

Further Review and More Detailed Planning Required for Eanes ISD Lease of River Hills Road Property

The potential lease of Eanes ISD property on River Hills Road merits further review and consideration by the Eanes Board of Trustees and Superintendent, Dr. Nola Wellman. Our community lacks sufficient facilities to keep up with the demand for youth sports. A multi-sport complex utilized by both our school district and the public could be a model public/private partnership which benefits our children while maximizing the taxpayers' dollar.

The Request for Proposal (RFP #2010-0024) solicits bids "...for the entry into a 50 year Contract/Lease Agreement on EISD property to be used for the construction, management, and operation of a multi-sport complex..." with the accepted Proposer "...to pay all costs of design, zoning, platting, surveying, permitting, construction, utility installation, and all costs to process applications or fees through any corresponding governing body, etc., as may be required" and to be "...responsible for all costs of managing and operating the facility, including but not limited to staffing, monthly bills, all repairs, property taxes, and maintenance."

Only Western Hills Little League (WHLL) responded to the RFP.

After reading the RFP and the proposal submitted by WHLL, I respectfully request our Board of Trustees and Dr. Wellman to consider, with an eye toward more comprehensive planning and execution, the following questions:

- **What is the goal of leasing the River Hills 50-acre site? What actual use does EISD get from these fields?**

Is the goal of the lease to create a public/private partnership to develop a multi-sport complex in an area which has high demand for many different sports while Eanes ISD creates an additional revenue stream? Or, is the goal to have a private entity develop a portion of the land to offset certain development costs if/when the district decides to build an elementary school in the future? What other goals, benefits, and costs are generated through the lease of this property?

Open dialogue which responds to these primary questions should drive the decision-making. Additional topics should include how and when EISD extra-curricular and co-curricular programs will use these facilities. WHLL's proposal restricts EISD use to school hours plus one

hour before and one hour after - with no seasonality addressed. Is this amount of time adequate for EISD and public use?

- **Why was so little time allowed to respond to the RFP? Should the district release another RFP, with more time consideration, in an effort to have several responses and more active participation?**

WHLL took part in discussions with the district prior to the release of the RFP. No other organization was informed of the upcoming RFP nor was given privileged information to begin preparing a response in advance of the release of the RFP.

The time frame for response was 25 calendar days. The lack of response from other organizations - which have acknowledged the enormous need for such a facility - is telling. There was simply not enough time allotted for other organizations to research the site and compile a robust, focused response.

- **Is WHLL the appropriate vendor for a multi-sports complex?**

EISD should review WHLL's current operational capabilities and substantiate that WHLL can effectively operate an even larger multi-sports complex. Does WHLL demonstrate a serious interest in multi-sport facilities? Their response specifically states the ultimate goal is to have an eight (8) Baseball Field Complex. While WHLL has expertise in baseball, they do not have direct experience in building, maintaining, or managing other sports activities. There are other organizations, such as West Austin Youth Association and YMCA, who have multi-sport capabilities as well as the administration and operational expertise to manage a complex.

Of note, WHLL states its participant base from EISD has been eroding due to lack of fields in the geographic area as well as poor field quality. The proposal points out some participants are choosing to go to other little leagues outside of the EISD region such as Oak Hill and Northwest Little League - this couldn't be a geographic proximity justification for erosion of participation. If WHLL is responsible for the quality and maintenance of the fields, then why haven't they spent the money to improve them? Attributing the erosion in the participant base to geographic availability or field quality is a weak argument.

- **Does WHLL have the capital to move forward on its plans? Just how much money does WHLL need to raise to make this happen?**

WHLL has to raise the funds to complete this obligation. Should the proposal from WHLL be accepted, Eanes ISD will be tying up prime land for an unspecified period of time until the capital campaign ends, at which time it may or may not be successful. Shouldn't EISD require the funds be available when the project starts rather than keep the land tied up until the funds can be raised?

WHLL has not indicated how it will conduct its campaign, whether it has experience in conducting a capital campaign, nor the amount of funds it needs to raise to proceed with the project. The initial proposal requests a \$2500 per year lease payment. How did WHLL justify such a low payment to EISD? If EISD is asking for an additional \$7500 per year, does WHLL have the financial wherewithal to meet this? Its current profit/loss statements show net losses for FY 2007/2008 and FY 2008/2009. Shouldn't EISD insist on pro-forma financial statements from all proposers to insure fiduciary responsibility?

- **Should WHLL be paid to be the "Developer" for other sports organizations and reap additional revenues ("management fee") for this role?**

In the proposal, WHLL identifies its ultimate goal as building an eight baseball field complex; secondarily, it intends to act as "Developer" to coordinate the development of additional sports facilities (soccer, swimming, football, etc) with other youth sports organizations. Prima facie, and without knowledge of subsequent discussions between WHLL and Eanes ISD, it appears WHLL will have an income stream from its role as "Developer." What is the benefit to EISD and the taxpayers of this type of arrangement?

If EISD chose a single entity which already has experience in multi-sports, would there be cost savings/revenue increases directly recognized to EISD? In the WHLL proposal, EISD will receive 10% of the rents from other sports organizations - is this a reasonable figure? What would WHLL charge these other organizations for rentals and developer fees? Should EISD be helping any organization build its profits above and beyond a reasonable amount?

- **Should Trustee Mr. Jim Strickland recuse himself from the discussions with WHLL and/or voting to award a contract to WHLL ?**

There is a conflict of interest and lack of impartiality on the part of Mr. Strickland. Mr. Strickland currently serves as commissioner of the T-Ball League with WHLL. He recently held a position on the Board.

Additionally, his company will benefit by the sales of uniforms to WHLL as specifically stated in the proposal.

These are just a few of the questions that need to be addressed by the Eanes ISD Board of Trustees and Dr. Nola Wellman. We do need these facilities in our community. We do need to have a more open, fair-minded, and vigorous discussion among all concerned stakeholders.

In an effort to improve transparency to taxpayers, the RFP #2010-0024 *Lease of Real Property on River Hills Road* and the Western Hills Little League proposal can be reviewed on the Keep Eanes Informed website: <http://keepeanesinformed.org/>