

**Memorandum
General Administration**

To: Thomas Thomas, City Manager
Subject: Parks and Recreational Operational Audit
Date: April 14, 2015



In February the City issued a Request for Qualifications seeking a qualified partner to complete a comprehensive operational audit, market feasibility analysis, and business process assessment of the Parks and Recreation Department. The City received six (6) responses from firms throughout the nation. Upon review of the proposals, two (2) firms were selected for in depth interviews.

After thorough consideration, staff is recommending Ballard King & Associates to perform the requested services. Their proposal and interview stood out among the rest with regard to their competitive pricing, approach to community outreach and stakeholder engagement, and their ability to provide concise, implementation focused deliverables. In addition, Ballard King & Associates offer a variety of methods for gathering stakeholder, employee, and public input.

Attached is a proposed contract for completion of an Operational Audit and Business Plan Development for the Parks and Recreation Department. The scope of services detailed in this proposal include all necessary expenditures plus reimbursable expenses.

Recommendation:

City Council approve Ballard King & Associates for professional consulting services to complete a comprehensive operational audit, market feasibility analysis, and business process assessment of the Parks and Recreation Department in an amount not to exceed \$46,350 and authorize the City Manager to execute the contracts.

Vendor: Ballard King & Associates LLC
Payment Amount: \$46,350
Fund: 555 Park and Recreation
Department: 811 Park/Recreation Administration
Cost Center: 041 Administration
Object Code: 53112 Consultant Services
Project: N/A

A general fund transfer will offset the expenditure in the Parks and Recreation fund.

Submitted by: Benjamin McCready, Assistant to the City Manager

Approved by: Thomas Thomas, City Manager



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& ASSOCIATES LTD
Recreation Facility Planning and Operation Consultants

April 13, 2015

Mr. Thomas Thomas
City Manager
City of Rock Island
1528 Third Avenue
Rock Island, IL 61201

Dear Mr. Thomas:

Ballard*King & Associates (B*K) is very pleased to work with the City of Rock Island to complete an “Operational Audit and Business Plan Development” for the Parks and Recreation functions.

Included in this document is an executive summary of our project approach, firm profile, project team members, scope of services and timeline for project completion.

If you require any additional information from B*K please do not hesitate to ask.

Sincerely,

Ken Ballard, CPRP
President

*Ballard*King and Associates is committed to comprehensive planning and operations consulting services, providing for the effective and efficient use of available resources to develop and operate sports, recreation and wellness facilities.*



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& ASSOCIATES LTD
Recreation Facility Planning and Operation Consultants

PROJECT APPROACH

Ballard*King & Associates is prepared to complete an “Operational Audit and Business Plan” for the City of Rock Island’s Parks & Recreation Department. This study will have a strong emphasis on identifying the financial performance of Parks and Recreation, maintenance practices, and the current organizational structure. This will be combined with a review of community needs, a market analysis and the ultimate development of a business plan. We have the experience and knowledge to assist you with the tasks that are needed for this type of study and we are not afraid to suggest realistic alternatives if that is what is needed to improve operations of the Parks and Recreation Department.

Ballard*King & Associates is a Denver based recreation planning firm that has completed over 35 operational assessment studies for parks and recreation departments and facilities around the country.

Our intent is to have a very hands-on approach to this study with open, effective communications with the staff of the City, user groups, and key stakeholders. Active involvement and participation from all parties in the process is welcomed and encouraged. We want to be seen as "partners" in the effort to complete a comprehensive operations assessment. We offer the flexibility and organization to adjust our scope of work to changing demands as well as limited time constraints. We recognize that each project is unique and our approach to recreation planning is customized to target the client's individual needs. This approach, coupled with our attention to detail and vast experience as recreation planners, public input specialists, and facility operators will ensure that your best interests are being fully represented.

We believe strongly that the operations assessment study provides the cornerstone and blueprint for the future direction of the Rock Island Parks and Recreation Department and the importance and magnitude of such a study requires a firm that has proven practical experience in this area. The final written report will be presented in a concise, easy to read, understandable manner that meets your outlined goals and expectations.



