

TOWN OF PALM BEACH

Information for Town Council Meeting on February 14, 2023

To: Mayor and Town Council

Via: Kirk W. Blouin, Town Manager

From: Carolyn S. Stone, Deputy Town Manager – Business Enterprise and Culture

Re: Phipps Ocean Park Estimated Future Costs

Date: February 3, 2023

STAFF RECOMMENDATION

Staff recommends Town Council review the summary of estimated probable costs related to the renovated Phipps Ocean Park.

GENERAL INFORMATION

Town staff has been coordinating with The Preservation Foundation of Palm Beach on the Capital Grant and Operating Agreement for Phipps Ocean Park. As directed by Town Council, staff have been working toward an estimate of probable cost for the maintenance and operation of the park based on the Preservation Foundation's conceptual master plan. The park plans are currently at 60% design. All finishes for the various park elements have not been finalized and will impact the estimated future costs.

The Preservation Foundation has requested that the renovated park reflect the Town and Foundation's high standards and is maintained in first-class condition, clean and sanitary, free from all rubbish, regularly landscaped, and secure. The park is currently maintained with minimal staff (no dedicated full-time employees are assigned to park maintenance and oversight). Town staff have developed a staffing plan which they believe will best meet the desired standard of care for Phipps Ocean Park, assuming a satisfactory resolution of final design submittals.

ESTIMATED PERSONNEL NEEDS AND ADDITIONAL COSTS

Staff estimates the following new personnel needs:

Public Safety

The Police Department reviewed the proposed plans to revitalize Phipps Ocean Park, which will likely result in a significant increase in visitor traffic. The unique landscaping design will limit views of the entire park from within and outside its boundaries. A comprehensive camera plan will be installed to provide enhanced security. Still, in addition to this upgrade in technology, the Police Department anticipates the need for a more significant presence and response. Police service calls will likely include vehicle lockouts, vehicle break-ins, Violation of Town Ordinance (VTO) complaints, suspicious persons, and ocean-related incidents. Proactive foot and UTV/ATV patrol

will be required to maintain excellent response times. The Police Department recommends the addition of one police officer in the south end and a half position of parking enforcement to adequately meet the expected community standard due to the increased traffic and demands of the revitalized park.

Police Officer (1 FTE) – estimated annual cost of \$120,000

Parking Enforcement (.5 FTE) – estimated annual fee of \$40,000

Total estimated annual cost: \$160,000 (including salary and benefits)

Recreation

Recreation Department staff have reviewed the proposed plan for revitalizing Phipps Ocean Park and the planned allocation of park maintenance and management responsibilities between the Foundation (and its leased park components) and the Town. Taking into account the duties proposed, the hours the park will be open, and the expectation that the park is to be kept at an exceptional level of maintenance and care, the staff recommends hiring three full-time positions: a Parks Crew Foreman and two Park Attendants (or similar titles).

Parks Crew Foreman (1 FTE) – estimated annual cost of \$112,000

Park Attendant (2 FTE) – estimated yearly cost of \$188,000

Hours to be covered: 7 days per week, estimated 10 hours per day

Total Estimated Annual Cost: \$300,000 (including salary and benefits)

Summary of job duties:

Park Crew Foreman: The Parks Crew Foreman will operate and maintain Phipps Ocean Park grounds and facilities (outside of those elements which the Preservation Foundation will maintain). Responsibilities include, but are not limited to, directing and participating in the maintenance of park amenities (playground, pavilions, building structures, lighting, and pathways), oversight of wildlife removal, supervising the maintenance and repair of motorized and other mechanical equipment, and assisting in the supervision and directing the work of maintenance staff and park attendants, including public compliance with park rules.

Parks Attendant: Under the direction of the Parks Crew Foreman, the position will be required to operate various ground maintenance equipment, such as blowers and various hand tools associated with ground maintenance. Work involves routine manual labor duties, including daily maintenance and cleaning of multiple buildings and outdoor properties and trash, garbage, and debris collection. The attendants will also monitor the use of the park, assist in the oversight of park policies, and report any issues needing immediate attention.

