



TOWN OF PALM BEACH

RECREATION DEPARTMENT

MINUTES OF THE RECREATION ADVISORY COMMISSION TENNIS FACILITIES PRIVATIZATION STUDY GROUP HELD ON WEDNESDAY, SEPTEMBER 29, 2010

I. CALL TO ORDER & ROLL CALL

A meeting of the Town of Palm Beach Recreation Advisory Commission Tennis Facilities Privatization Study Group was held on September 29, 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 10:30 a.m. Other individuals of the study group in attendance were Mr. Joseph Della Giustina, Dr. Ellen Howe, Mr. Henry Jamison, Mrs. Suzanne Ainslie, and Mr. Michael Spaziani. Staff members in attendance were Director, Mr. Jay Boodheshwar, Assistant Directors Mr. Alan Brown and Mr. Rod Gardiner, 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. Della Giustina made the motion to approve the agenda, seconded by Mr. Jamison all were in favor.

IV. TENNIS FACILITIES 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 tennis facilities, which included a more detail description of its budget, staffing levels, fees, participation, and long term financial plan. He also announced that due to the temporary re-assignment of Alan Brown to manage the golf course, Assistant Director Rod Gardiner is now providing supervision to this division.

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.

After very brief discussion, Mr. Della Giustina made a motion that selling the tennis facilities was not an option to be considered. Seconded by Mrs. Ainslie, all were in favor.

Mr. Jamison said that the Town has in the past two years completed the renovation of the Seaview facility and it would be a mistake to give it away to a private company who will not take care of these facilities. He said what we need to look at is how to privatize some of the expenses. He said that based on the numbers, he can't see how a private company would be able to come in and make a profit without drastically reducing services and increasing prices.

C. Discussion Regarding Potential Modifications of Current Program Operations

Mrs. Moore asked the committee for suggestions on ways to improve the operation of the tennis facilities.

After some discussion the committee suggested and/or requested the following:

- Provide job descriptions and salary ranges of tennis staff.
- Provide a report showing the revenues and expenses of the current professional teaching contract.
- Provide information on the two positions that are retiring within the next 4 years, regarding savings from early retirement and the cost to buy out these two positions.
- Research privatization of additional services.
- Provide a revised budget that shows 55%, 75% and 100% recovery goals, including changes to fees and staffing to make the numbers work.

Mr. Boodheshwar said that he appreciated the feedback from the committee and said that staff would get the information that was requested to the committee prior to the next study group meeting.

V. ANY OTHER MATTERS - There were none.

VI. ADJOURNMENT

The meeting was adjourned by Mrs. Moore at 12:30 p.m.