

 <p style="text-align: center;"><b>Council Communication</b> Office of the City Manager</p>	<b>Date:</b> September 24, 2012
	<b>Agenda Item No.</b> 27 <b>Roll Call No.</b> [                      ] <b>Communication No.</b> <u>12-507</u> <b>Submitted by:</b> <b>Ben Page, Interim Parks and Recreation Director</b>

**AGENDA HEADING:**

Approve the Third Renewal Agreement and Amendment to Concession Agreement for the Management, Operation and Maintenance of the Brenton Skating Plaza between the City and the Des Moines Riverfront Development Authority (RDA).

**SYNOPSIS:**

Recommend approval of the Third Renewal Agreement and Amendment to the Concession Agreement for the Management, Operation and Maintenance of the Brenton Skating Plaza between the City and the Des Moines RDA.

**FISCAL IMPACT:**

Amount: Cost to the City not to exceed \$25,000 for an annual operating subsidy for the term of the Agreement, if such is needed. In the event that the skating facility revenue is sufficient to pay all operating costs, there will not be a City expense; such was the case for the winter 2011/12 skating season. The City also has an ongoing responsibility for capital repairs of the skating plaza and related equipment.

Funding Source: FY2013 Operating Budget, GE001 PKS101800, page 180.

**ADDITIONAL INFORMATION:**

On July 12, 2010, by Roll Call No. 10-1139, City Council approved renewal of the Agreement for the management, operation and maintenance of the Brenton Skating Plaza (Plaza) by the RDA through the services of a professional third-party ice rink operator, Rink Management Services (RMS). The Agreement fixes the annual City operating subsidy to this operation at a level not to exceed \$25,000. The RDA is also to provide up to \$25,000 in operating expense funding and is to seek the same amount from the DCA, for a total of \$75,000 available subsidy. If the subsidy required for operations and management exceeds the funded total of \$75,000, the responsibility for any additional funding shall be with the RDA. Further, the RDA will pay costs for rink operations equipment (skates, skate sharpeners, etc.). Following are important components of this agreement:

- The contract between the RDA and the third party operator is subject to City Council approval.
- The Plaza shall operate as a City park, with the same rules applying. The annual schedule of operation shall be submitted to the Park and Recreation Director for approval. The Park and Recreation Board and City Council will be asked to approve the hours of operation.

- The City shall have the right to hold City-sponsored events (five (5) per year, three (3) per skating season) at the facility and the RDA shall provide the City with 500 free skating passes, to be used for promotional purposes.
- All fees and charges shall be established by the City Council, upon recommendation from the RDA and the Park and Recreation Board. The RDA will honor reduced skating admissions issued by the Park and Recreation Department.
- The ice skating season is set at a minimum of 18 weeks.
- The City shall have the responsibility for infrastructure repair and replacement.
- During the off-skating season at the Plaza, the City retains the right to operate if the RDA declines to provide such service; the City shall retain any resulting revenues.
- The City of Des Moines releases RDA and RMS, its agents and employees from and against any and all liability or responsibility to the City during the specific off-skating season.

For the past several months, City staff and the Downtown Des Moines Self-Supported Municipal Improvement District (SSMID) staff have been in discussions exploring the possibility of the SSMID operating and marketing the downtown area parks, including the Brenton Skating Plaza. During these discussions, the Concession Agreement for the Management, Operation and Maintenance of the Brenton Skating Plaza expired on April 30, 2012. Amendment of the Agreement is needed to allow operation of the Plaza during the upcoming skating season; the Amendment will expire on April 30, 2013. In the event that an agreement is reached with the SSMID prior to expiration of the Amendment, the City and RDA agree to an early termination of this Agreement as described in the Amendment. This action amends the previous agreement as follows:

- The Agreement shall be for a term extending retroactively from September 10, 2012 through midnight April 30, 2013.
- In the event the City enters into an agreement for the operation of downtown parks, which agreement includes management, operation and maintenance of the Brenton Skating Plaza, this Agreement shall terminate on the date on which such new agreement is in effect for the Brenton Skating Plaza. Such new agreement shall provide for the entity assuming such obligations to take assignment of any subcontract entered by the RDA provided such subcontract shall expire by its terms no later than midnight on April 30, 2013. The obligation to take assignment of the RDA subcontract shall survive the early termination of this Agreement. In the event of such early termination of this Agreement, the City shall have no obligation to provide funding up to \$25,000 under sections III.F and IV.A.1 of the Agreement.
- Except as modified above, all other terms of the Agreement shall remain in effect.

#### **PREVIOUS COUNCIL ACTION(S):**

Date: October 24, 2011

Roll Call Number: [11-1798](#)

Action: [Second](#) Renewal and Amendment to Concession Agreement with Des Moines Riverfront Development Authority (RDA) for the Management, Operation and Maintenance of Brenton Skating Plaza. ([Council Communication No. 10-663](#)). Moved by Mahaffey to adopt. Motion Carried 7-0.

Date: July 12, 2010

Roll Call Number: [10-1139](#)

Action: [Renewal](#) and Amendment to Concession Agreement for Brenton Skating Plaza through April 30, 2011. ([Council Communication No. 10-442](#)). Moved by Moore to refer to the City Manager to submit a letter to the Riverfront Development Authority, encouraging them to consider a shade tarp at the Brenton Skating Plaza. Motion Carried 7-0.

Date: September 25, 2006

Roll Call Number: [06-1929](#)

Action: [Concession](#) Agreement for the Skating Plaza. ([Council Communication No. 06-606](#)). Moved by Coleman to adopt. Motion Carried 6-0.

**BOARD/COMMISSION ACTION(S): NONE**

**ANTICIPATED ACTIONS AND FUTURE COMMITMENTS: NONE**

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