

SPECIAL CALL RECREATION COMMISSION MINUTES
Tuesday, May 29, 2018 – 4:00 p.m.
City Hall, Council Chambers, Vero Beach, Florida

PRESENT: Chairman, Richard Yemm; Vice Chairman, Sue Dinunno; Members: Judy Jones, Bobbi Burdick, Brooke Malone, and Alternate Member #1, Greg Holtan; **Also Present** Recreation Director, Rob Slezak; Assistant Recreation Director, Patty Howard; Assistant City Attorney, Stefanie Beskovoyne; and Senior Administrative Assistant, Rita Hawkins

Excused Absence: Garrett MacMillan

1. CALL TO ORDER

Chairman Yemm called the meeting to order at 4:00 p.m.

A) Roll Call

The Senior Administrative Assistant performed the roll call.

2. PUBLIC COMMENT

None

3. ITEMS FOR DISCUSSION

A) Year End Recreation Department Report – Recreation Director

Mr. Rob Slezak, Recreation Director, stated that his year end Recreation Department report that the Commission received is a draft (on file in the City Clerk's office). He tries to update the draft report every year, so he can provide it to the Recreation Commission and the City Council.

Mr. Yemm stated that this is the most comprehensive report he has seen. Ms. Jones said she agreed and it is very professional. Mrs. Burdick said it is very good and complete.

Mr. Yemm reported that he spoke with Mr. Slezak earlier in the day and he gave him some suggestions that will make the report easier to read. He would like to see it broken down to show what positions the full time and the permanent part time employees are working in. He has very good job descriptions and a good comparison of where they are now versus where they were back to 2002 when they split from the County.

Mr. Slezak said he was asked to explain the difference between full time and permanent part time employees. He said full time employees work 37 ½ to 40 hours per week and have a benefits package. The permanent part time employees work 20 to 25 hours per week and they do not receive any benefits.

Mr. Yemm stated that page six (6) demonstrates the change in the operation of the Recreation Department staffing since the split from the County in 2002. The Recreation Department staff dropped from 63 positions in 2002 to the current total of 26.

Mr. Slezak explained that after the County took over the athletics portion of the Recreation Department in 2002/2003 the City's positions dropped from 63 to 47 and it has steadily decreased down to 26. Mr. Yemm said part of the employee cutbacks happened when the City started out sourcing some of the City programs.

Mrs. Burdick asked how many maintenance and custodial personnel did the City use to have. Mr. Slezak replied that they once had seven (7), but now they only have two (2). The maintenance employees take care of the playgrounds, some of the exercise facilities, they do all the set ups and take downs at all the City facilities, and they handle the stage, bleacher rentals, etc. for all the community and special events.

Mr. Yemm asked what is the demand on the Recreation Department today compared to what it was four (4) years ago. Mr. Slezak explained that a couple of things have change over the past few years. The smaller programs have been eliminated and they have only been doing what is necessary with any maintenance work or future projects. They are trying to maintain the facilities, playgrounds, etc. that are used every day to keep the people safe. They have not been proactive with their maintenance program, but he would love to see them back on a regular maintenance schedule.

Mr. Yemm asked considering the condition of the facilities and the operation of the Recreation Department how far back have they been in this decline. Mr. Slezak replied that it has been since after the hurricanes of 2004/2005.

Ms. Jones asked if the Federal Emergency Management Agency (FEMA) has reimbursed them yet. Mr. Slezak replied that FEMA has reimbursed them for Hurricane Frances, Jeanne, and Wilma, but very little on Matthew and Irma.

Mr. Slezak reported that on page seven (7) the numbers don't match up, but he will correct that. The lifeguard total needs to be changed from 13 to 14 and he will break down the segments to show how many full time and permanent part time employees they each have.

Mrs. Burdick asked Mr. Slezak if he considers recreation a service. Mr. Slezak replied yes. He has always looked at recreation as a community activity. The ultimate goal is to provide recreation for all those who may not be able to afford it. He is trying to strike a balance with raising the rates to bring in more revenue, but still continue to provide for those who are struggling financially.

Mrs. Burdick asked if raising the rates will hurt the programs. Mr. Slezak replied that he hopes not, but there is that possibility.

Mrs. Malone asked if they ever considered reducing the rates to increase participation. Mr. Slezak stated that most of the programs have good participation, but there might be a few programs it might work for. Mrs. Patty Howard, Assistant Recreation Director, explained that if they increase participation then they will need to increase staff.

