

 <p style="text-align: center;">Council Communication Office of the City Manager</p>	Date: February 14, 2011
	Agenda Item No. 68 Roll Call No. <u>11-0247</u> Communication No. <u>11-073</u> Submitted by: Donald M. Tripp, Director of Park and Recreation

AGENDA HEADING:

Second reading to approve amending Chapter 74 of the Municipal Code for bicycle rental fees and charges.

SYNOPSIS:

Recommend approval of an amendment to Chapter 74, Section 74-184(c) of the Municipal Code regarding fee reductions for Gray’s Lake Park Bicycle Rentals.

FISCAL IMPACT:

Amount: Staff projects that by reducing rental fees there will be an increase of total rentals, thereby increasing net revenue.

Funding Source: The funding impact of the above recommendation will be provided from bicycle rental users at Gray’s Lake Park and deposited into FY2010-2011 operating budget, GE001 PKS100104, page 198.

ADDITIONAL INFORMATION:

During 2010, the City of Des Moines Parks and Recreation Department contracted with Bike World to provide rental bikes from May 24th through the conclusion of the concession season, October 3rd, with an option to renew for one (1) three (3)-year period upon mutual agreement of both parties.

In 2010, 241 bicycles were rented. Revenue received from bike rentals totaled \$4,963; income was split between the City and Bike World at \$2,481 each. Of the 241 rentals, 199 rentals were in the category of rentals affected by the proposed fee reduction. Assuming rental numbers stay the same in 2011 as they were in 2010, there would be a \$995 loss of revenue. However, on-site staff frequently received comments from lake patrons noting interest in renting bikes by the hour and renting a road bike for a half day but believing both rates were too expensive, particularly for families. Based on this feedback and the fact that in the past the department has experienced an increase in the number of renters and net revenue when lowering fees, the following changes are recommended:

2010 Bicycle Rental Fee

Hybrid or Mountain Bike
 \$15/hour
 \$20 for 5 hours
 \$30 for full day (24 hours)
 \$80 for week (7 days)

Recommended 2011 Bicycle Rental Fee

Hybrid or Mountain Bike	Fee Change
\$10/hour	\$5.00 Reduction
\$20 for 5 hours	No Change
\$30 for full day (24 hours)	No Change
\$80 for week (7 days)	No Change

Road Bike

\$15/hour
 \$30 for 5 hours
 \$40 for full day (24 hours)
 \$110.00 for week (7 days)

Road Bike

Road Bike	Fee Change
\$10/hour	\$5.00 Reduction
\$20 for 5 hours	\$10.00 Reduction
\$40 for full day (24 hours)	No Change
\$110.00 for week (7 days)	No Change

PREVIOUS COUNCIL ACTION(S):

Date: January 24, 2011

Roll Call Number: 11-0127

Action: [Amending](#) Chapter 74 of the Municipal Code regarding bike and related equipment rental fees. ([Council Communication No. 11-044](#)) Moved by Hensley that this ordinance be considered and given first vote for passage. Motion Carried 7-0.

Date: June 9, 2008

Roll Call Number: 08-1030

Action: [Amending](#) Chapter 74 of the Municipal Code regarding park and recreation fees. ([Council Communication No. 08-347](#)) Moved by Coleman that this ordinance be considered and given first vote for passage. Motion Carried 7-0

Date: January 7, 2008

Roll Call Number: [08-059](#)

Action: [Amending](#) Chapter 74 of the Municipal Code regarding fees for golf courses, lodges, park shelters and other park rentals, pool rental, Brenton Skating Plaza, Simon Estes Riverfront Amphitheater and vendors. Moved by Vlassis that this ordinance be considered and given second vote for passage. Motion Carried 7-0.

BOARD/COMMISSION ACTION(S):

Board: Park and Recreation Board

Date: December 28, 2010

Resolution Number: 10-103

Action: Approval of fees

Board: Park and Recreation Board

Date: November 23, 2010

Resolution Number: 10-094

Action: Receive and file bicycle rental fee reduction

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS: NONE

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