



Agenda Item:

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COUNCIL COMMUNICATION City Manager's Office

GENERAL INFORMATION

Agenda Date: 01/23/06
Agenda Item Type: Ordinance

Communication No.: 06-030
Roll Call No.:

Submitted by: Donald M. Tripp, Park and Recreation Director

SUBJECT—

Approval of three golf course fees that were deferred from a previous Council meeting agenda.

SYNOPSIS—

This action approves the following three golf fees for the 2006 season: (1) senior badge fee, (2) private golf cart registration fee, and (3) the mentor fee for one round of free youth play with a paying adult.

FISCAL IMPACT—

Approximately 135 senior badges were sold last year, and that is expected to remain constant for the 2006 season. Staff also anticipates that additional seniors will purchase the private golf cart badge. However, because of the losses incurred from seniors who play many rounds, private golf cart registrations are anticipated to breakeven. Overall, staff anticipates a minimum 3% increase in rounds played in the 2006 season which will generate the revenues listed below in FY07. A growth in rounds will also increase income from carts and concessions, so total revenues should increase over last year.

| | |
|--------------------|-------------------------------------|
| Senior Badge fees: | \$61,000 |
| Private Carts: | \$15,000 |
| <u>Mentor fee:</u> | <u>\$12,500</u> (paid adult rounds) |
| TOTAL | \$88,500 |

RECOMMENDATION—

Approval

BACKGROUND—

On December 19, 2005, the City Council, by Roll Call No. 05-3020, approved various fees and charges for Park and Recreation Department facilities, including the golf courses. However, during discussion, City Council members requested additional information on three fees related to the golf course operations. Those items were subsequently deferred for action. The three items pulled from consideration on December 19th were related to the senior badge fee, private golf cart registration, and the mentor fee (one youth plays free with a paying adult).

The senior badge is available to golfers age 62 and over and allows play all day, only Monday through Friday. It can be used at any of Des Moines’ three courses. During discussion at the meeting on December 19, 2005, Council asked for additional information on the number of rounds played by badge holders. That information is included in the table below:

| Badge | Price | Number Sold for 2005 Season | Average Number of Rounds Played | Average Price Per Round for Badge Holders[†] |
|---------------------------|--------------|------------------------------------|--|--|
| Restricted | \$700 | 79 | 101 | \$8.93 |
| Restricted (Husband/Wife) | \$1,050 | 14 | 101* | \$12.40* |
| Senior | \$400 | 128 | 67 | \$7.97 |
| Senior (Husband/Wife) | \$700 | 7 | 67* | \$12.45* |
| Youth | \$150 | 62 | 11 | \$15.64 |

[†] Average price per round includes the \$2.00 CIP fee paid by all junior and senior badge holders for each round played.
*Rounds played by golfers using the Husband/Wife badges are recorded individually and grouped in either the restricted or senior badge category. Data is not available to separate the number of restricted/senior rounds played by individual badge holders versus husband/wife badge holders. Therefore, the price per round listed for these badges may be artificially high.

The senior badge fee is currently \$475.00. Through previous Prairie Meadows Race Track and Casino grant contributions, senior fees have been subsidized by \$75.00 per badge, making the actual fee to the customer \$400.00. Park and Recreation Department staff is pursuing grant funds for 2006 in the amount of \$5,000. Staff recommends that the City subsidize the senior badge by a matching amount, thereby maintaining the \$400.00 badge fee to the customer. The City’s portion of the funding will come from the General Fund operating budget being used to support the golf course operations. If the grant is not approved, staff proposes using \$5,000 of the City’s general fund golf subsidy to reduce the fee to \$430.00.

Private golf cart registration is also available to seniors age 62 and over and allows golfers to bring their private carts onto City courses. Green fees are paid separately. The Citizen Golf Advisory Committee also reviewed the private golf cart registration fee and recommends that the new fee (\$450.00) be adopted, but that the existing \$80.00 private cart registration fee and \$7.00 trail fee be maintained under the existing ordinance. This change from the original recommendation provides two options for seniors who own private carts. This allows senior golfers to determine the best value based on the number of rounds they play annually.

The Golf Committee is recommending that the mentor fee be approved as originally presented on December 19th. The intent of this two-for-one pricing option is to increase play and usage at Des Moines public courses during non-prime time (weekdays and weekends after 12:00 noon). The goal is to increase youth play by having a paid adult (18 or older) who pays full price receive a free green fee

for one youth under age 18. This pricing structure is designed to increase family usage of the courses and attract new golfers to the City's golf operations.