HOW TO MANAGE PUBLIC PARTNERSHIPS

In the opening of the session, Jason Kissel the presenter discussed his history in the forestry and state parks in Indiana, and the partners involved in funding the different properties. Mr. Kissel gave attendees different suggestions for how to work with various organizations within their local communities to help lower their operating costs. He explained the different types of private-public partnerships and the different benefits from the various partnerships. Mr. Kissel defined specific steps in determining which partners would be most beneficial. He also provided an example scenario to illustrate the partnership process as well as a scale on which to grade and review the partners in companies and whether it is beneficial to keep them with the company as well. The presenter also gave various tips on how much of the operating costs an organization should try to raise with donated funds. He also gave ideas on how to work with organizations to have money or items donated. Mr. Kissel ended by explaining some examples that he personally had used throughout his career.
• Types of Partnerships
• Reasons to Partner
• Who to Partner With
• Maintaining Partners
• Dealing with Conflicting Interest
• Examples
ACRES Land Trust

65 nature preserves
4300 acres

Preserving Natural Areas Since 1960
Seven Pillars – Miami County
Kokiwanee Nature Preserve
Wabash Co.
13 waterfalls
Partners

The Nature Conservancy
Protecting nature. Preserving life.

DNR Indiana Department of Natural Resources

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HT ACRE ENVIRONMENT
Public-Private Partnerships Fall into two categories

1. Business related partnerships PPP or P3

2. Partnerships that form for the sake of public good - financial reasons not the sole basis for partnership.
Public-Private Partnership (P3)

A public-private partnership exists when public sector agencies (federal, state, or local) join with private sector entities (companies, foundations, academic institutions or citizens) and enter into a business relationship to attain a commonly shared goal that also achieves objectives of the individual partners.

P3 = contracting out work
Potential Benefits of P3s

- Expedited project completion
- Project cost savings
- Improved quality
- Private resources not available to agency
- Access to new sources of private capital
How to Start

• Track your expenses – what is your true cost to mow one acre, to operate a pool for one day, to provide an after school program?

• In the cost – benefit analysis, don’t underestimate the ability to pull a crew at will to fight the fire of the day.
Investigate

• What’s the going rate on the private market?

• Is this feasible? – union, political, ordinance, budget allocation issues.

• Are there training or equipment issues currently limiting public employees?
Take Action

- Create draft service agreement and bid document

- Bid through your agencies established policies
  - Don’t let low bid dictate choice
  - Use % system (price, references, past performance, employee qualifications, etc.)
  - Include a narrative piece, making contractor describe how they would handle a typical issue.
Common P3s in Parks

• Mowing
• Concessions
• Referees
• A & E
• Marketing / Design
• Specialized Repair
“True” Partnerships

- Public & Private join forces to benefit public good.

- Partnership is of value to both sides – not necessarily based on financial value.

- Public sector must always have at least a slight advantage to remain viable and accepted by citizens.
Why Partner?

• Its your duty as a public servant to ensure tax money is being allocated as efficiently as possible.

• You control large amounts of money. In the private world, that money would make money. Its your job to do the same with tax money.
Are their gaps in your budget?

Grants
Alliances
Partnerships
Sponsorships
Your Budget

• Everything but your overhead budget = seed money for building partnerships.

• If your operating & capital budget is 10M, and you only bring in 10M worth of products and services you have failed miserably.

• Your budget is an investment, make sure your returns are high.
My evaluation standard for managers / supervisors:

• If you double your budget through GAPS, you have exceeded expectations.

• If you raise 50% more than your budget by GAPS, you have met expectations (average).

• If you bring in 25 – 49%, you are below expectations

• If you bring in less than 25% you are at an unacceptable level - disciplinary action.
Catalysts for park systems to partner:

- **Necessity** – “show me how you can cut your budget 16% by Friday”

- **PR** – need to improve public perception by attaching self to well liked private entity

- **Efficiency** – some things are simply better handled by private sector
“Show me how you can cut your budget by 16% by this Friday”

Great opportunity to discard troublesome services.

My Advice: eliminate or transfer services rather than reducing effectiveness of all other of your services by cutting each a little. Do what you do well.

• What takes up your most time due to issues and problems?

• What don’t you do well?

