



TOWN OF PALM BEACH RECREATION DEPARTMENT

MINUTES OF THE RECREATION ADVISORY COMMISSION TOWN DOCKS PRIVATIZATION STUDY GROUP HELD ON FRIDAY, SEPTEMBER 24, 2010

I. CALL TO ORDER & ROLL CALL

A meeting of the Town of Palm Beach Recreation Advisory Commission Town Docks Privatization Study Group was held on September 24, 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 1:00 p.m. Other individuals of the study group in attendance were Mr. Daniel McDonnell, Mr. William Miller, Mr. Leo Vecellio and Mrs. Pamela McIver. (Mr. Vecellio and Mrs. McIver participated by phone) Staff members in attendance were Director, Mr. Jay Boodheshwar, Dockmaster, Mr. Jon Luscomb, and Office Manager Mrs. Lisa Walkowich. Also in attendance were Mr. William Diamond and Mr. Richard Kleid, Town Council members.

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

IV. TOWN DOCKS 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 Town Docks, which included a more detail description of the Town Docks budget, staffing levels, fees, participation and its long term financial plan.

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, and short-term/long-term leasing. 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. Vecellio stated that he felt the Town Docks should continue to operate under the existing model and that he could not understand how privatizing the Town Docks would help the Town's financial situation. However, he said that the Town Docks were good but in order to remain competitive needed to be improved. He said that a private company might be more interested in profit than services and if services were to decrease, competitive area marinas would begin to poach away the best of the customers.

Mrs. McIver asked if there were items that could be addressed or improved that could potentially create new revenue streams for the Town Docks. Mr. Vecellio suggested that upgrades be made to the electrical infrastructure in an effort to become more competitive and bring in the more sophisticated boats. He said that by completing these improvements the Town could charge a premium for these larger electrical hookups.

Mr. Boodheshwar stated that based on the discussion thus far it was his understanding that the group may not be interested in further discussion of privatization at this time but wanted to expand discussion regarding the next topic which was Modifications of Current Program Operations. Mrs. Moore polled the committee who were indeed not favorable to a privatization approach for the Docks.

C. Discussion Regarding Potential Modifications of Current Program Operations

Mr. Boodheshwar asked the study group if there was additional feedback on an approach to upgrading the Town Docks to make sure that it is positioned long term for all the improving technologies, what can we do to broaden our global appeal through advertising and marketing and improve the competitiveness and attractiveness to new customers.

After some discussion the committee suggested the following:

- The Town needed to revisit the idea of upgrading and expanding the docks, not necessarily increasing the number of docks, but lengthen them to accommodate bigger vessels.
- Current lease holders should be given an opportunity to give input on the subject of improvements.
- Look into a shuttle service for boat owners.
- Invest in more staff during the season.
- Consider a new dock house with amenities such as laundry facilities, modern bathrooms, etc.

Mrs. Moore asked if there was a recommendation from the study group on the subject of privatization. Mr. Vecellio made a motion to recommend that the study group cease from exploring privatization options but instead recommend to the Recreation Advisory Commission and to the Town Council that staff continue to develop the long term capital improvement plan and further develop its service to make sure that we will remain competitive and successful. Seconded by Mr. Miller, all were in favor.

V. ANY OTHER MATTERS – There were none.

VI. ADJOURNMENT

The meeting was adjourned by Mrs. Moore at 2:15 p.m.