



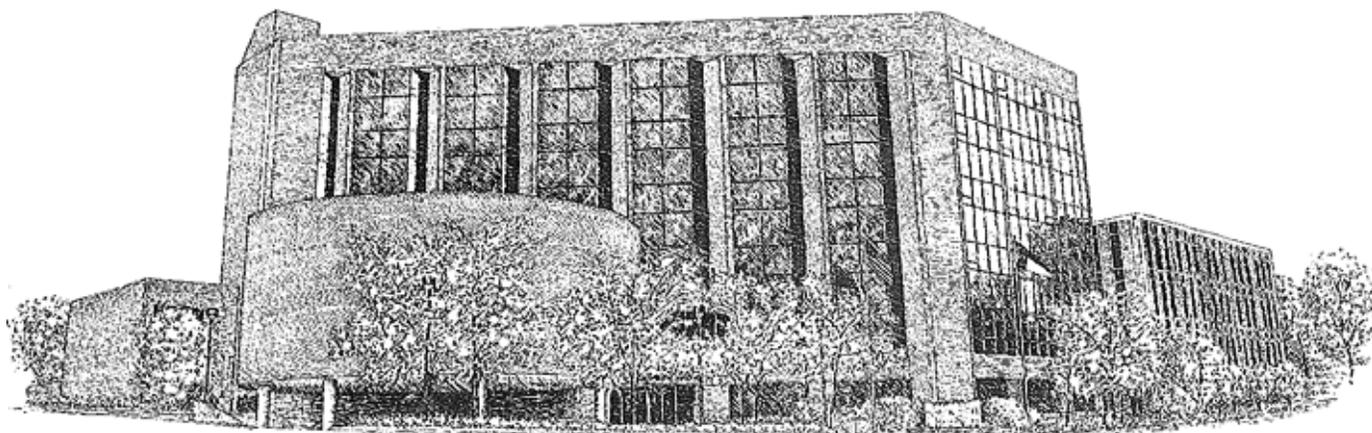
Official Agenda

RALEIGH CITY COUNCIL

Nancy McFarlane, Mayor
Kay C. Crowder, Mayor Pro Tem
Mary-Ann Baldwin
Corey D. Branch
David N. Cox
Bonner Gaylord
Russ Stephenson
Dickie Thompson

TUESDAY, APRIL 19, 2016
11:30 A.M. LUNCH WORK SESSION
CITY COUNCIL CHAMBER

Avery C. Upchurch Government Complex



222 West Hargett Street, Raleigh, North Carolina 27602

A. MEETING CALLED TO ORDER BY THE MAYOR

B. AGENDA

1. Future Water Supply

Robert Massengill, Public Utilities

Public Utilities staff will provide a brief update on the status of water supply planning and current source water quality issues and concerns.

2. Parks – User Fee Update

Allison Bradsher, Finance

Scott Payne, Parks, Recreation and Cultural Resources

Finance and Parks, Recreation and Cultural Resources staff will provide a brief update on the PRCR user fee study.

