send the Parks and Recreation portion of Proposal No. 321, 2008 to the full Council with a "Do Pass As Amended" recommendation. The motion carried by a vote of 4-3, with Councillors Brown, Gray and Oliver casting the negative votes.

Councillors McQuillen, Brown and Oliver asked for consent to explain their votes. Consent was given. Councillor McQuillen said that he voted to support the proposal, but still feels there is some conflict of interest with regard to the arts grant awards and would like to see this process more closely monitored and scrutinized. Councillor Brown said that he voted against the proposal because there are no recreational opportunities for the eastside and because the lowest paid employees are the ones who are always cut. He said that he does not believe the Parks Department budget is funded at an adequate level, and the city is not taking care of its employees. Councillor Oliver said that he opposed the motion because he does not agree with the justification for outsourcing or the reduction of parks land that taxpayers in Marion County use.

There being no further business, and upon motion duly made, the meeting was adjourned at 5:56 p.m.

Respectfully Submitted,

Susie Day, Chairwoman

SD/ag