Additional Costs:

Assorted tools, supplies, up-fit costs, and maintenance equipment will need to be purchased. Vendors may be required for specialty services and overnight cleaning. The Town currently spends approximately \$100,000 per year maintaining the park. That figure will be a placeholder for annual maintenance until the park design has evolved to 90%. The Preservation Foundation has also requested that the Town contribute \$100,000 annually to offset the maintenance costs the Preservation Foundation will incur.

Total estimated costs for the Town: \$660,000 (including personnel and maintenance)

Preservation Foundation of Palm Beach

Preliminary expenses the Preservation Foundation will incur each year in addition to the \$300,000 estimated probable cost for landscape maintenance include: maintenance of water features, outdoor classroom, signage, and rock features (approximately \$25,000), plant replacement (roughly \$20,000), Coastal Restoration Center and park staffing to include a botanical curator, educator, and gardener (3 FTEs and .5 FTE for supervision at an approximate cost of \$260,000), Little Red Schoolhouse maintenance and program expenses (\$25,000), and Coastal Restoration Center maintenance and program expenses (approximately \$50,000).

Total estimated annual costs for the Preservation Foundation: \$680,000

FUNDING/FISCAL IMPACT

The Preservation Foundation of Palm Beach will raise the \$20 million projected project cost for the proposed renovations and a goal of establishing an endowment fund of \$5 million. The Foundation is requesting the Town to contribute \$100,000 annually, inflation-adjusted, toward the Preservation Foundation's portion of maintenance for the park. This \$100,000 would be in addition to the annual costs itemized above for Recreation Department staffing (3 FTEs at an approximate cost of \$300,000), security (1.5 FTEs at an approximate cost of \$160,000), liability and property insurance coverage and claims (expenses TBD), beach renourishment (already budgeted), and invasive species removal (\$220,000 – already approved per September 13, 2022, TC meeting).

Estimated Projected Park Revenue:

Staff has estimated revenue changes based on increased park usage and, thus, increased parking revenues. Currently, only 144 available parking spaces are available due to the north lot being utilized for a laydown area for the undergrounding project. Once the park is completed, 201 available paid parking spaces will be available.

| | 2022/23 revenue | Estimated 2024 |
|-----------------------------------|------------------------|-----------------------|
| # of parking spaces | 144 | 201 |
| # of parking hours | 53,361 | 74,705 |
| Parking rate | \$5/hour | \$6*/hour |
| Total Revenue from parking | \$266,803 | \$448,234 |

*staff placeholder for modeling purposes only – not an approved rate

Operating Profit Comparison for Renovated Park:

| | 2023 | 2024 |
|--|------------------|---------------------|
| Revenue | \$266,803 | \$448,234 |
| Expense | \$100,000 | \$660,000 |
| Total | \$166,803 | (\$211,766) |
| Projected additional amount needed in FY 24 budget to support renovated park | | (\$378,569) |

Staff estimates that the Town would spend approximately **\$378,569** per year more than the current budget to operate the renovated Phipps Ocean Park. As noted, final design features and finishes

have not yet been selected and will have a material effect in the future as to the on-going park maintenance and replacement costs. Staff anticipates a material/finish selection process with the Foundation and its design professionals to select materials that are befitting of an extraordinary park but also not overly burdensome and costly to maintain. Once finishes are determined, staff will have a more accurate cost estimate for the ongoing maintenance and upkeep of the park.

cc: Robert Miracle, Deputy Town Manager for Finance and Administration
H. Paul Brazil, Director of Public Works
Eric Brown, Assistant Director of Public Works
Mark Bresnahan, Recreation Director
Darrell Donatto, Fire-Rescue Chief
Nicholas Caristo, Police Department Chief
Wayne Bergman, Planning, Zoning, and Building Director
Dean Mealy, Procurement and Contract Manager
Amanda Skier, Executive Director and CEO of the Preservation Foundation of Palm Beach