Water Resource Assessment and Plan Update



Public Utilities Department
April 19, 2016

Agenda



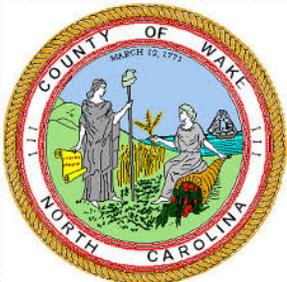
Introduction



Water Quantity

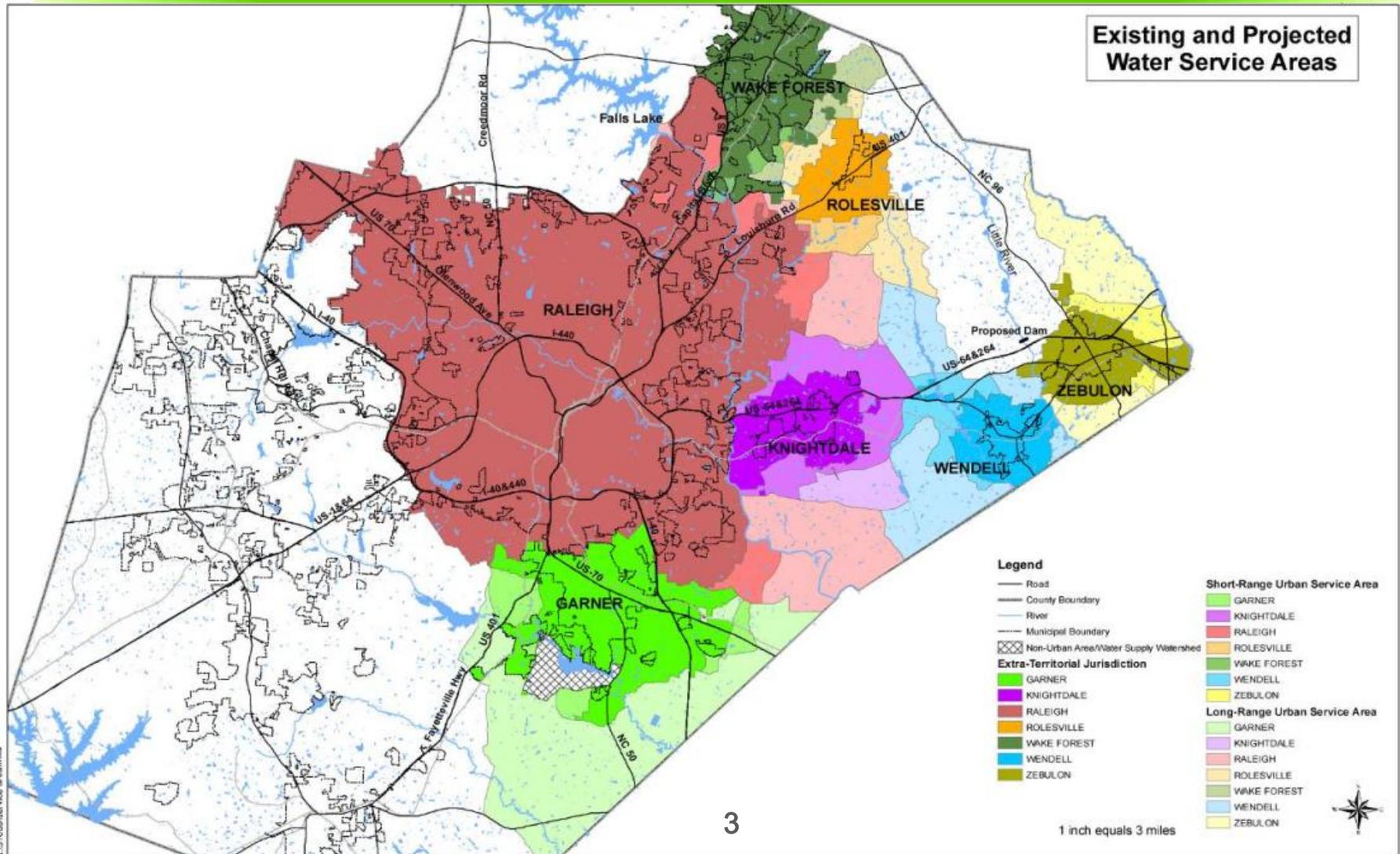


Quality of Source Waters



Wake County Water Partnership

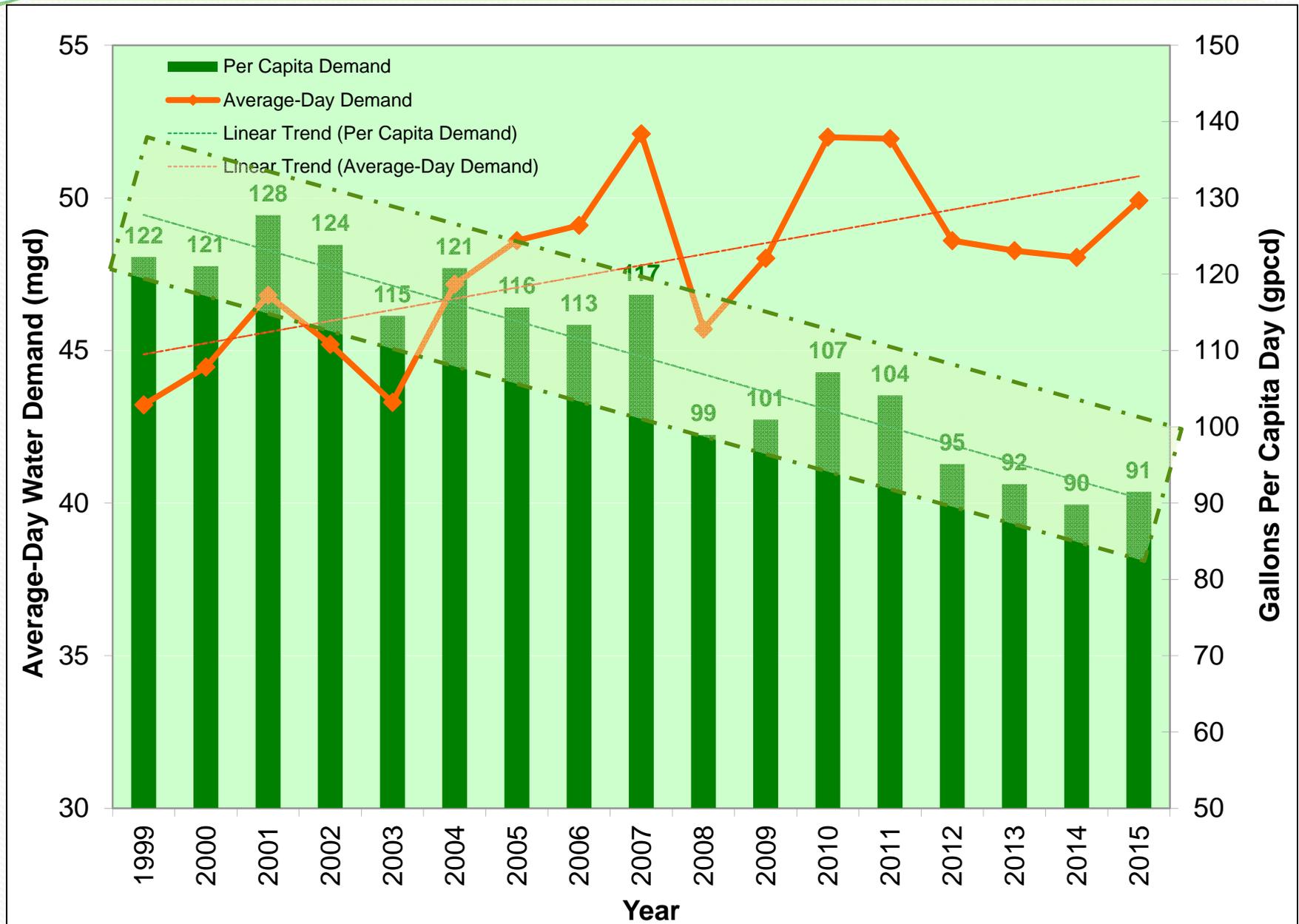
Utility Service Area



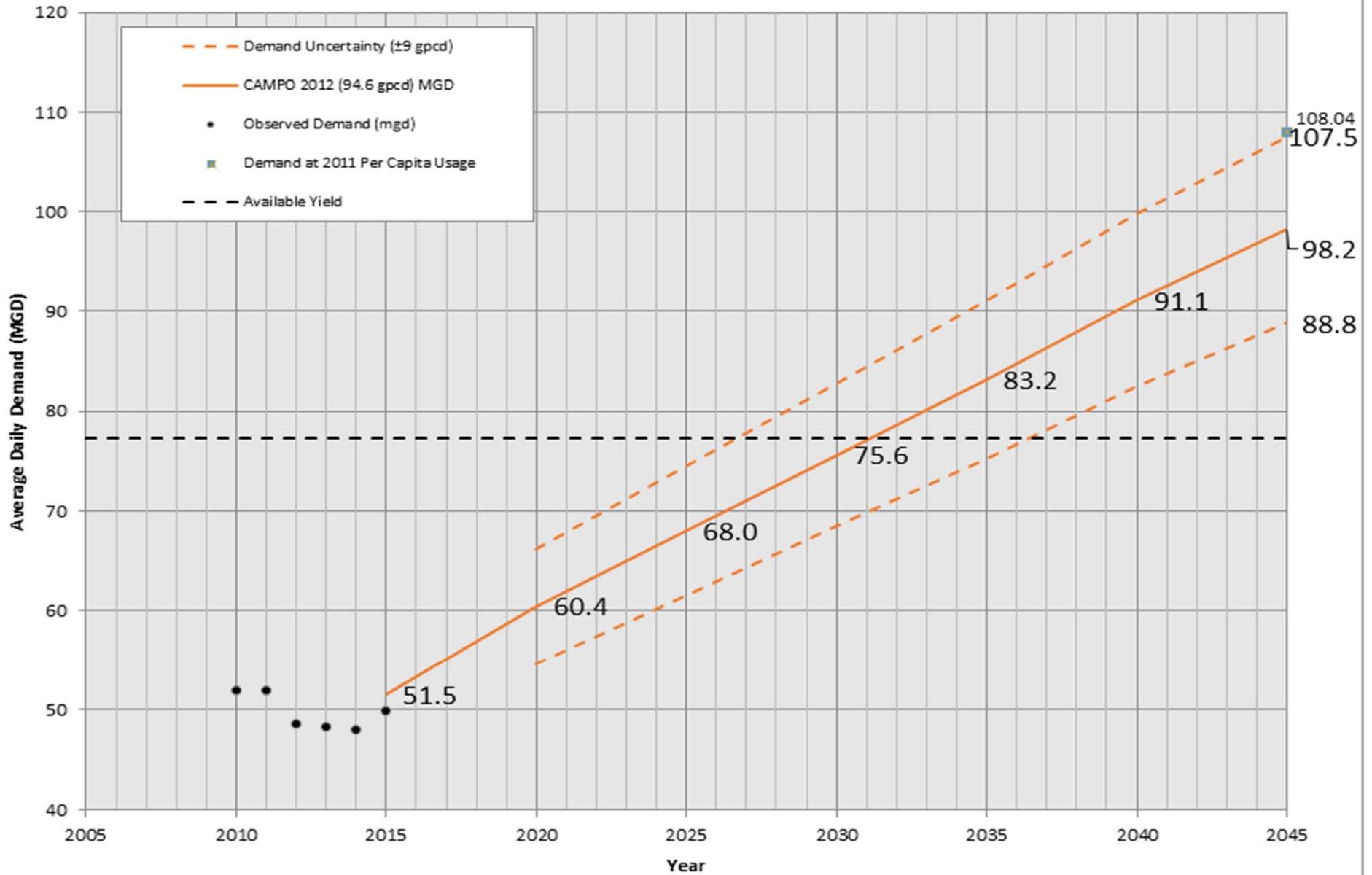
R:\31089\service areas.mxd

Source: Wake County GIS, and NCDOT

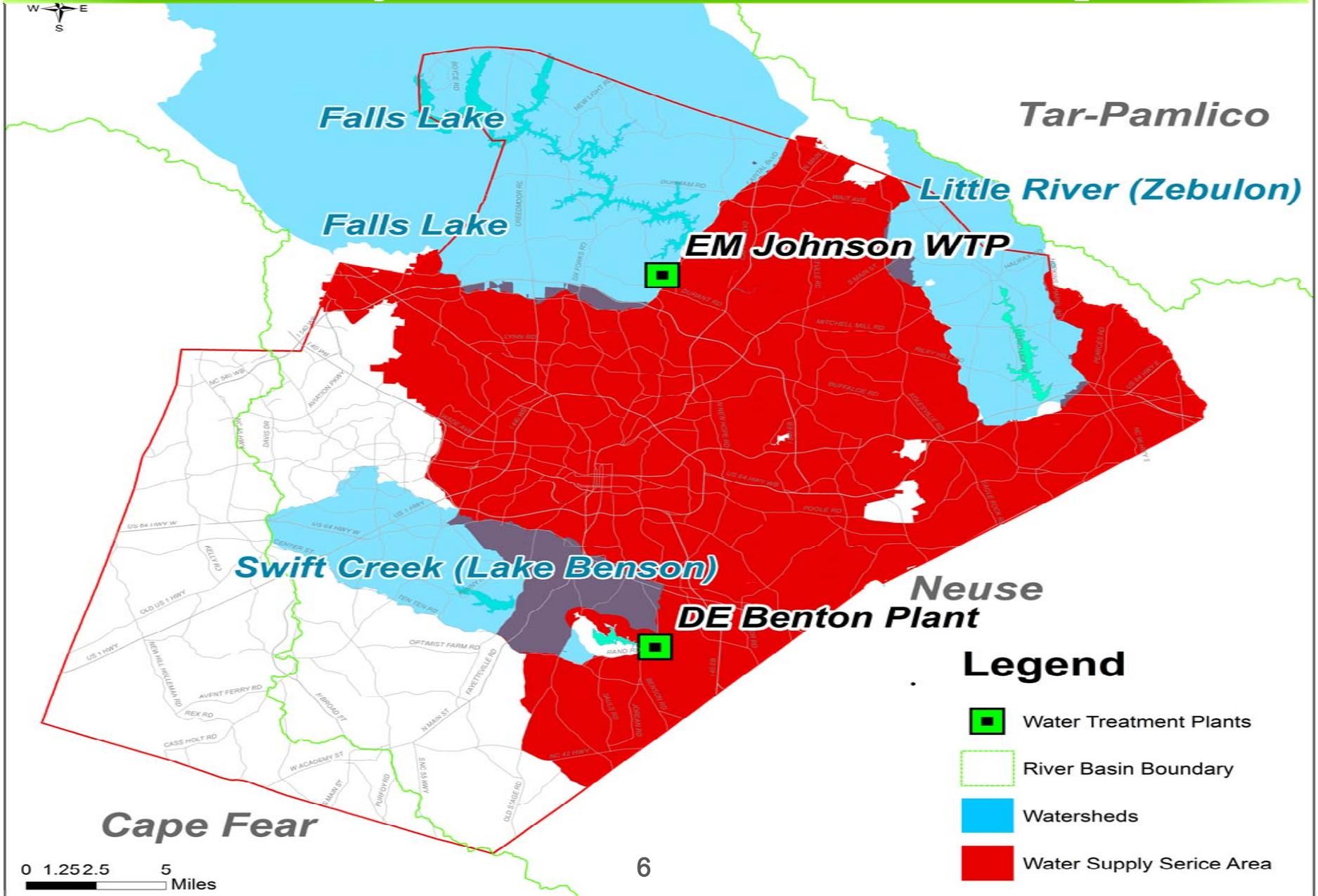
Water Consumption Trends



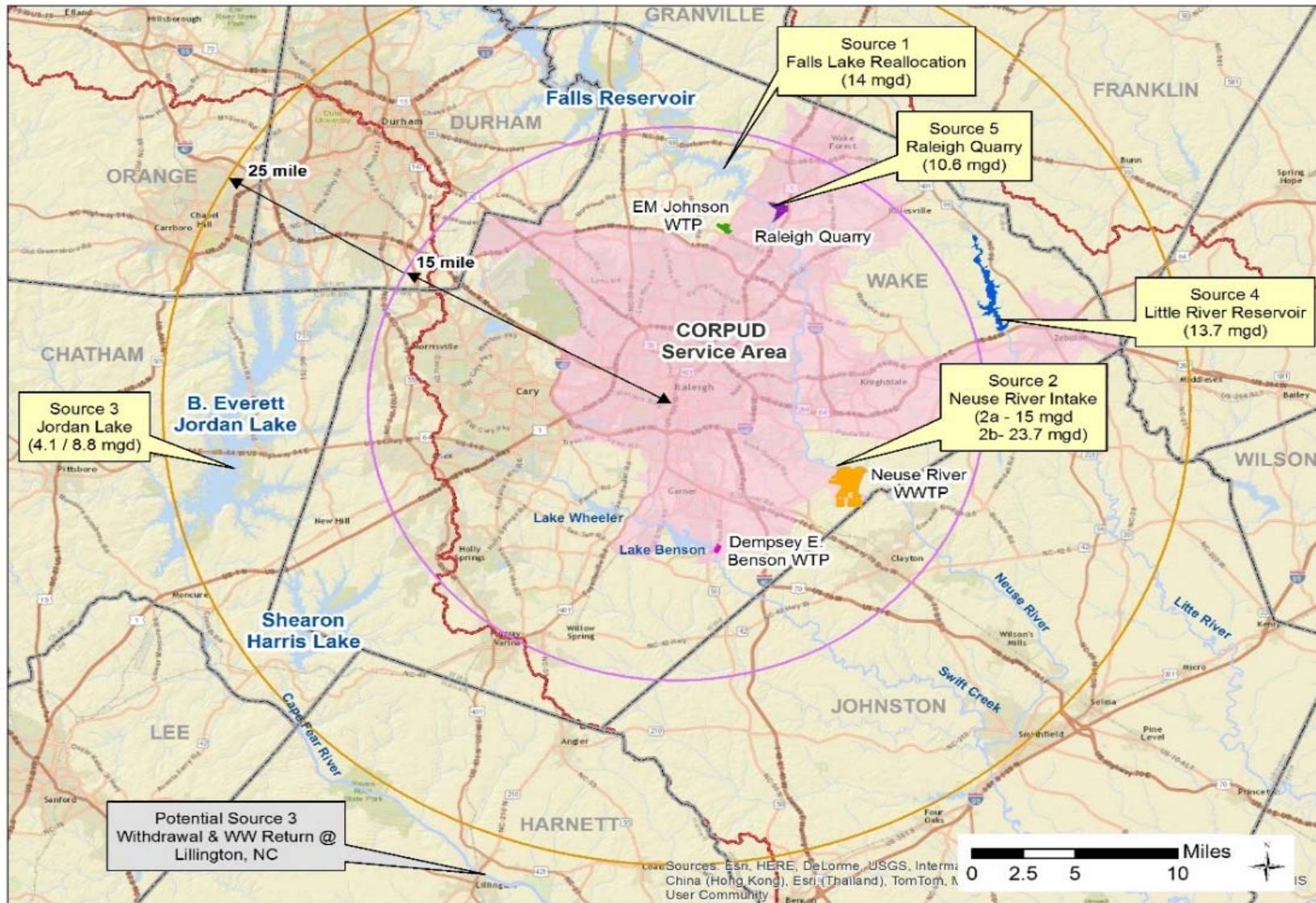
City of Raleigh Service Area Demand Projection Cone with ± 9 gpcd Uncertainty