Mrs. Burdick asked if these new rates will bring them closer to being in the black. Mr. Slezak replied that there is always a chance, but right now it will help offset the costs. He explained that currently there are two (2) facilities that are not rentable, which are Riverhouse and the Grand Pavilion.

Mrs. Burdick said she saw on Facebook that Riverhouse is going to Orchid Island Brewery.

Mrs. Malone added that it was mentioned at a City Council meeting and it was in the newspaper as well. Mr. Slezak replied that he believes Orchid Island Brewery was given the opportunity to bring their concept back to the City Council.

Mrs. Dinunno asked what is the General Fund Contribution that is listed on page eight (8) of the report. Mr. Slezak explained that figure represents the actual cost that the taxpayers paid for recreation.

Mr. Slezak stated that not only do they have less staffing, but also the cost for items has gone up.

Mrs. Dinunno said the budget has gone down about 30 percent, staffing levels are down 46 percent, the beach attendance has gone up about 72 percent, and the assistance with community events is up 561 percent. She asked how do they do that with 30 percent less budget. Mr. Slezak replied that they spend less time preparing for things, staff works longer than their normal hours, and they do whatever it takes to make sure that these events happen.

Mr. Slezak reported that he looks at both the public and private sectors and as a community they are all struggling.

Mr. Yemm asked why is the revenue from Seaside Grill not in a separate fund from the Recreation Department, as it is shown on page none (9).

Mrs. Malone commented that Seaside Grill's revenue is also up \$11,000 from last year.

Mr. Slezak explained that when Seaside Grill originally started it was part of Parks and Recreation and that is why it has been in the budget. They have done very well over the past few years.

Mrs. Burdick asked if the money generated by Seaside Grill goes into the Recreation Department's budget. Mr. Slezak replied that it goes into the General Fund. Mr. Yemm asked if it is treated as an Enterprise Fund. Mr. Slezak replied yes, because it is a business that sells food.

Mrs. Malone commented that last year there were two (2) reports. One (1) included the revenue from the Seaside Grill and one (1) did not. She asked why was it not presented that way this year. Mr. Slezak replied that he will make sure it is shown that way in this report.

Mrs. Dinunno asked if the County operates their Recreation Department with a profit. Mr. Slezak replied no, they are in the same position as the City. He explained that some municipalities across the Country they might have some enterprise areas that generate revenue such as a golf course, a fun center, a Marina, etc., but generally the recreation component will not generate income.

Mrs. Burdick asked what percentage of the beach chair and umbrella concessions come back to the Recreation Department. Mr. Slezak replied that it is very minimal, and they also generate a little revenue from selling soft drinks and water at the Parks.

Mrs. Malone asked what is the Community Events Assistance that is listed on page eight (8).

Mr. Slezak explained that it is assistance the Recreation Department provides for anyone having a community event, such as a race, an art show, garden fest, large cookout, etc. The paperwork all comes through the Recreation Department and they make sure they have proper insurance, help them get set up with maintenance, barricades, Police presence, electric, etc., or whatever they need for their event.

Mrs. Malone stated that the report shows they had a 290 percent increase in one (1) year in the community event assistance. Mr. Slezak said that is correct. They have had more races, an increase in monthly activity, food fests, art shows, etc. They have some activities, like the Farmers Market that can run 40 to 50 weeks out of the year.

Mrs. Malone said the community events don't seem to be going away, so it would be wise to look at this area for increasing fees. Mr. Slezak explained that when they get into the discussion of rates and fees they will see where he doubled what is currently being charged.

Mr. Slezak said page 10 shows how fortunate they have been to have people who have stepped up to help the Recreation Department and he hopes it will continue. He reported that they have requests for summer camp scholarships coming in and they are still very high. They will probably have 50 to 60 requests this year and 30 to 35 of them will be for the summer camps.

Mrs. Burdick asked if all the in-kind donations can be shown as revenue, because that is a lot of money. Mr. Slezak explained that those donations are hit or miss, they are not consistent, and they have always kept it separate.

Mrs. Dinunno asked how come the lifeguard towers are not a good use for the bed tax.