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FIRM PROFILE

Ballard*King & Associates, Ltd., a Colorado corporation, was established in 1992 by Ken Ballard and Jeff King in response to the need for market-driven and reality-based planning for parks and recreation agencies. B*K has achieved over 22 years of success by realizing that each client's needs are specific and unique. With over 70 combined years of recreation planning experience in the public, non-profit, collegiate and private sector, our consulting firm has been involved with over 35 master plan studies, 35 operational assessments and has completed over 600 recreation facility projects in 48 states.

We form a consulting team that offers a variety of planning services for clients who provide sports, recreation, aquatic, or wellness facilities and programs. From pinpointing specifics to broad visions, B*K provides direction to ensure the long-term viability of a parks and recreation agency.

By bringing practical, proven experience to a project we can accurately represent the client's best interests. Our firm has a keen awareness of the impact parks and recreation services have on a community and the organization that is responsible for delivering these services. Thanks to our extensive field experience we are able to provide assistance with practical tools, an uncommon ability to see the overlooked and view your study from a wealth of expertise and knowledge.

Teamwork is a core aspect of our company. We work together ensuring all clients are receiving the wealth of knowledge our B*K team brings. The success of any project begins with an integrated, mutually valued approach to the individual needs and goals of each client. Thus, we team with you and for you.

First and foremost to Ballard*King & Associates is our reputation of being a company of strong ethical character. Our top concern is the client's best interests and our approach is always honest and down-to-earth. We aim to help each client see the full potential of their project by providing trustworthy services to achieve their goal.

Let us help you, move forward!



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& ASSOCIATES LTD



PROJECT TEAM MEMBERS



The B*K team will include the following staff.

Ken Ballard, Principal – Ken will be the project manager and will be responsible for directing the process and writing the final report. He was the project manager for each of the full organizational assessment projects noted in the experience section of this proposal.

Jeff King, Principal – Jeff will assist Ken with the project where necessary. He also has extensive experience with facility assessments as well as organizational planning.

Darin Barr, Senior Associate – Darin will play an important role in the project by focusing his efforts on the on-line survey, individual facility operations, and the competitive market analysis. Darin has personally been involved in over 5 facility assessments.



SCOPE/PROCESS

Project Overview

The project will kick-off with:

- Project review and update
- Identify study constraints and parameters
- Meet with the project team

Financial Assessment

The financial assessment will include the following:

- Financial polices review
- Budget assessment
 - * Financial statements
- Revenue generation plan review
 - * Fee structure and methodology
- Individual profit centers assessment
 - * Facility business plans

Maintenance and Asset Management

This phase of the study will focus on:

- Maintenance plan review
 - * Determination of best practices
 - * Compliance with basic industry standards
- Asset management plan review
- Organizational partnership assessment
 - * Intergovernmental partnership review
- Capital improvement plan review
 - * Management of process
 - * Funding sources
 - * Prioritization of expenditures

Organizational Structure and Performance

This key aspect of the assessment will include a review of the following:

- Management structure review
 - * Alternatives/options recommendations
- Review and prioritization of operations
- Review and prioritization of services
- Performance measures and outcomes assessment



SCOPE/PROCESS

Community Needs

An important piece of the assessment study will be reviewing community needs and expectations for parks and recreation facilities and services. This will include:

- Community surveys review
- ADA compliance funding needs
- Parks and recreation facilities/programming impact on the community

Business Plan

Utilizing the information noted above, B*K will formulate a recommended business plan for the Parks and Recreation Department that will ensure financial sustainability. This will include:

Competitive Market Analysis:

- Determine who the alternative providers are
 - * Gather information regarding the type, location and characteristics of other providers
- Review the market for existing Parks and Recreation services
- Review of national, regional and local trends
 - * Supply and demand assessment
- Recommendation for appropriate market positions
 - * Strengths
 - * Financial sustainable goals
- Comparison of operational factors with other providers
 - * Programming
 - * Fitness center
 - * Fees and charges
- Comparisons with similar communities
 - * Mission and objectives
 - * Programming