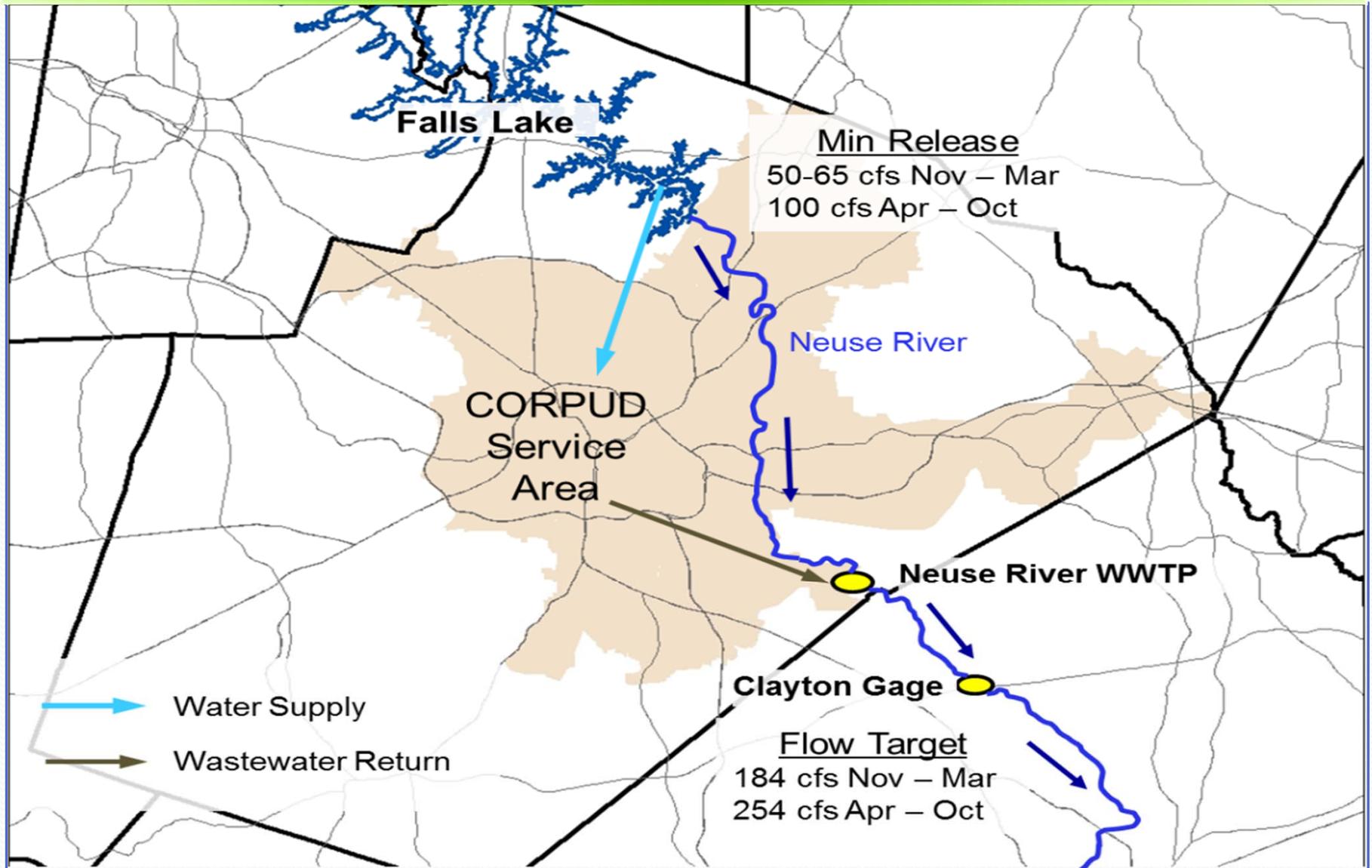
Brief History of Water Resource Development



Water, Water Everywhere... and what does Complexity Mean

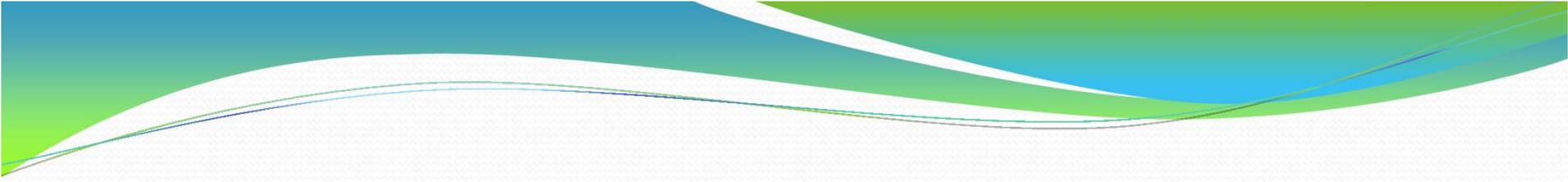


How the Three Neuse River Options Work



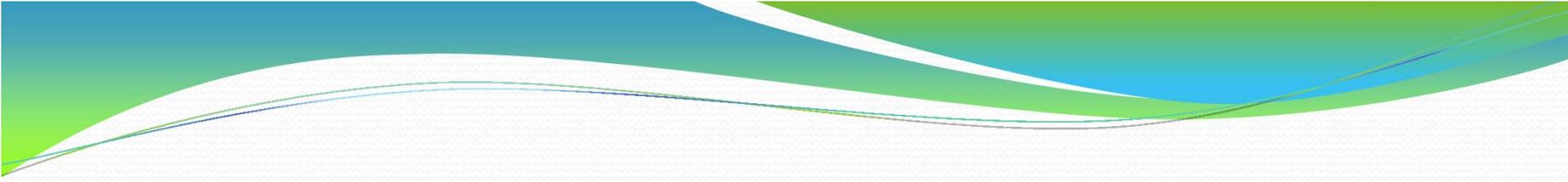
A Brief History of Source Water Quality





Changing Need and Planning Criteria

- 2010 Projections versus 2015 Projections
- 50-year Drought Event versus Drought of Record (300-year Event for Falls Lake)
- Refined Population and Customer Class Data
 - Corrected Population (+10,000 or 2%)
 - Revised Multi-family Estimates
 - Projection of customer class mix

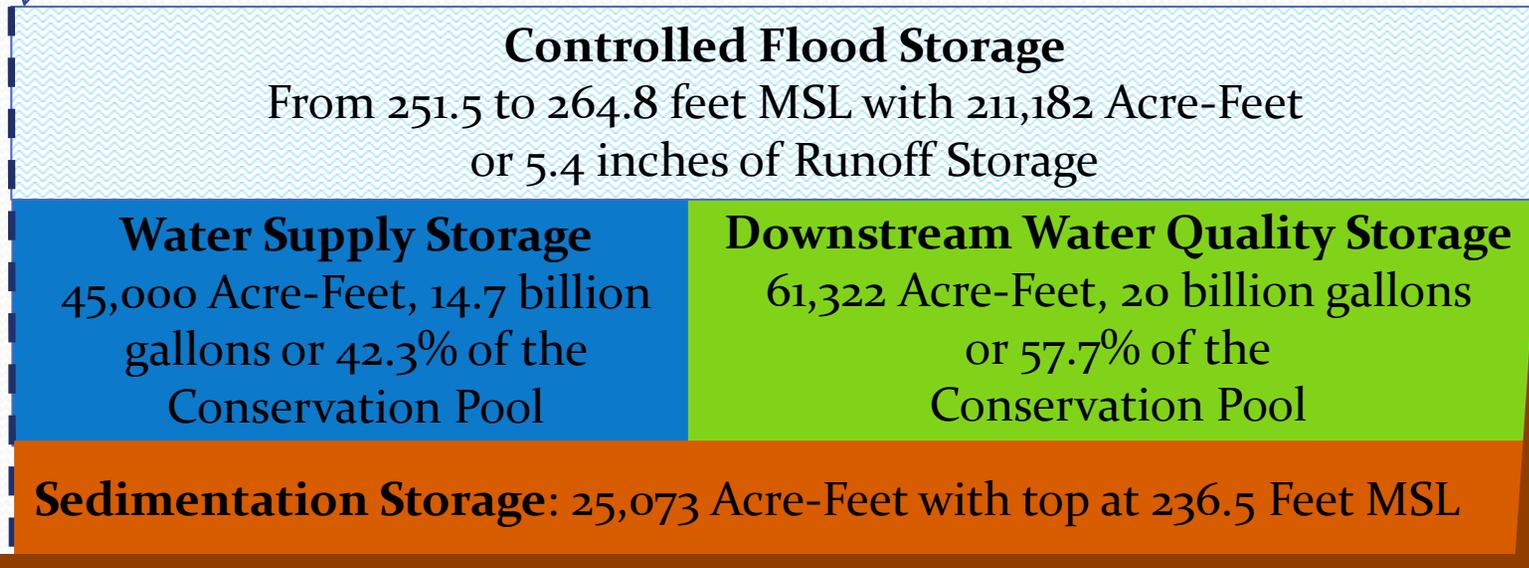


Falls Lake Reallocation

- Process dictated by the 1958 Water Supply Act and 1996 USACE Guidance
- 2015-2045 project need (**23 mgd**) and drought of record dictates a reallocation of **17,400 acre-feet (5.67 Billion Gallons)** of storage
- Revised schedule calls for public comment to begin **November 18, 2016** (40 days) and final decision by **June 17, 2017**