Mrs. Laura Moss, City Councilwoman, thanked Mr. Slezak for the great report. She said the Recreation Department never recovered after the split from the County. She explained that there is no reason why the Tourist Tax cannot be used for the lifeguard towers. According to the Florida State Statutes, beach/park facilities are an authorized use of Tourist Tax money. However, the County passed an Ordinance that the County does not allow it. That is why they currently have this problem, but she is trying to resolve this with the County and she is doing further research. She sent two (2) letters to the Board of County Commissioners and she will ask the City Clerk to provide copies of those letters to the Recreation Commission. When the voters of the City of Vero Beach approved the Tourist Tax in March of 1987 it was clearly laid out that the division of the funds would be very equitable between the two districts. There are two different taxing districts with the City of Vero Beach being district one (1) and district two (2) is the rest of Indian River County. Since it was set up as a special taxing district from the start she believes it should return to how it was started.

Mrs. Dinunno said it sounds like the County is funding marketing and advertising to bring people to Vero Beach, but she believes they need to take care of the people we have.

Councilwoman Moss said she agrees. She said their action of attracting new people borders on being irresponsible, because they have not entirely provided for the public safety by not funding a new lifeguard station. She explained that the Tourist Tax is four percent and there are three (3) funds that it goes to. One percent goes to service the County's debt on Historic Dodgertown, one and a half percent goes to the beaches, another one and a half percent goes to tourist development, and the rest goes to the Sebastian Chamber of Commerce and the Indian River

County Chamber of Commerce. She is not complaining about the Chamber of Commerce, but the City should not be charged for the County's tourist development advertising and their salaries. She believes there is a long history behind all of this and she is trying hard to get the money that is generated in the City of Vero Beach to be spent in the City of Vero Beach.

Mr. Slezak asked Councilwoman Moss if it is correct that the City of Vero Beach collects approximately 72 percent of the Tourist Tax. Councilwoman Moss said she is not positive on the percentage, but the City of Vero Beach does the heavy lifting.

Mr. Yemm said he believes that Mr. Peter O'Bryan, Chairman of the County Commissioners, said the only way the Tourist Tax money can be used for lifeguard towers is if there is a County referendum overriding what they are currently operating under. Councilwoman Moss stated that Chairman O'Bryan said he would put the discussion of changing the County Ordinance item on the County Commission agenda. It would only require a vote by the County Commissioners and it does not require anything to be done by the Supervisor of Elections. She is hopeful that they can get some of the Tourist Tax money to fund some Recreation Department programs, especially the lifeguards. She would like to know to what extent these programs are used by non-City residents. Mr. Slezak replied that it depends on the location of the program, but most are 50 to 75 percent County residents.

Mr. Slezak stated that he will provide the Recreation Commission with a copy of the final report after he makes the revisions.

Mrs. Megan Hoots asked if they ever considered expanding programs at Leisure Square to include technology lessons for adults. They could better utilize the room that is to the right of the pool that is currently used for aerobics. There are very few places that offer lessons on how to use their new I-phones or computers and simple continuing education classes for seniors and adults might work for that space. That space could easily be used for yoga, art classes, etc. Instead of increasing some rates, try to fill the spaces that are not being used during certain hours.

Mr. Slezak replied that they are focusing on filling the empty spaces. Along with Leisure Square, the Community Center is another building that has vacant space.

Mrs. Hoots asked how can they better connect with the public about the Recreation Department having available space to rent for someone who might be interested in teaching a special class. She believes that connection is missing. Mr. Slezak stated that they will hit all of their publicity sites asking for anyone with ideas to call him.

Mrs. Malone asked if a renter would need insurance. Mr. Slezak said that it depends on the program. If it is a class to teach a card or board game then probably not, but if it is an exercise or dance class it would require insurance, because the possibility of someone getting injured increases.

Mr. Ken Daige, Vero Beach City resident, said earlier they discussed Riverhouse and the possibility of it changing uses. He asked Mr. Slezak how long has Riverhouse been operating as a rental facility. Mr. Slezak replied 20 to 25 years. Mr. Daige asked what are some of the functions that take place at Riverhouse. Mr. Slezak replied that some of the uses include meetings by service organizations, family reunions, weddings, birthday parties, funerals, etc.

