

Date: February 12, 2021  
To: Dr Jeremy Earle, City Manager  
From: Mayor Joy Cooper  
Re: Discussion of Tennis Contract

---

After continued review ; watching tapes, looking at timelines thru different city managers and interim city managers 'and 3 different commissions, discussion with staff and input from other interest parties I have decided to bring this item forward for discussion with the hope of having Dr Jeremy Earle do a full review.

The Tennis Center as well as the entire Hallandale Beach Parks System has been one of my priorities since moving here to Hallandale Beach . As a parent raising my young children here , I realized how important our parks are to the quality of life of all our residents. Parks are not only for play but are an intergyral part of neighborhoods and add to the unique fabric of our city as a whole.

As you have heard at our last meeting when we discussed Sunrise Park there is an important role parks play in the economy of our city. Parks are proven to add to the tax base. They make our community and neighborhoods more desirable. Like in *The Field of Dreams* "Build it and they will come". We as a commission need to look at the bigger picture.

This brings me to our Tennis Center. Like our other parks it will be a state of art complex. Not only will there be a brand-new tennis facility, but it is adjacent to another great park Golden Isles Park. This addition makes the tennis center even more of a gem.

At our meeting to approve the Tennis Contract I was surprised we did not go out again to bid. It could have been issued as in the past with time to approve as the center still will not be fully open until June.

While I was not here for all the discussions on the tennis courts I have been approached by numerous individuals and understand that a grey cloud was cast over the bid and how it was awarded. My goal then was to clear that cloud and start with a clean slate.

This project was a long time coming. There had been an award and with a change in commission it will address this during my next item.

After 18 months we were finally given the contract that was approved. The bidder was to contribute to construction as per discussion with the commission and staff . I had asked many times where the contract was? Where was the 300,000 dollars to pay for the clay courts as committed? The current contract allowed the bidder to commit 50,000

now and when the building is granted the CO the must come up another 50,000 and deposit for repairs. At the meeting when it was approved, I could not even get answers to some simple questions. I know that the city had once again going thru changes of leadership. This brings me too today. I am not here to ask for a new RFP. I would still prefer that scenario but that is up to you all.

The contract we were presented with was a draft contract. It needs to be noted that a comment was made that we cannot negotiate a contract unilateral. That was not my intent. We as Mayor, Vice Mayor and commissioners are tasked with providing oversight. Just like a budget or development agreement , when a contract comes to us it is ours to review , suggest amendments approve or deny. Once we make recommendations for changes, they can be agreed to on the spot or sent back to our city manager to be negotiated.

Well question one was who negotiated that contract? That would be Director Schanz who worked on this item but has not an expert in running aa tennis facility. Others including ACM Klopp and ACM Earle , CA Merino I have come to understand reviewed for language pertaining to certain parts. It needs to be noted that City Manager Chavarria was the one in charge of Day to Day at the time.

Who wrote the contract ? It was finally answered the YMCA contract was used a template.

To me this all made sense now. I am not criticizing but in my opinion WE ALL could have done a better job. My goal then and now is to get the best contract for our city and our residents who have paid for our parks system. It is not about the operator per se but how we can insure we get what we expected.

There is not an agreement for 300,000 dollars as promised. In the contract the operator is not “required” to use our Rectract. Currently they use their own software. Can we get a true audit from their platform? The operator has no specific guidelines to prioritize resident play. There is not a specific guideline to report out 1099’s to allow our audit of tennis professionals. There is not a clause to “not allow” the collection of cash on the courts. There Is not a requirement for the Operator/Contractor to be on site. This means we are opening the door for the simple staffing of the courts not a hands-on operator. This operator is already running a facility and certainly cannot be in two places at one time. Hours for resident play on both Har-tru clay and Har-Tru hard courts have not been delineated and the fees have not been provided for Clay. There is not a prohibition of renting our courts for outside tournaments which would only be shown as a rental so true revenues could be impacted. Summer Camps: How are they going to be established? What will the hours of operations be with courts? Is this also revenue neutral for the city?

The contractor gets the full benefit of all tournament revenue and clay courts. I understand revenues out of Dun and Bradstreet for All Florida Tennis DBA currently generates 246,566 in sales and has 8 employees. This makes me believe that we will

never see revenue above 300,00 to collect only 4% above this amount to me is not reasonable. In essence the contractor is paying only 200,000 plus furnishings and alarm system to secure the building for the exclusive rights to operate our center. We will at best see a slight increase in our current annual revenue 36,000 since there is a built-in fee increase every year in the Performa. We will receive no other shared income. Nothing from concessions or sales.

I am asking for us to direct our new City Manager to reopen the contract to ensure many of these concerns are addressed and we can be insured we have the best contract. While I agree we do not need perfect, we still need strive for the very best. Give our City Manager more time to do due diligence and ensure our residents get priority.