Falls Lake Authorized Uses



Revised with the Reallocation



Controlled Flood Storage

From 251.5 to 264.8 feet MSL with 211,182 Acre-Feet
or 5.4 inches of Runoff Storage

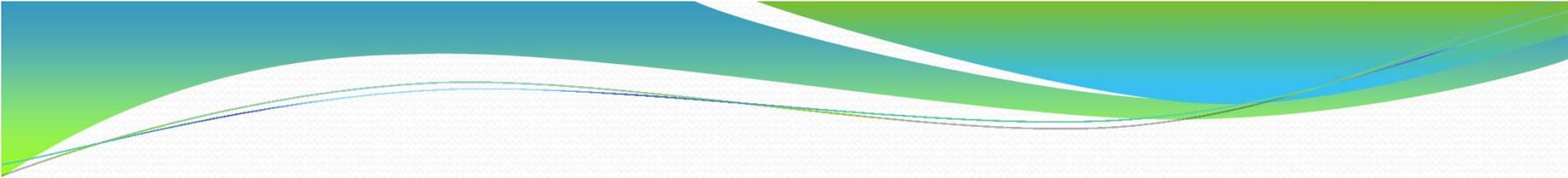
Water Supply Storage

62,400 Acre-Feet, 20.3 billion gallons or
58.7% of the Conservation Pool

Water Quality Storage

43,922 Acre-Feet,
14.3 billion gallons or 41.3% of
the Conservation Pool

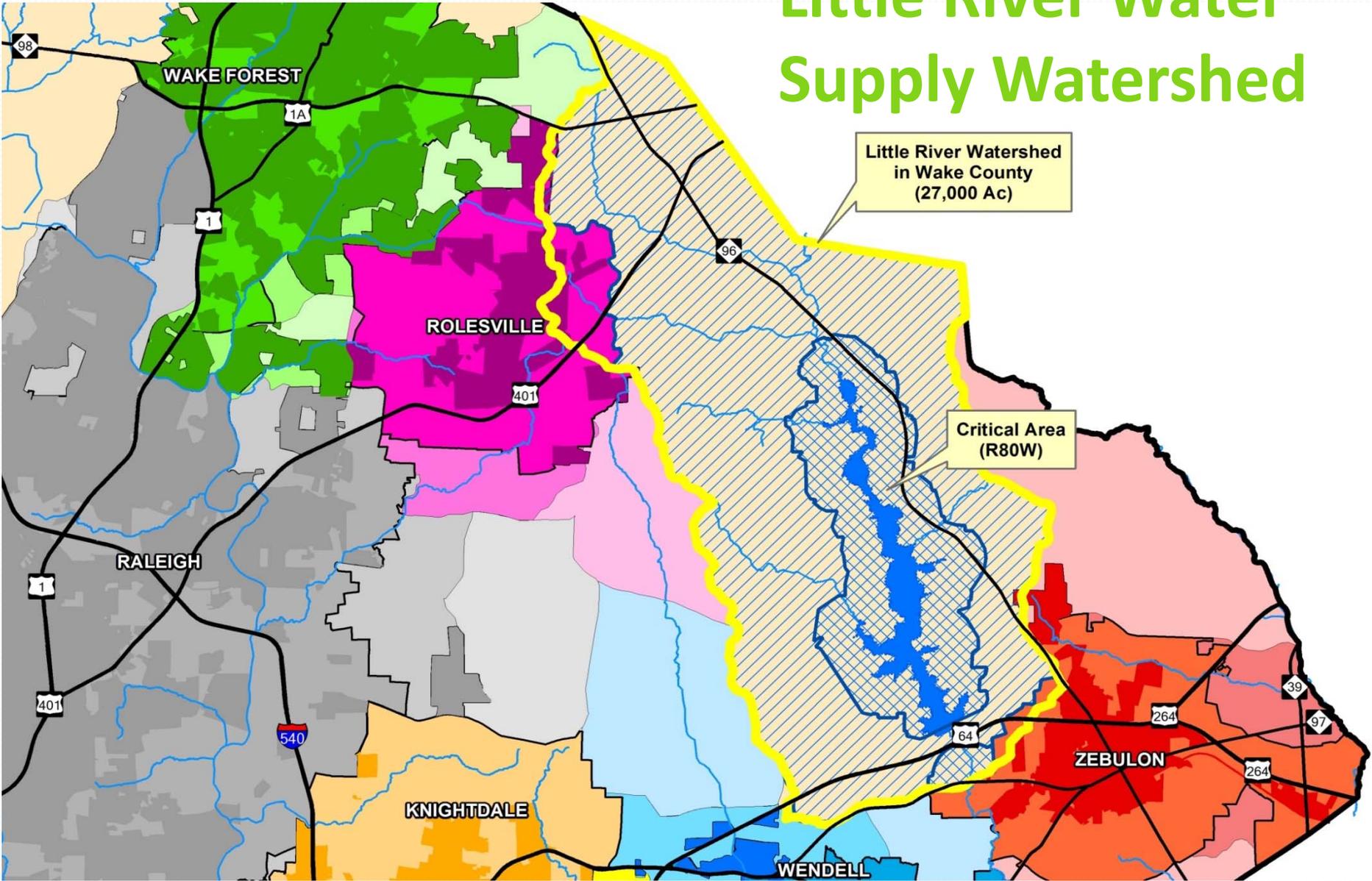
Sedimentation Storage: 25,073 Acre-Feet with top at 236.5 Feet MSL



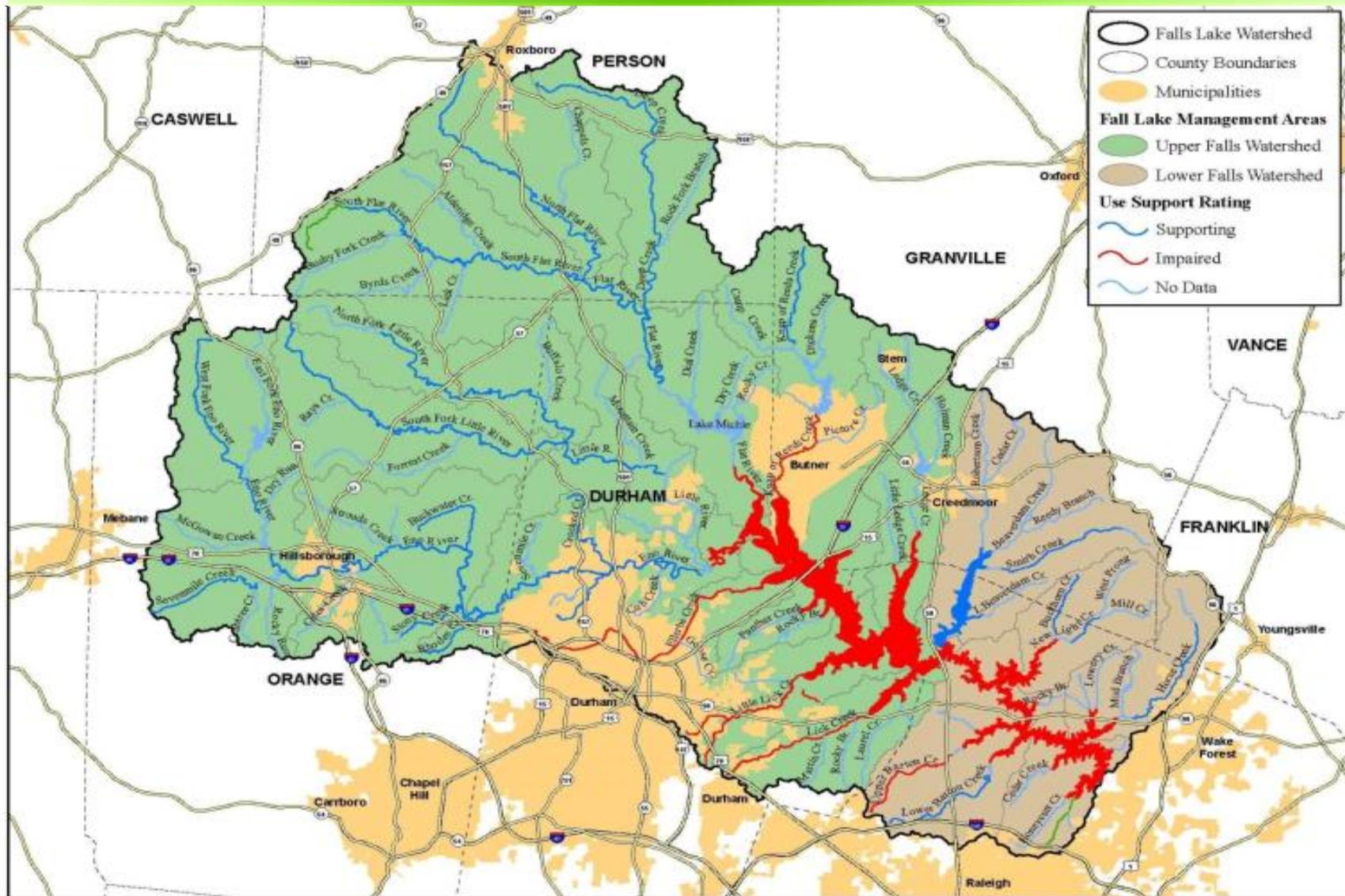
Jordan Lake Allocation

- NCGS §143-354(a)(11) gives the EMC authority to allocate water supply storage in Jordan Lake
- Uses the **2010-2040 projected need** and **50-year Drought Event**
- The **4.7 mgd** requested by the City is a “bridging” option, a short term (30 year) alternative intended to act as insurance in the event other options are delayed or fail
- The deadline for public comment is May 18, final decision will be late **Fall 2016**

