



TOWN OF PALM BEACH

RECREATION DEPARTMENT

MINUTES OF THE RECREATION ADVISORY COMMISSION PAR 3 GOLF COURSE PRIVATIZATION STUDY GROUP HELD ON THURSDAY, SEPTEMBER 30, 2010

I. CALL TO ORDER & ROLL CALL

A meeting of the Town of Palm Beach Recreation Advisory Commission Par 3 Golf Course Privatization Study Group was held on September 30, 2010, in the Town Council Conference Room at Town Hall. The meeting was called to order by Mrs. Danielle Moore, Chairman of the Recreation Advisory Commission at 10:00 a.m. Other individuals of the study group in attendance were Mr. Steven Hall, Mr. Timothy O'Hara, Mr. Scotch Peloso, Ms. Kellie Stenzel and Mr. Stuart Shulman. (Ms. Stenzel participated by phone) Staff members in attendance were Director, Mr. Jay Boodheshwar, Assistant Director Mr. Alan Brown, and Office Manager Mrs. Lisa Walkowich. Also in attendance were Town Council members Mr. William Diamond and Mr. Richard Kleid.

II. COMMUNICATIONS FROM CITIZENS

Mrs. Moore suggested that rather than taking citizen comments at the beginning of the meeting she would prefer to have everyone listen to Mr. Boodheshwar's power point presentation and then citizens could make comments and ask questions after each section. Everyone agreed.

III. APPROVAL OF THE AGENDA

Mrs. Moore asked for a motion to approve the agenda. Mr. Hall made the motion to approve the agenda, seconded by Mr. O'Hara all were in favor.

IV. PAR 3 GOLF COURSE REVIEW

A. Recreation Department

Mr. Boodheshwar gave a power point presentation that included an overview of the Recreation Department, its history, organizational structure, policies and procedures and budget. Other topics included in this presentation were the department's capital improvement schedule and an overview of the golf course, which included a more detail description of its budget, staffing levels, fees, participation, and long term financial plan. He also announced that there has been an interim management in place since the retirement of the Golf Pro/Manager in August and that Assistant Recreation Director Alan Brown is currently providing supervision of this facility.

B. Discussion Regarding Privatization

Mr. Boodheshwar reported that the question of privatization has been posed in the context of the broader Town government and the financial challenges that it is currently facing. As a part of that long-term Town budget discussion, the question of privatization of recreational facilities has been posed to determine if subsidy levels of certain programs could be reduced or eliminated to assist in the generation of additional funds for transfer to the General Fund for broader Town use.

Mr. Boodheshwar gave the study group some general information regarding the more popular types of privatization models that are used by municipalities, including asset sales, use of management companies, short-term/long-term leasing, and contracting out. He then reviewed the general pros and cons of privatization approaches and briefly addressed potential limitations as it relates to the Town's Comprehensive Plan, the Strategic Plan and the Town Charter.

After Mr. Boodheshwar's presentation Mrs. Moore asked the committee if they had any questions or comments.

Mr. Shulman stated that he did not agree with privatizing the golf course, but felt that we needed to further study the financial aspect of the discussion. He suggested surveying area golf courses to see how their golf courses are managed in order to prove to the Town Council that privatization was not in the best interest of the Town.

Ms. Stenzel said that the golf course is an amazing place and so much time and effort has gone into improving the course that it would be a shame to give it away when it is just coming into its own. She said that staff should be given the opportunity to truly expand on what we can offer to the community. Mrs. Moore agreed.

Mr. Wideman, a resident, stated that the Town needs to provide recreational services to the citizens of the Town. He said that the citizens of the Town put up a lot of money to restore the golf course and it would be a terrible mistake to give it away to a for-profit company. He also felt that privatization would hurt future contributions to the course.

Mr. Hall stated that with cost cutting measures and privatization of certain aspects of the course, we have gotten to the point where costs are under control. He said that we need to be looking at building our revenues through strong marketing and completion of the club house.

C. Discussion Regarding Potential Modifications of Current Program Operations

Mrs. Moore asked the committee for suggestions on ways to improve the operation of the golf course.

After some discussion the committee suggested the following:

- Provide information regarding golf course management from the City of West Palm Beach, City of North Palm Beach and the City of Palm Beach Gardens.
- Research limitations to selling the golf course due to deed restrictions, etc.
- Expand the marketing program to increase rounds of golf.
- Increase the quality of merchandise.
- Research additional privatization of certain functions.

Mrs. Moore stated that the overall consensus of the study group is not to privatize the golf course and staff should be allowed to continue on the current path of expanding the marketing of the golf course both locally and nationally. Mrs. Moore said that staff will report back to the committee in the next few weeks with the information that has been requested.

V. ANY OTHER MATTERS - There were none.

VI. ADJOURNMENT

The meeting was adjourned by Mrs. Moore at 11:40 a.m.