

## MIDDLETOWN

## Parks director suggests town run country club

*There could be more news on who will run the township-owned club after tonight's public meeting and executive session.*

By CHRIS ENGLISH STAFF WRITER

Let's bypass the outside groups and run the township-owned Middletown Country Club ourselves, township Parks and Recreation Director Debby Lamanna suggested in a memo to township Manager Richard Gestrich and the board of supervisors.

Since buying the country club on Bellevue Avenue in 1986, the township has always let some outside group or management company run the facility through a license agreement. Lamanna said she believes a different way could work better.

"Middletown Township could assume management of the Country Club and eliminate the need to pay for and oversee a licensee," she wrote in the memo. "Financially, the township would only need to produce enough revenue to cover salaries, overhead and debt, which would leave the remaining revenue to reinvest in improvements in the Club. Any licensee, whether they are a corporation, partnership or individual will need to take revenue out of the club for their company's debt, their investors and shareholders and for company profit."

Under license agreements with various companies and groups since 1986, Middletown hasn't lost any money from the country club but gets only a small percentage of the facility's revenue every year.

"The township would have precedent for switching to a more direct arrangement," Lamanna continued in the memo. "Two townships that have successfully instituted this model are Warminster Township's Five Ponds Golf Club and Bensalem's Bensalem [Township] Country Club.

"[In Warminster] the [parks and recreation] director hired a general manager and other staff for the club. The parks and recreation director with the golf club staff and grounds keeping staff developed and administered the budgets, provided programming and maintenance and developed and implemented marketing plans," she wrote.

Lamanna continued: "Bensalem recently purchased the Bensalem [Township] Country Club and did extensive research before choosing to manage the club with township staff. They hired the manager and other club staff from the staff that had been in place when they purchased the club. The general manager is a directorlevel position reporting directly to the Mayor."

Lamanna's suggestion comes as the supervisors consider a proposal by Rick Begley, general manager of the country club under the current operating company, Mitchland Inc. Begley wants to take over operations under his own company, Agro Golf. Begley has an agreement to buy the country club license agreement from Mitchland Inc. President Jim Worthington for \$700,000.

The supervisors are scheduled to discuss a proposed lease with Begley's group tonight during an executive session. A group called Egos Inc., has also submitted a proposal to run the country club but has asked the township to keep details of its proposal confidential.

Since township officials have considered Begley's proposal for weeks and since he has an agreement with Worthington to buy the license agreement, the supervisors first must make a decision on Begley's proposal, said Gestrich. Other alternatives can be considered if it's rejected, he added.

"The only authorized group before us is Agro Golf," said Gestrich.

Using country club financial figures from last year, Lamanna estimated Middletown would have made a \$71,663 profit had it run the facility directly. After paying the township its cut and all other expenses, Mitchland Inc. lost \$159,234 at the country club last year.

Gestrich said there's a flaw in Lamanna's proposal because it doesn't include what the township would have to pay Worthington to buy back the license agreement. That amount would be \$600,000 to \$700,000 or more, Gestrich estimated.

He said he'd recommend the supervisors reject Lamanna's proposal.

"She has some good ideas in that the township wouldn't have to worry about a profit, but she needs to do more work on the proposal," said Gestrich. "She talks about rearranging some staff and other things but doesn't really have concrete proposals along those lines, and the figures need refinement."

Lamanna is out of the office until Wednesday. The newspaper was unsuccessful in its attempts to reach her Monday for further comment.

Worthington said Lamanna's idea was a good one but wondered about the timing.

"I think the township would do great running the country club," said Worthington. "I think Debby Lamanna is right on target, but in this situation it's late in the game. Rick [Begley] has been working on this for months. He's been patient and deserves the opportunity. The township has the right to do whatever it wants, but if they turn Rick down, I think they had better have some very concrete reasons because you're basically putting the guy out of a job."

Worthington said he "deep discounted" the license agreement for Begley because he's worked at the country club for 15 years, but the township might have to pay substantially more if officials decided to run the country club under Lamanna's proposal.

In addition to the 18-hole golf course, the country club has a banquet room, a swimming pool and other services that Begley said he would continue and hopefully improve if his group were chosen to run the facility.