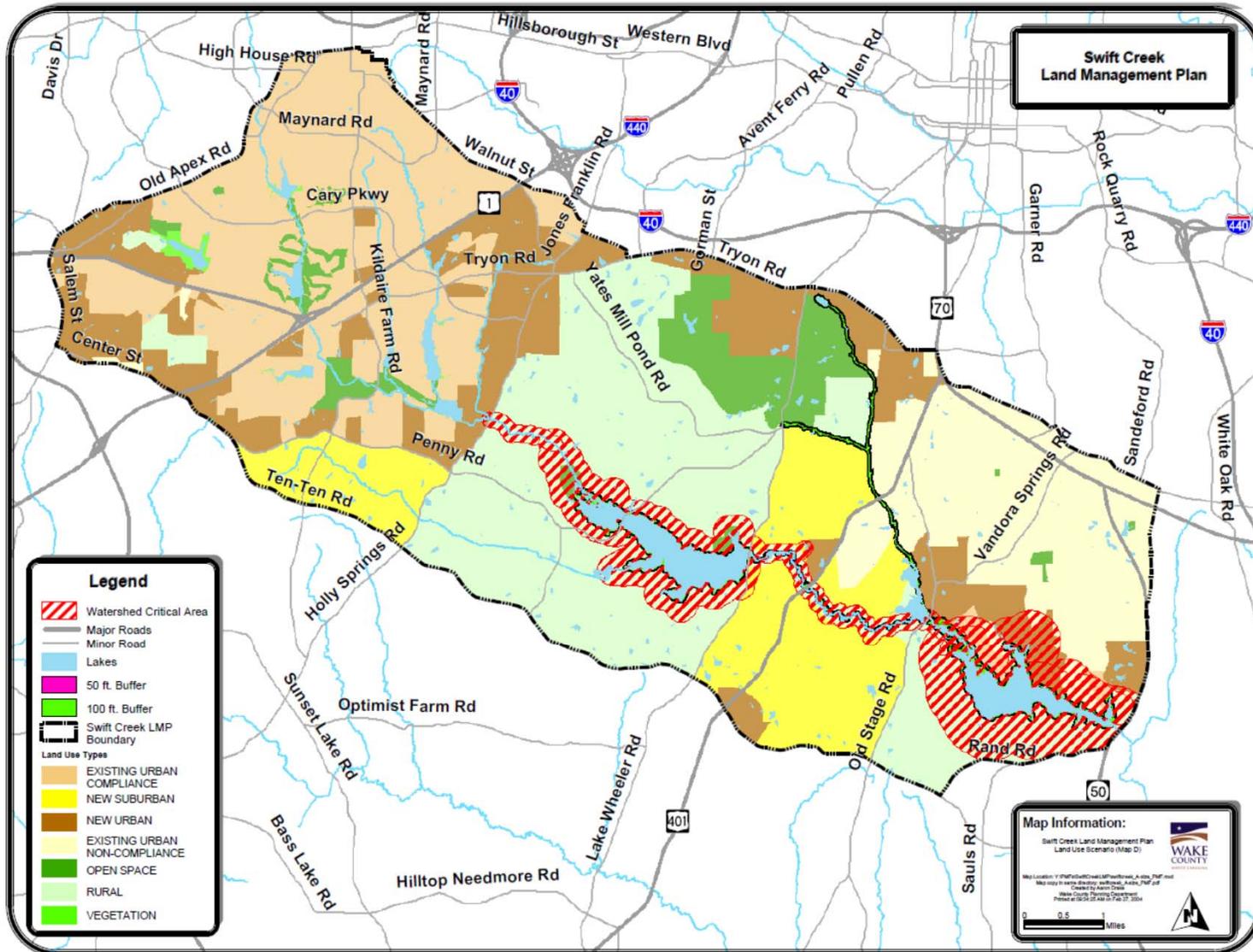
Little River Water Supply Watershed



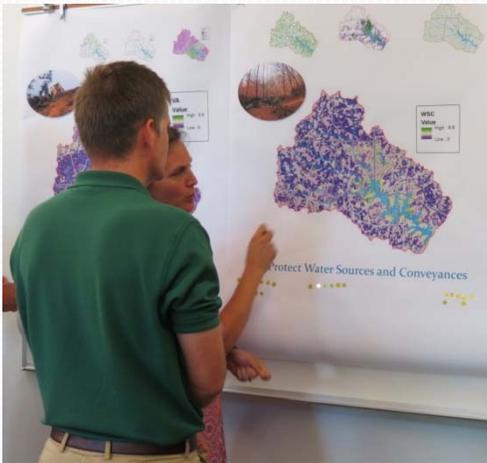
Falls Lake Water Quality Update



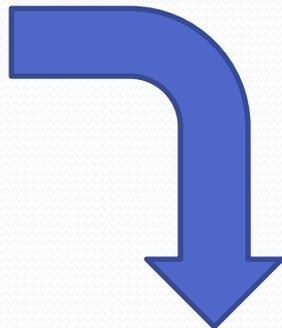
Swift Creek Water Quality Issues



Watershed Protection Program Update



Stakeholder
Input



Project Prior Criteria

Water Sources and Conveyances

- Protect Headwater Streams
- Support connected high quality water features
- Protect stream buffers

Uplands

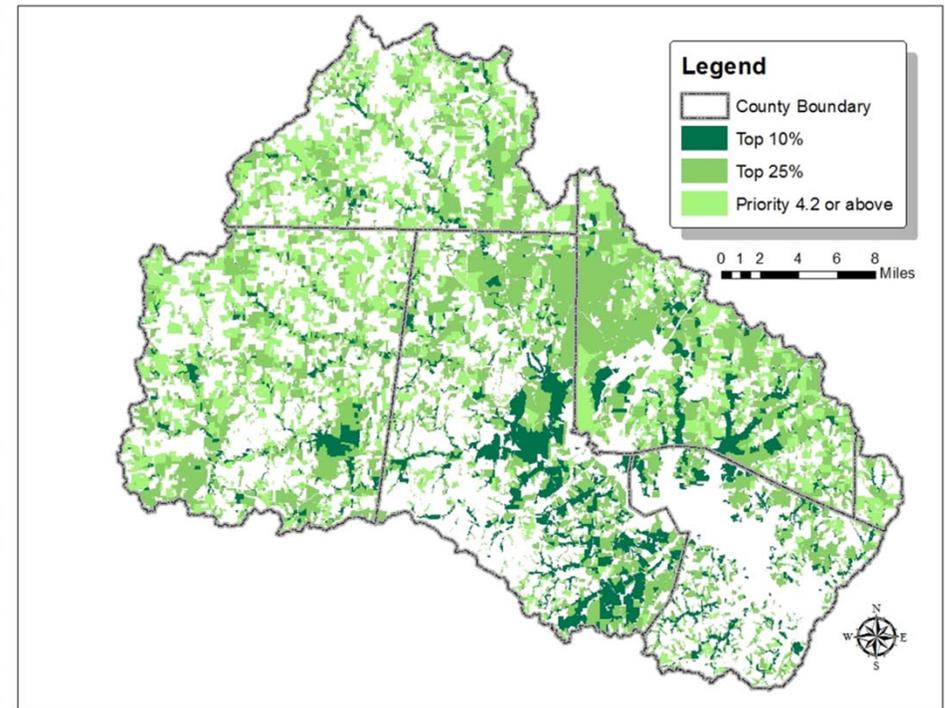
- Protect uplands and pervious areas
- Protect areas with minimal impervious surface
- Protect uplands with forest cover

Infiltration and Retention

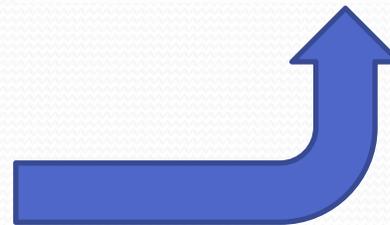
- Promote filtration and retention through wetland protection
- Promote filtration through floodplain protection
- Protect groundwater recharge areas

Vulnerable Areas

- Protect wet/hydric areas
- Protect steep slopes
- Protect highly erodible soils



New Conservation Plan



Wake County Water Partnership

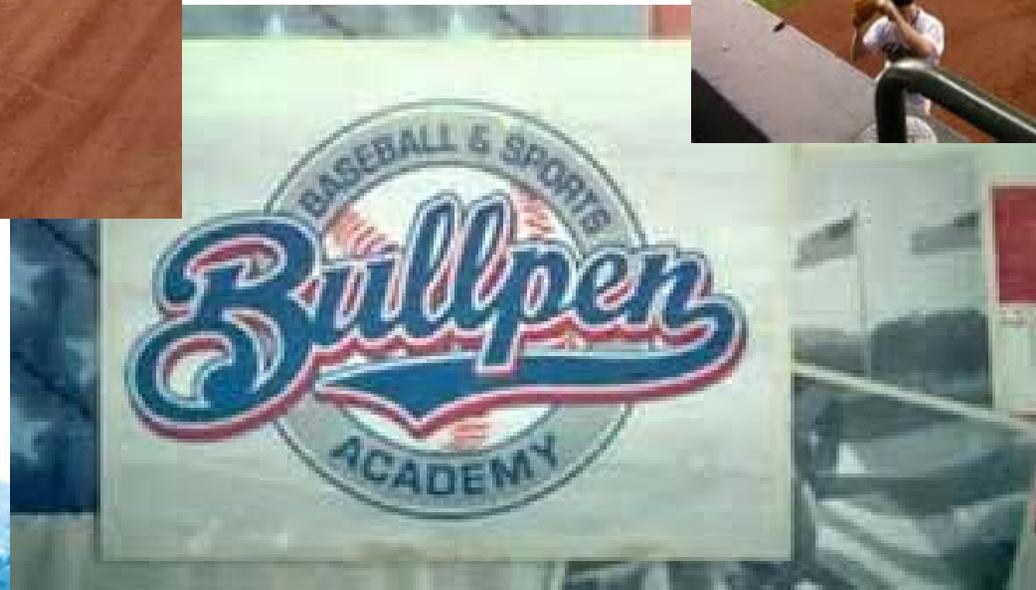
- Advisory Board on Water Issues
- Distributed Representation
 - One Representative from the City of Raleigh
- Tasked to address several outstanding issues
 - Little River Reservoir ILA and Zebulon/Rolesville Request