Operational Analysis:

- Determine how operations should be structured
 - * Support for maximizing revenues and controlling expenses
- Determine the reliability and integrity of the financial and budgetary process



SCOPE/PROCESS

- Determine the effectiveness, efficiency and economy of operations.
 - * Assess if operations can be sustainable
- Financial impact of services currently provided by City departments or private providers
 - * Identify duplicate services and who should best provide
- Determine the potential impact of an increase in the minimum wage

Business Plan Report:

- Support the goal of maximizing market potential and financial sustainability
- Recommendations are supported by data and findings of the process
- Key operating characteristics for each business area are developed
- Performance indicators are determined
- An implementation plan is developed
 - * Operating procedures changes/modifications
 - * Organizational structure recommendations
 - * Financial policies changes/modifications
 - * Management goals and objectives
 - * Prioritization and staff responsibilities



Public Outreach

An important aspect of the assessment process is ensuring that there is a robust project outreach plan. This will include:

- *Staff Meetings* – A series of staff meetings (up to 4) and regular communications will ensure that the goals of the project are met.
- *City Council and Parks and Recreation Board* – Interviews will be held with each group.
- *Stakeholder Steering Committee* – With the assistance of staff, a project steering committee will be established. Regular meetings (3) will be held with the committee to update them on the progress of the study and gain input on its findings and recommendations.





SCOPE/PROCESS

- *Stakeholder Meetings* – A series of stakeholder meetings (up to 5) will be held with key organizations in the community that have a direct impact on parks and recreation programs and services.
- *Focus Groups* – A number of focus groups (up to 6) will be held with current parks and recreation users, demographic groups and non-users, to determine parks and recreation needs and expectations.
- *On-Line Survey* – An on-line survey will be developed and the results analyzed to help determine future needs and demands from the general public.

B*K will work with City staff to develop a public outreach plan that meets the needs of this study with the resources and time that are available.

Final Report

B*K will develop segments of the study as they are completed and a draft report will be completed for review by staff, elected officials and the steering committee. From this, a final report will be issued.

- Develop draft report
- Presentation of draft final report for review
- Complete the final report with any updates
 - * Provide 19 printed copies to the City
 - * Provide an electronic version of the report



Letter of Agreement

Terms:

1. Ballard*King & Associates agrees to provide the consulting services that are outlined in Scope of Services that was provided to the City of Rock Island, IL. Payment shall not exceed \$38,350 for personnel cost and \$8,000 for reimbursable expenses for a total project fee not to exceed \$46,350. All materials and documents prepared by Ballard*King as part of the scope of services shall be provided to the client to be used as the client determines.
2. All expenses incurred by Ballard*King & Associates that are directly related to the completion of this agreement will be reimbursed by the same based on actual cost plus 10%.
3. Any modification in the scope of services and fees must be mutually agreed upon to in writing by both Ballard*King & Associates and the City of Rock Island, IL prior to implementation of the changes.
4. The project fee will be billed at selected intervals of the project upon completion of those specified project services. All invoices are due in full within 60 days of the bill's receipt. A monthly interest rate of 1 and ½ will be assessed on any outstanding balance after 60 days.

Representative, City of Rock Island, IL

Date

4/13/2015

Ballard*King & Associates

Date

Project Schedule

Task	May			June					July				August			
	11 th	18 th	25 th	1 st	8 th	15 th	22 nd	29 th	6 th	13 th	20 th	27 th	3 rd	10 th	17 th	24 th
Site Visit																
Project Overview																
Financial Assess.																
Maint/Asset Mang.																
Org. Structure																
Community Needs																
Site Visit																
Public Outreach																
Staff/Officials																
Steering Com.																
Stakeholder Int.																
Focus Groups																
On-Line Survey																
Business Plan																
Site Visit																
Final Report																
Site Visit																

*Note: This project schedule assumes that B*K would have a signed letter of agreement in hand 2 weeks prior to being on-site the week of May 11th.*