• What programs are low profile?
PR

• Reputation for litter-filled parks? Partner with local disposal company, put their good name on the line.

• Reputation as average or below sport activities? Partner with NFL, USTA, etc.

• Use your reputation as leverage

• Audience examples
• Free beer to ACRES

• Expands their market base

• Special label beer for fund raising
Partner for efficiencies

It is perfectly acceptable to say, “we don’t perform X service well”.

In fact, if you can’t answer this question quickly, you need to spend time evaluating your programs.

- Nurseries
- Sports Leagues
- Trash collection
- Concessions
- Pool repairs
- Audience examples
Great emergency response capability → On-call for pool emergencies

Chemical buying capacity far exceeds Parks. → Tap into their purchase order

Expertise in pumps and filters unmatched → Use for A & E
= no shutdown on July 4th weekend
Dealing with Conflicting Interests

Don’t.
Dealing with Conflicting Interests

However, don’t dismiss an apparent conflicting agency before seeking out common ground.

Other park districts, developers, etc. can be great allies.

That group or individual that harasses you at every public meeting often can become a resource.
Who to Partner With

- Those benefiting from the parks system
- Utilities
- Like-minded agencies
- Sporting goods stores
- National companies
- Anyone with shared goals
- Related organizations
Those who Benefit

• Remind them of the impact your services have to their company / organization.

• Cross-promotion opportunities

• Tornado Turnaround Example
Friends Groups

• Increases funding sources

• Also increases oversight and input

• Clearly define role of friends group
  – Who sets fund raising priorities
  – Advisory or true decision making rights (voting privileges, etc.)
  – Make sure they are friends
Utilities

• Dependent upon federal, state, local governments who define “reasonable standards” of FERC, NERC, etc.

• Government has a responsibility to ensure utilities are giving back to the community they serve.

• Utility company has a PR need.
Examples:

- NIPSCO – Environmental Action grants
- IPL – Golden Eagle grants, Trees for Tomorrow, Neighborwoods
- Veolia Water
- Audience Examples
Guide to creating partners

• Reserve high profile projects and services for your partners. Government doesn’t need to market for its revenue, private companies do.

• Focus tax based revenue on doing the mundane and doing it well.
  
  – Taxes are meant to support core services, people start to grumble when tax money is used for “frills” anyway. Keep it simple.
Funding

• $240,000 acquisition cost

• $60,000 private donor

• $5,000 local community foundation

• $150,000 IHT

• $25,000 TNC

• ACRES funds parking lots, drainage taxes, maintenance, etc.
Negotiation

• Be flexible – go in with a well thought out plan, but let them suggest how to partner first – you may end up with more than you hoped for.

• Be clear on what you can offer them.

• You have the asset, therefore you have the upper hand. Not just your section / division / department – whole government.
Completing the Deal

• Get it in writing – usually more extensive paperwork than contractual agreement.

• Include a performance review section

• Prohibit them from using you for marketing
Building another Pool

- Planning & Design
- Construction
- Staffing
- Operating Expense
- Repairs / Improvements
Pool Example

• Park Department (taxes) funds construction of pool and related infrastructure (pool house, parking lot, etc.)

• Local water utility (if privately managed) supplies water quality services (replacement parts, chemicals, service).

• Power utility provide landscaping.

• Local companies supplies the “extras” - spray pool features, slides, concession stands.

• Local Hospitals provide the safety equipment & life guard training.

• Residents get the amenities they want and can see that their tax money has been well leveraged
Soccer Fields

- Real estate
- Grading
- Establishment of Turf
- Infrastructure
- Staffing
- Programming
- Repairs / Maintenance
Park System Provided

• Real estate

• Oversight of planning and construction

• Maintenance after installation (offset by machinery donation and privately paid staff)
Homeless Initiatives

• Church run day center supplied qualified individuals and supervision

• Parks provides work

• Power company provides PPE

• Grant provides funds for day center
Rupert’s Kids

• Took over maintenance of neighborhood parks

• No cost to department
Christmas Tree Chipping

- Supply chippers for Christmas Tree Chipping & storm events
- Great exposure for them
- Less wear & tear on City equipment
acreslandtrust.org

Jason Kissel
(260) 637 – 2273
jkissel@acreslandtrust.org