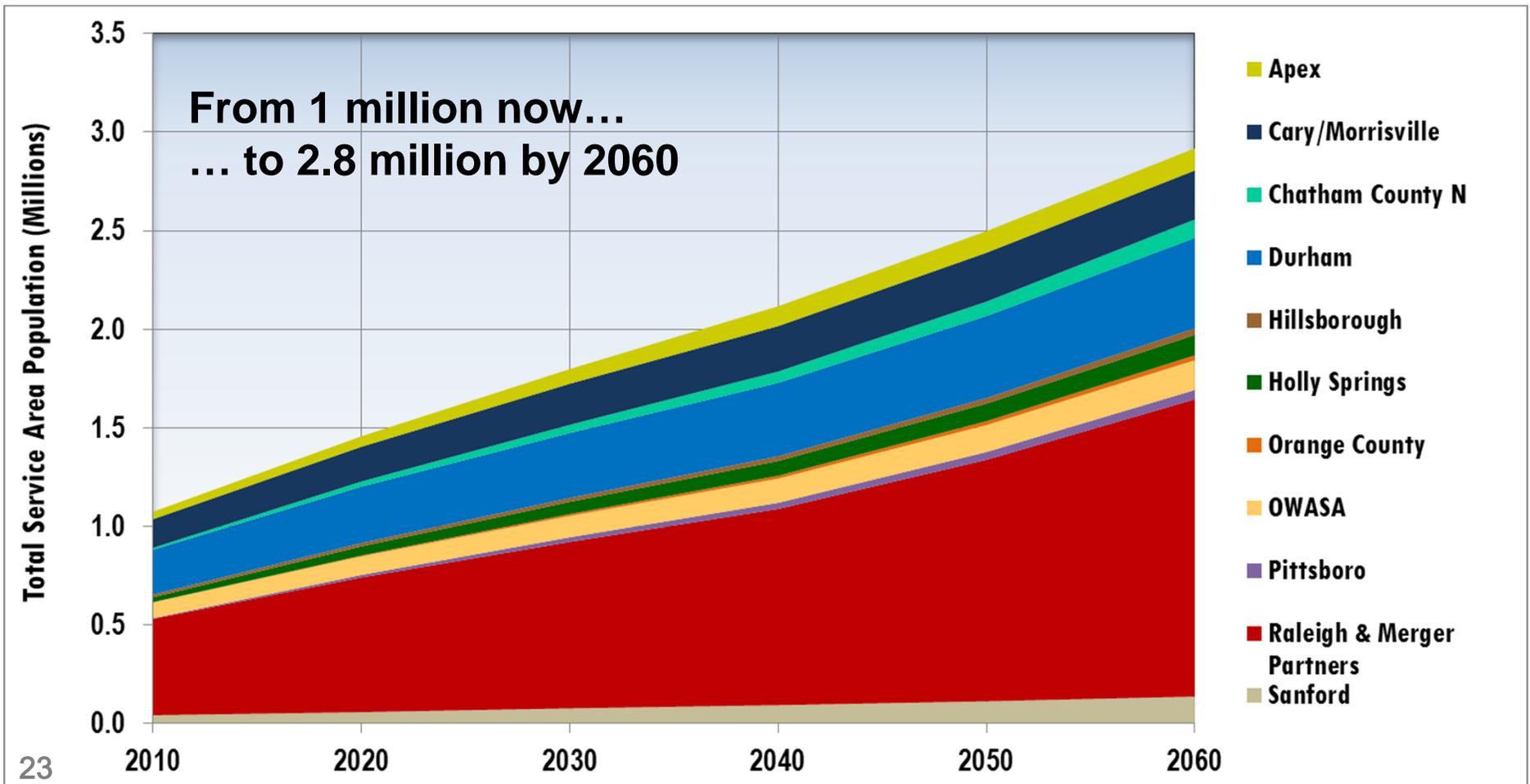
Detailed follow up on any item will be part of a future
“Manager’s Weekly Update”

THE BULL PEN



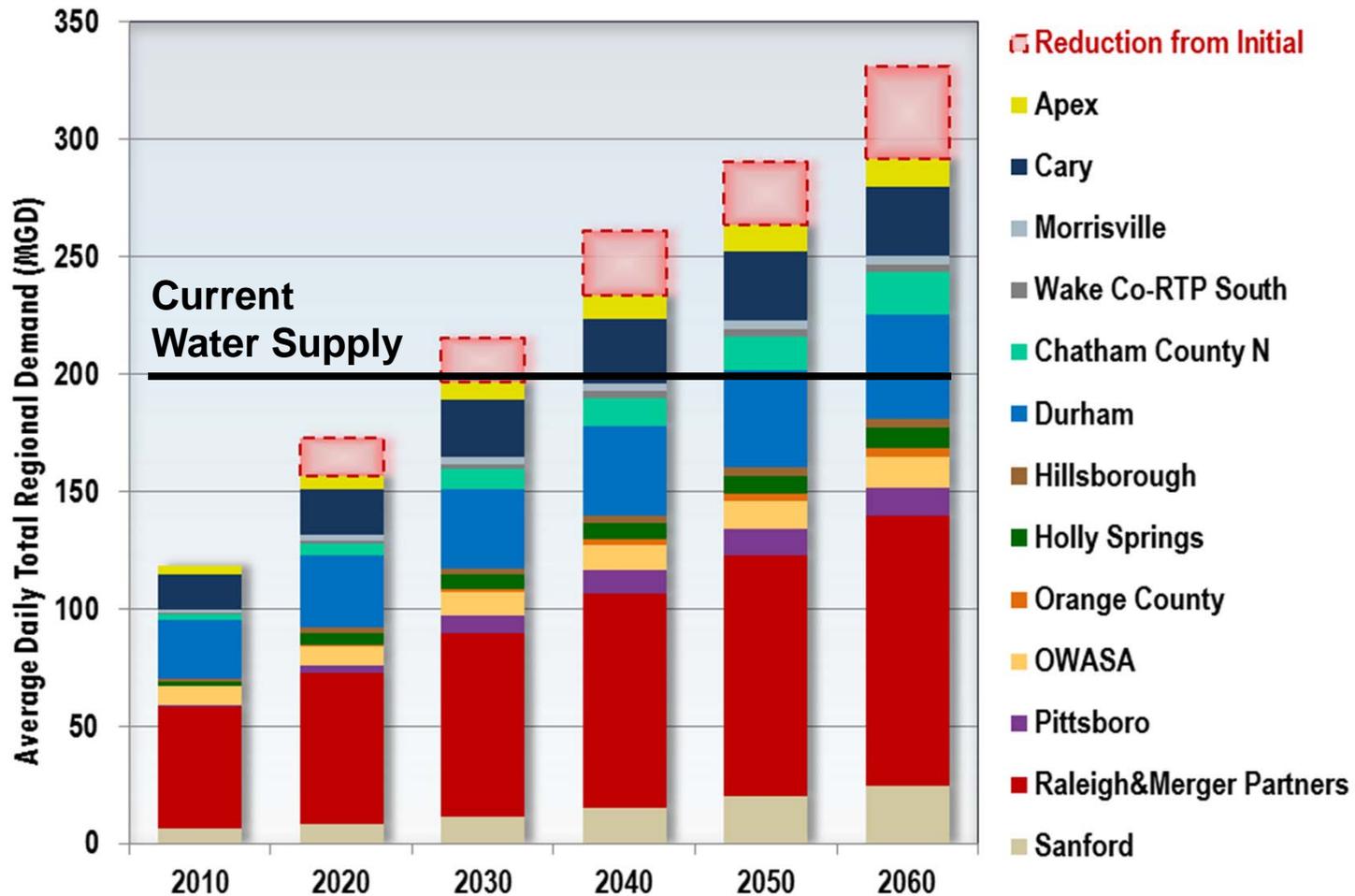
Triangle Population Will Continue to Grow

Regional Population Estimate						
Year	2010	2020	2030	2040	2050	2060
Total Regional Population	1,066,100	1,421,100	1,785,500	2,130,900	2,452,300	2,773,600

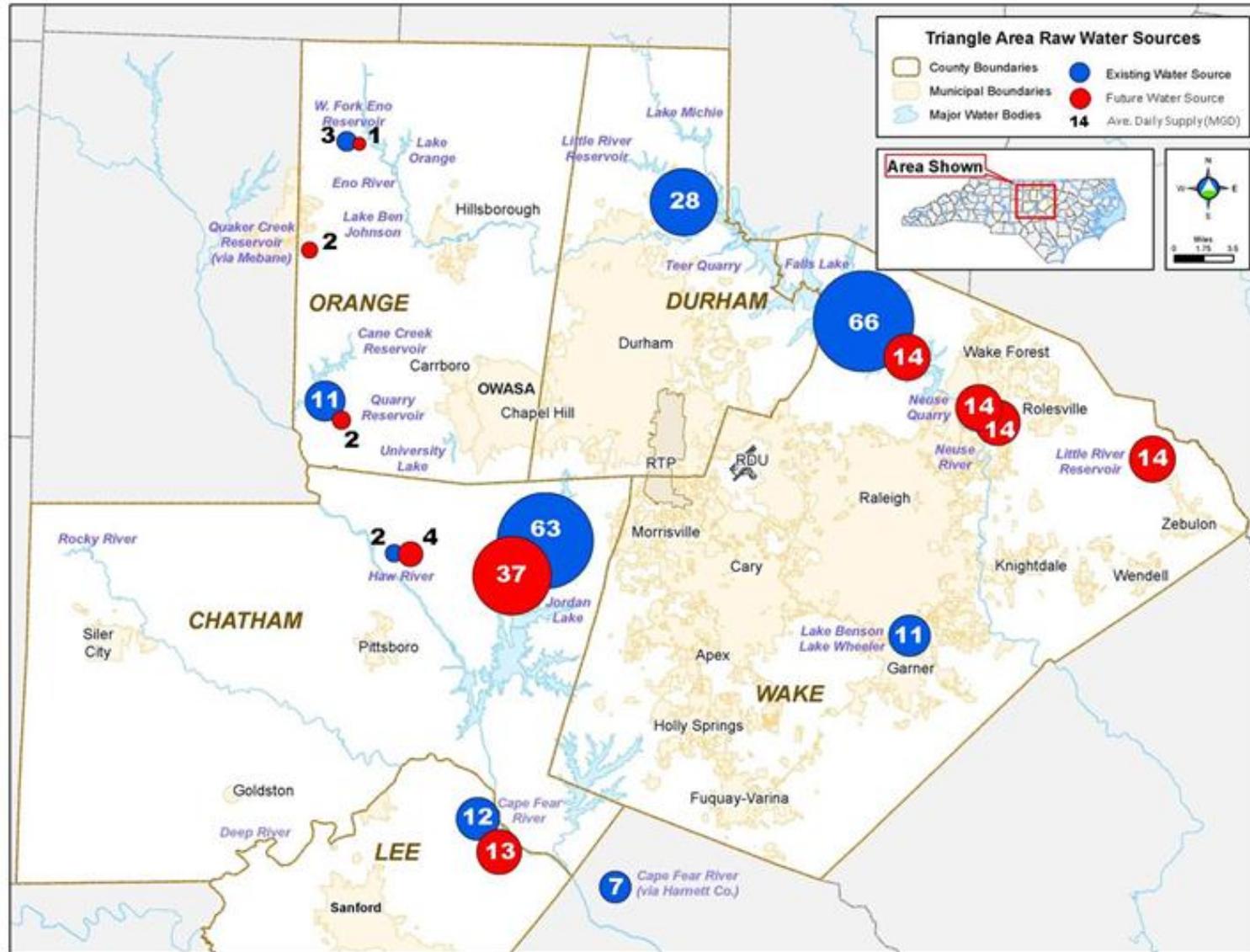


Demand Projections

Projected Triangle Area Water Demand (JLP Members)						
Year:	2010	2020	2030	2040	2050	2060
First Draft of Needs Assessment	130	173	216	261	290	331
Most Recent Projections	118	157	197	234	264	292



Triangle Regional Water Supply



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City Of Raleigh
North Carolina

4/6/16

To: City Council

From: Allison Bradsher
Assistant Financial Officer
Finance Department

Scott Payne
Assistant Director
Parks, Recreation and Cultural Resources Department

Subject: Policy for Parks, Recreation and Cultural Resources Department User Fees and Charges of Programs and Services

The Finance Department has begun a multi-year process to develop consistent and comprehensive policies and processes for all City user fees. Parks, Recreation and Cultural Resources (PRCR), Finance and the Office of Management and Budget (OMB) departments partnered for the first project of this process establishing a comprehensive user fee policy specifically for parks, recreation and cultural resource facilities, programs and services.