Mr. Daige asked over the past year before the hurricane damage were there a lot of functions held there, or just a few. Mr. Slezak replied that there were approximately 200 partial or full rentals, so it was used quite a bit. Mr. Daige asked if Riverhouse is located in a Park setting. Mr. Slezak replied yes. Mr. Daige asked how much will the repairs cost and where is that money coming from. Mr. Slezak explained that the repairs will cost between \$110,000 to \$120,000 and it is being paid for by an insurance claim due to Hurricane Irma. Mr. Daige asked if the insurance policy is paid for every year from the General Fund. Mr. Slezak said yes.

B) New Adjusted Rates and Budget – Recreation Director

Mr. Slezak showed the Mission Statement for the Recreation Department (on file in the City Clerk's office). Mr. Yemm read the Mission Statement. He also read examples of Recreation Department's Mission Statements from other cities. He said he believes they need to change the City of Vero Beach's Recreation Department's Mission Statement to address that the programs and fees should be affordable to residents in Vero Beach. Mrs. Dinunno said they cannot change the mission statement if they don't have support from the City Council for the budget.

Mr. Yemm made a motion to add the word affordable to the City of Vero Beach Recreation Department's Mission Statement. The motion was seconded by Mrs. Dinunno.

Mrs. Malone suggested that they go through all the rates first and then discuss what is affordable and if that word should be added.

Mrs. Burdick made a motion to table the motion. Mrs. Malone seconded the motion.

Mr. Slezak went over the new proposed rate schedule and explained that everything in black are rates that have already been approved (on file in the City Clerk's office). He added a new higher maximum rates rate column.

Mrs. Malone stated that the new higher maximum rates are not massive increases. She said most of these nonprofit organizations and 501(c)3 groups that put on the community events get businesses to cover this expense and sponsor them. She feels that they should charge the higher rates to help cover more of their expenses and put more money back into areas to help the children and the senior citizens.

Mr. Slezak stated that if they want to apply the new higher maximum rates to 2019 then they can set a new maximum rate for the future. He explained that if he doubles the current rates then they will be at a breakeven point.

Mr. Yemm brought up the new Royal Palm Pointe admission charge. He said that most of the people who use that area are summer camps.

Mr. Slezak agreed that there are groups of summer camps that show up, but there are also just parents with their children. He explained that they charged a \$1.00 admission fee previously during a nine (9) day spring break and they took in about \$1,500. He is proposing a \$2.00 admission/donation per person to anyone who comes to the fountain with the expectation of any City programs that might go there. He said there are a handful of people who are not happy with this decision, but they are mainly the people who were responsible for getting the funding to have the Royal Palm Pointe fountain installed.

Mr. Yemm asked if the County operated programs are charged a higher rate to use City facilities or Parks. Mr. Slezak replied not for community events. Even though a nonprofit group might be based out of the County, a number of their members could also be City residents.

Mr. Slezak continued with giving a brief explanation of the five (5) options under community events.

Mr. Yemm moved onto Recreation Programs and stated that they should increase the County's participants cost more than what it is showing. They need to try to keep it affordable for City residents. Mrs. Howard said that she struggles with this, because it is all about the children and they are all there together doing the same thing. She understands it, but her mission is for the children and she would hate to out price someone just because they live in the County. Mrs. Dinunno said she feels that the new higher maximum rate for the children's programs is a huge jump.

Mrs. Malone proposed that they address the tennis programs first and then go back to the children's programs afterwards, since they are harder to discuss. The Commission members agreed with going with the Proposed Rates for 2019 on the Gymnastics, Summer Camp, and Leisure Square.

Mr. Slezak continued on to the Riverside Tennis page and asked if they want him to use the new higher maximum rates shown in red for the Proposed Rate 2019 column. Mr. Yemm proposed that they increase all of the monthly membership rates for singles and families even more, because private clubs do not offer monthly memberships. The Commission members agreed to change the monthly City resident single adult rate to \$75.00 and the monthly non-resident single adult rate to \$100.00. The monthly family membership for a City resident will be \$120.00 and the monthly family non-resident rate will go to \$165.00. The Commission members also agreed to use the New Higher Maximum Rate listed in red for the Proposed Rate for 2019 on both the City and non-resident annual membership fees.