GreenPlay, a nationally renowned parks and recreation management firm, served as the consultant in this effort. GreenPlay utilizes an established approach known as the 'Pyramid Methodology™' to align fee amounts with levels of benefit accrual. The approach challenged PRCR staff to organize the approximately 12,000 program offerings of FY15 into like categories of service. Through a series of facilitated conversations with the public, the PRCR array of services were placed by consensus along a spectrum of benefit accrual (i.e. who receives the benefit from the activity) with the benefits ranging from a "community benefit" to a "highly individual benefit" and gradations in between.

PRCR, Finance, OMB and Greenplay reviewed the benefit accrual spectrum or pyramid as derived from the community and with Greenplay's recommendation established minimum cost recovery goals for each level of the pyramid; ranging from a minimum of 0% for "Mostly Community" benefit to a minimum of 100% for "Mostly Individual" benefit. This exercise frames a fair and equitable tax payer investment/resource and cost recovery strategy (Figure 1).

The next phase of the process established the direct cost of each PRCR service category and then incorporated revenues generated by each service category to create individual cost recovery for each service category. The service category cost recovery numbers were placed on the appropriate tier of the benefit accrual pyramid, averaged for each tier and compared to the recommended targets.

The consultant review of service category cost recovery suggests PRCR meets the recommended cost recovery goals for Tiers 1 through 3. Tier 4 and 5 do not meet the goals requiring further review and analysis; yet represent only 5% of the overall PRCR service category expenses.

The Finance Department's work plan seeks to establish clear, consistent and comprehensive policies and processes for all City user fees. The proposed PRCR user fee policy matches this goal through: clearly and concisely stating the objectives of the policy; establishing pricing classifications for programs and services reflective of the community's belief on where the benefit accrues; articulating the public process for pricing changes for use of or access to city-owned assets; and stating the governance process for the policy. PRCR includes one additional critically important element in the proposed policy, a commitment to a fee assistance program, draft policy attached.

While the proposed policy validates, codifies and structures PRCR's approach to user fees, one element of change presents, facility/space rental. As service categories were developed and communicated with the community during the series of public engagement conversations, a hierarchy of rental types and benefit accrual became clear. Previously to this process, facility and space rental rates as proposed by PRCR, reviewed and recommended by the Parks, Recreation and Greenway Advisory Board (PRGAB) and ultimately approved by City Council were single rate. The community views the benefit of space/facility rental to be tiered by the user type which suggests differential rates:

General Public – exclusive use of identified spaces and facilities on a one-time or ongoing basis by individuals, families or unaffiliated groups. (Examples include: family reunions; birthday parties; wedding receptions; etc.)

“Considerable Individual Benefit” – Tier 4

Partners – exclusive use of identified spaces and facilities on a one-time or ongoing basis by groups or organizations that have a documented relationship with Raleigh Parks, Recreation and Cultural Resources (including but not limited to MOUs, contracts, etc.). These groups/organizations should have a like mission and/or allied interests, and both should contribute to and benefit from the relationship. (Examples include: community-based organizations or groups, including Special Olympics; Senior Games; Meals on Wheels; Capital Area Soccer League; etc.)

“Balanced Community/Individual Benefit” - Tier 3

Non-Profit – exclusive use of identified spaces and facilities on a one-time or ongoing basis by groups or organizations qualifying as a 501(c)3 non-profit agency under the United States Internal Revenue Code, meaning they are exempt from paying taxes. (Examples include: charitable organizations such as Salvation Army; Boys and Girls Club; private schools; foundations; etc.)

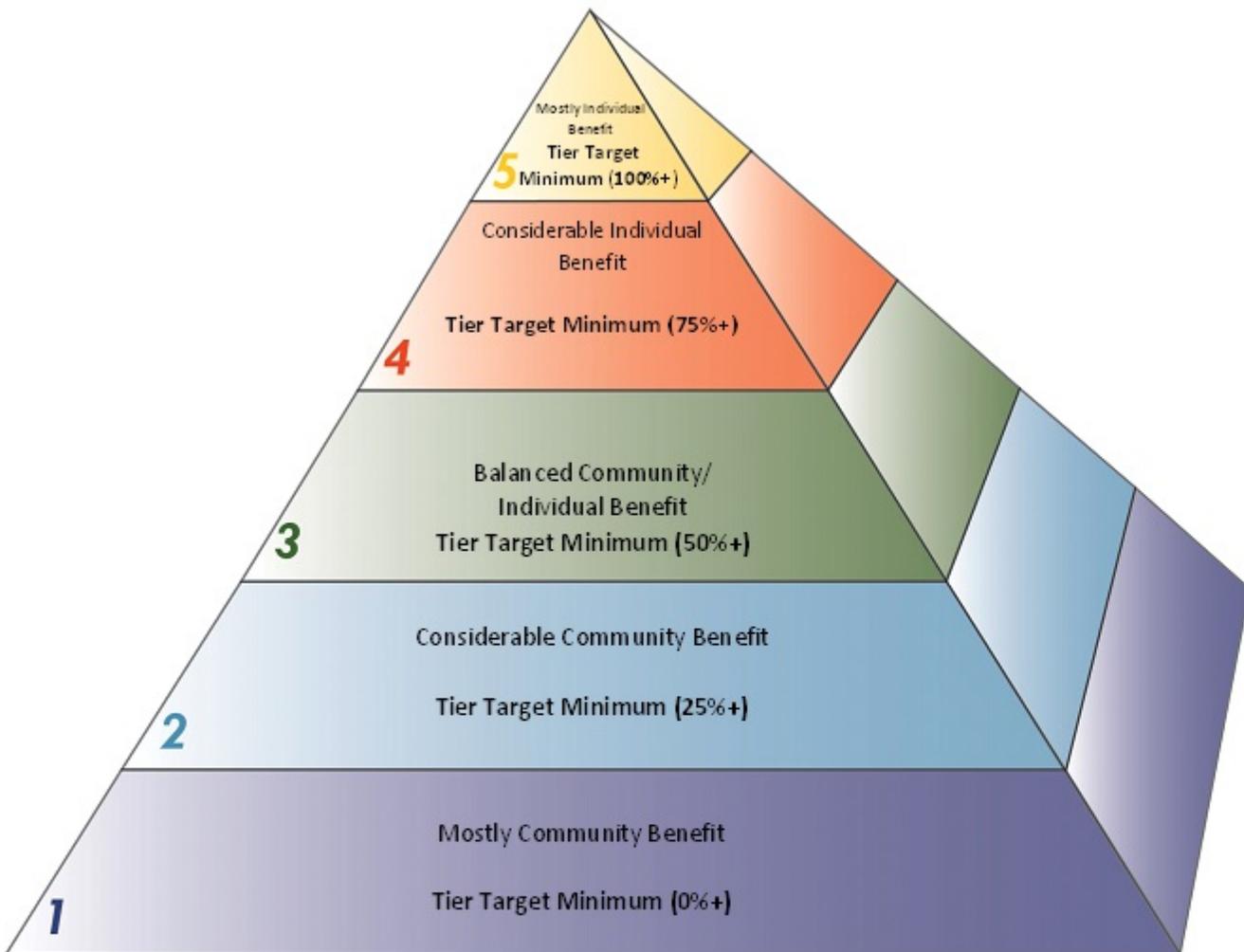
“Balanced Community/Individual Benefit” - Tier 3

For Profit – exclusive use of identified spaces and facilities on a one-time or ongoing basis by commercial businesses defined as being organized primarily for profit. (Examples include: private instructors; personal trainers; businesses; etc.)

“Mostly Individual Benefit” - Tier 5

If approved, implementation of a tiered facility/space rental would initiate Fall of 2016 through a public process including PRGAB assessment and in accordance with the adopted policy recommendation to City Council for review and approval.

Figure 1. PRCR Benefit Accrual Pyramid Cost Recovery Targets



Parks, Recreation and Cultural Resources Department
Policy for User Fees and Charges of Programs and Services

I. Purpose:

Fees and charges are necessary to provide financial support to Raleigh Parks, Recreation and Cultural Resources (PRCR) for the operation and maintenance of programs, facilities, and services. Revenue generated by these fees constitutes only a portion of funds required for operating and maintaining the entire park system, including programs and services.

The purpose of this policy is to provide a framework and guidance to City staff as they develop ideas and proposals for fees and charges. This policy ensures decision-makers (Council and City Administration) fee development and implementation will:

- 1) Be guided by the community's understanding of benefit for the complete array of PRCR programs and services;
- 2) Be administered fairly and equitably, pricing programs and services proportionally to where the benefit accrues with respect to the participant and non-participants (taxpayers who choose to not participate); and
- 3) Safeguard programs and services availability for citizens regardless of financial means.

II. Policy:

It is the mission of the PRCR department to connect and enrich the community through exceptional experiences. This policy supports the provision of innovative, creative and specialized programs and services on an equitable basis through a comprehensive system of fees and charges. Through a systematic process, PRCR's broad arrays of programs are organized into similar categories of service. With guidance from the community these categories of programs and services are classified into tiers of service based upon where the benefit of the program or service accrues.

General cost recovery guidelines will be established for services and programs for which fees and charges are collected and will be maintained by the PRCR Director. Consistent with the Department's mission to never deny access to programs or services due to economic status, a fee assistance program will be administered by PRCR.

The chart below presents the five pricing classifications. Aligning the programs and services with the benefit accrual, from mostly community to mostly individual, provides guidance and direction to PRCR on the pricing of programs and services.

Pricing Classifications					
Type of Program or Service	Tier 1	Tier 2	Tier 3	Tier 4	Tier 5
Who benefits?	All people in the community	Mostly people in the community	An even combination of people in the community and the individuals who participate	Mostly the individuals who participate	Only the individuals who participate

Utilizing the pricing classifications, the PRCR Director or his/her designees shall have the authority to create and modify pricing for programs and services, as needed, due to changes in facilities, City of Raleigh residency, market conditions and/or other variables as determined.

Guided by the pricing classifications, pricing for use of or access to city-owned assets, i.e. rental of athletic fields, gate entrance into a swimming pool, Pullen and John Chavis Memorial Park amusement ride tickets, etc., will be reviewed on an annual basis. Proposed pricing changes will follow a public participation process through the Parks, Recreation and Greenway Advisory Board (PRGAB) recommendation to City Council for consideration and approval.

III. Governance:

This policy once adopted by City Council will be reviewed once every three (3) years by PRCR and City of Raleigh Finance Department to ensure pricing for categories of service is within policy goals or market conditions. Pricing classifications will be measured against program and services cost recovery goals to determine progress made towards achieving policy goals during the three year period.

Substantive changes proposed to the policy must be reviewed by the PRGAB for recommendation to City Council.

City Council will review and approve substantive changes to the policy.

AUTHENTICATION

City Council Approval

Month XX, 2016

Director Signature

Date

**City of Raleigh Parks, Recreation and Cultural Resources Department
Financial Assistance Program – Draft**

Purpose

The City of Raleigh Parks, Recreation and Cultural Resources Department (PRCR) strive to never deny access to programs or services due to economic status. The Financial Assistance Program seeks to provide individuals and families an opportunity to participate in programs and services they may not be able to afford

Policy

Financial assistance is granted on a sliding scale based on family size and income. PRCR's income guidelines mirror the U.S. Department of Housing and Urban Development's income guidelines for Wake County.

- Patrons who qualify will receive a fee reduction of 25% or 50%.
 - 25% assistance for households that meet the Low Income Limit category of PRCR's income guidelines.
 - 50 % assistance for households that meet the Very Low Income Limit category of PRCR's income guidelines.
 - Additional assistance may be provided for households that meet the Extremely Low Income Limit category of PRCR's income guidelines pending the approval of the Department Director.
- The financial assistance application must be accompanied by a most recent 1040 Tax Form and last two paycheck stubs of all working adults. These alternate documents will be accepted if the patron does not file a Federal Income Tax return and is currently unemployed:
 - Unemployment Benefits or Proof of Retirement Statement
 - Social Security Benefits Statement
 - Disability Pay Statement
 - Nutrition Assistance Statement (SNAP)
 - Current Temporary Assistance for Needy Families (TANF) Statement
 - Financial Aid Paperwork and Full-Time Student Verification

Eligibility

All patrons registering for programs provided by the City of Raleigh Parks, Recreation and Cultural Resources Department are eligible to apply for financial assistance. Financial assistance is not available for activities that cost less than \$15, specialty camps, organizations, adult teams, special events, or rentals.

Governance

This program once adopted by City Council will be reviewed annually by PRCR. Changes or modifications to the program will be approved by the PRCR Director.

222 WEST HARGETT STREET, POST OFFICE BOX 590, RALEIGH, NORTH CAROLINA 27602

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PRCR User Fee Study

City Council Work Session Update

April 19, 2016

Allison E. Bradsher, Assistant Financial Officer

Scott Payne, Assistant Director

Agenda

- ▶ Philosophy
- ▶ GreenPlay Methodology
- ▶ Process
- ▶ Key Results
- ▶ Key Changes
- ▶ Next Steps



User Fee

- Fee charged to individuals or groups who participate in a program or service or utilize City services



Parks - User Fee Update/Study



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Council Work Session - 04/19/2016

Philosophy



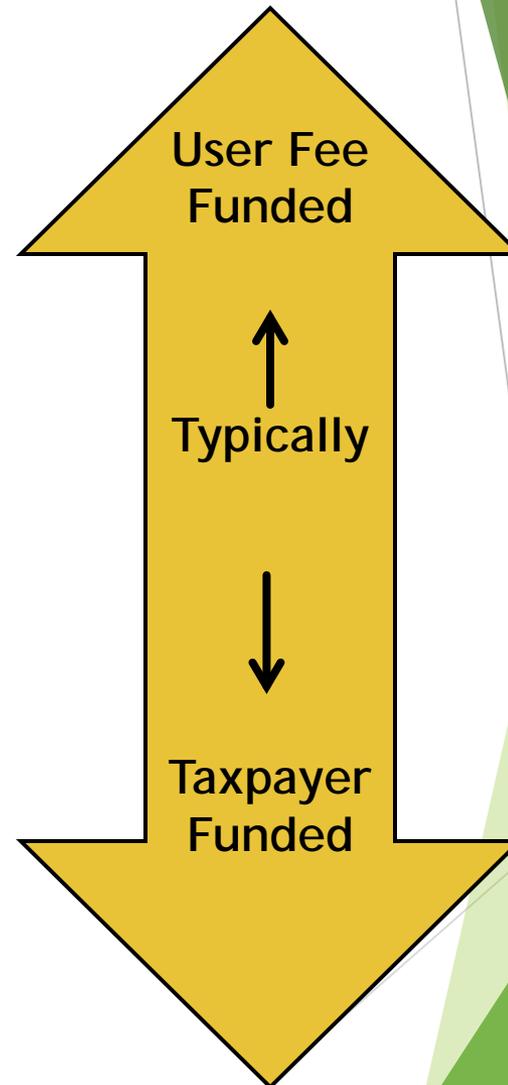
Mostly
Individual
Benefit



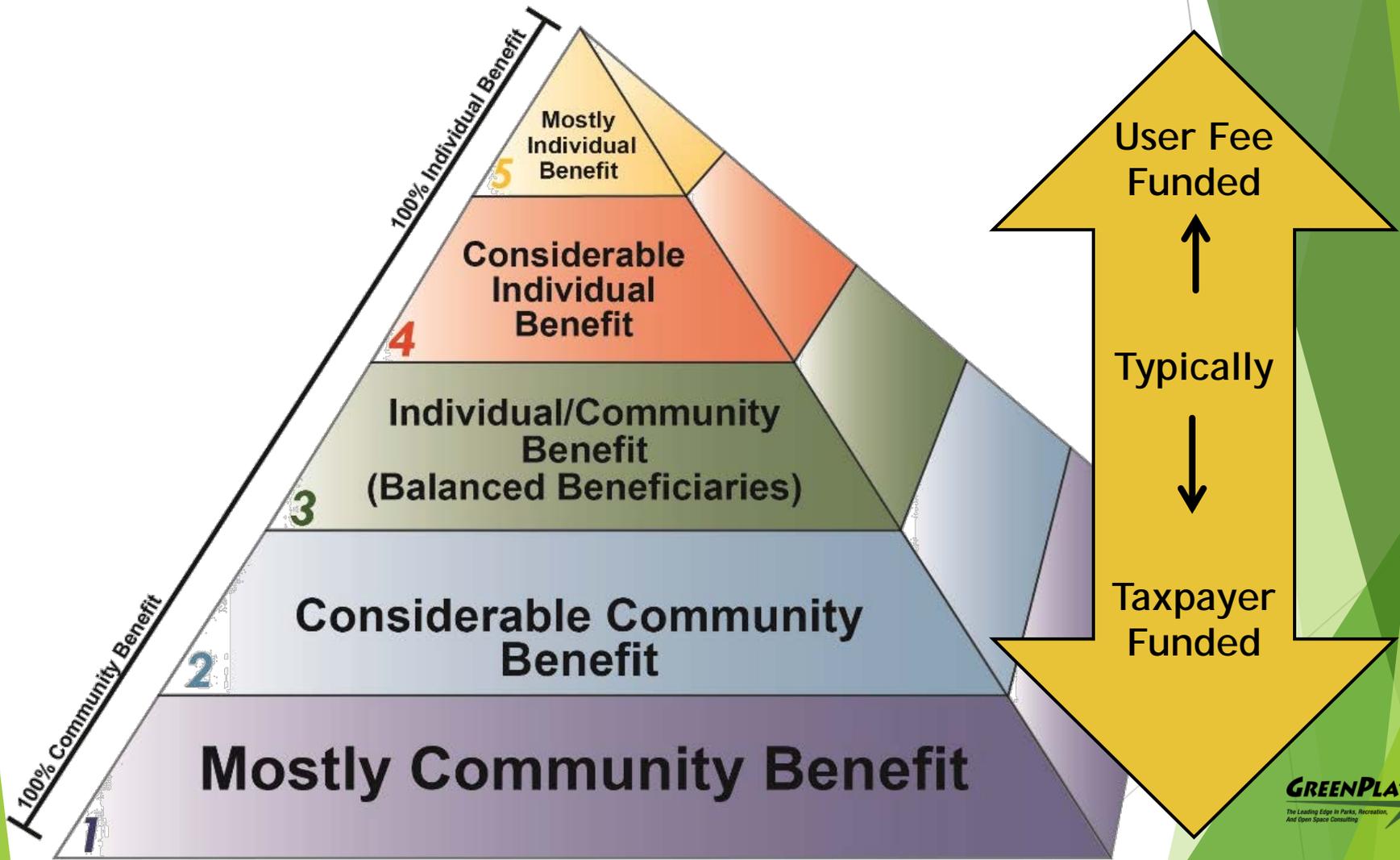
Varying Levels of
Individual and
Community
Benefit



Mostly
Community
Benefit



GreenPlay Methodology



GREENPLAY LLC
The Leading Edge in Parks, Recreation,
And Open Space Consulting

© 2001, 2008, 2009, 2013 GreenPlay, LLC

Process

Laws

- Federal legislation governs resident/non-resident fee differential
- Recommend continuing involvement of PRGAB

Factors

- Incorporate market and economic factors and the philosophy of Department.

Cost

- Each program & service calculated cost compared to revenue.

Review

- Policy ensures comprehensive review at 3 year intervals.

Sustainable

- Methodology matches pricing of programs & services to policy.

Engagement

- Public Input -> Series of workshops where over 100 hours of service/input was provided.

Key Results

Tier 1 - 3: Mostly Community -> Balanced Individual/Community Benefit

- Meeting established goals
 - Balance of Taxpayer Investment vs User Fees
- 95% Core PRCR services

Tier 4: Considerable Individual Benefit

- Approaches the established tier goals

Tier 5: Mostly Individual Benefit

- Requires Continued Review and Analysis
- Smallest segment of citizens served

Key Changes

Rental Space

- Establishes 4 Categories:
 - Public, Partners, Not-for-Profit, For Profit
- Different Rate Structure by Category

City Assets

- Gate Admissions, Rental Space and Amusement Fees reviewed each year
- PRGAB recommends fee changes to City Council

Financial Assistance Program Policy

- Recognizes and validates PRCR effort to assist those in need
- 408 families supported in FY15

Next Steps

April 21, 2016

- Parks, Recreation and Greenway Advisory Board (PRGAB) option for approval

May 3, 2016

- GreenPlay presentation to City Council
- Recommended Approval of:
 - User Fee Policy
 - Financial Assistance Policy