Mr. Slezak asked if they wanted to change the City and non-City guest fees. The Commission members requested that the City guest rate be increased to \$10.00 and the non-City guest rate to \$15.00. The new maximum rates should be \$15.00 for City resident guests and \$20.00 for non-City guests. They talked about the hours that Riverside Tennis is open and about the gap in the middle of the day that it is not staffed. They suggested that Mr. Slezak might want to look at putting a part time attendant there, which could be covered by the new fees. Mrs. Malone asked if they are moving the new maximum rates over to the Proposed Rate for 2019 on all the Round Robins. The Commission members agreed to increase them to the maximum rate and double that amount for the new higher maximum rates.

Mrs. Dinunno made a motion to adopt the fees as they were amended at this meeting. Mrs. Burdick seconded the motion and it passed unanimously.

The Commission went back to the motion regarding adding the word affordable to the Recreation Department's mission statement. The Commission members were all in favor of adding the word affordable and the motion passed unanimously.

Mr. Slezak went on to discuss the budget worksheet. This year it was requested that he provide a zero change budget. Some areas will have lower expenses, but they will have to add in some smaller capital items. This year the part time salaries went up as part of the increase in the minimum wage. They will see that there was a decrease in the utilities, because of a new electric utility provider. He said that recreation should try and pay for itself and with these rate increases it is getting closer.

Mr. Yemm asked who starts the process of raising employee salaries. Mr. Slezak replied that it is a combination of input from the Bargaining Unit, Finance, City Manager, and City Council. The final decision will be made by the City Council based on the information from all these areas.

Mr. Slezak explained that the only major change in the General Fund is the utilities. He continued by going through the capital items that are included in the General Fund.

Mr. Yemm said what they just did was supposedly create additional revenue for the Recreation Department. He asked how does that impact the budget. Mr. Slezak explained that it helps offset their costs and brings them closer to paying for themselves.

Mrs. Malone said she knows of a company that she purchased tables and chairs from and it was about half the price of what Mr. Slezak has listed. She stated that she will send the information to Mr. Slezak. Mr. Slezak said it makes him happy to hear that kind of news and he welcomes the information.

Mr. Slezak explained that he will be meeting with the Police Department and the Public Works and Engineering Department to discuss the five-year capital plan. Every year the City only has a certain pool of money to be used for five year capital improvements and there are competing projects and improvements that need to be done. The list is discussed and prioritized, so some of the Recreation Department's proposed items might be pushed back, or only get a portion of some.

Mr. Slezak talked about the Community Center and the improvements that are in the process of being scheduled, which include work being done to the plumbing, electrical, and getting the floors polished.

Mrs. Burdick made a motion to adopt Mr. Slezak's proposal with their amendments. Mrs. Dinno seconded the motion and it passed unanimously.

Councilwoman Moss thanked Chairman Yemm, the Commission members, and Mr. Slezak for their hard work. She sees them struggling with the same balancing act as the City Council. They don't want to charge people a lot more than they are already charging, but she cannot ask the City residents to subsidize the County. She is fighting for their share of the Tourist Tax and even though it will not pay for everything it will free up funds to be used for other purposes. The idea of having a brewery at Riverhouse is a long-range option. She suggested that their Commission might want to consider making a recommendation in that regard at a future meeting. The larger issue here is the commercialization of City owned Park property. The more specific and immediate discussion has to do with what should if anything, occur in regards to changes to Riverhouse.

Mr. Daige said they worked hard on the Recreation Department rates and they made some very good recommendations. He believes they are trying to be fair to everyone involved. Some folks might be upset with some of the increases, but he thinks their increases are reasonable and they are trying to stay friendly. He said he agrees with Councilwoman Moss about the Recreation Commission putting the use of Riverhouse on a future agenda. He reminded the Commission that Riverhouse is located in City Park land and it is protected under the City Charter. He would like the Recreation Commission to discuss it to see what they would recommend. He would like Riverhouse to stay in the Park setting and continue operating with all the uses as it has been over the past 20 to 25 years.

Ms. Jones announced that the Junior Staff breakfast will be in July.

Mr. Yemm stated that if they have a meeting in June it would be on June 12, 2018. The only agenda item that he can see right now is the discussion on Riverhouse and/or the Youth Sailing Foundation, but they are not immediate issues. The Recreation Commission's July meeting falls during the Budget Hearings, but they could use the Training Room if they needed to meet. He would say right now they will take two (2) months off and come back in August.

Mr. Yemm thanked the staff members for participating.

Mr. Slezak thanked the Recreation Commission for all their input.

4. ADJOURNMENT

The meeting adjourned at 6:40 p.m.

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