

 <p style="text-align: center;">Council Communication Office of the City Manager</p>	Date:	October 8, 2012
	Agenda Item No.	41
	Roll Call No.	<u>12-1581</u>
	Communication No.	<u>12-532</u>
	Submitted by:	Ben Page, Interim Parks and Recreation Director

AGENDA HEADING:

Approve request from the Des Moines Riverfront Development Authority (RDA) to amend fees outlined in Municipal Code Section 74-184 - Brenton Skating Plaza Fees.

SYNOPSIS:

Staff recommends approving the request from the RDA to adjust Brenton Skating Plaza fees effective with the 2012-13 season.

FISCAL IMPACT:

It is anticipated that the fee increases will result in additional revenue, which may reduce the need for operating subsidy from the City of Des Moines of up to \$25,000.

ADDITIONAL INFORMATION:

The City of Des Moines has a long-term agreement with the RDA authorizing them to manage the day-to-day operations of the Brenton Skating Plaza. Terms within the contract state, “All fees and charges shall be established by the City. When setting such fees, the City Council shall take into consideration the RDA’s recommendations regarding fees. In the event that the City Council does not adopt the RDA’s recommendations regarding fees, the RDA shall have the right to terminate this Agreement upon written notice to the City effective upon ninety (90) days of receipt of such notice. The RDA shall have thirty (30) days from such City Council action in which to exercise such right to terminate or such right will be deemed waived.”

The RDA has incurred \$500,000 of financial loss since opening the Brenton Skating Plaza in 2006; skating fees were initially set at purposefully low prices to attract skaters. Effective with the 2010-11 season, \$.50 skating and skate rental fee increases took effect. Those increases, combined with considerable increases in attendance and ongoing efforts to reduce costs, have resulted in dramatically improved financial performance. In the last two operating seasons, 2010-11 and 2011-12, the RDA has averaged only \$6,000 loss per year. Due to these outstanding financial results, it has not been necessary for the City to pay the \$25,000 annual operating subsidy for those years.

As indicated in the table that follows, individual skating and skate rental fee increases of \$.50 to \$1.00 are proposed by the RDA at this time. A significant decrease from \$75 to \$50 is being proposed for the Punch Pass rate. No increase is recommended in the season pass rate and weekday skating promotional prices would also remain unchanged. The increases in individual skating and rentals fees

is designed to ensure that, under typical winter conditions, the facility operates at a small surplus (e.g. \$16,000 per year) to allow accumulation of a reserve to support losses in bad weather years and to repair and replace certain equipment, such as the Zamboni, if the need arises.

The RDA proposes the following changes to Brenton Skating Plaza fees and charges effective with the 2012/2013 season:

	<u>Current Rates</u>	<u>Proposed Rates</u>
Adult (weekday)	\$ 3.50	\$ 4.50
Adult (Friday after 5 p.m., Sat./Sun./holidays)	5.00	6.00
Child/Senior (weekday)	2.50	3.00
Child/Senior (Friday after 5 p.m., Sat./Sun./holidays)	4.00	4.50
Skate Rental	3.00	3.50
Punch Pass (10 punches, includes skates)	75.00	50.00

The RDA proposes no changes to the remaining Brenton Skating Plaza fees and charges, which include the following:

	<u>Current Rates</u>
Freestyle (figure skating only)	\$ 8.00
Family Night (Thursdays, family of 4 or more, includes skates)	18.95
Season Pass Adult	75.00
Season Pass Child	60.00
Season Pass Family (2 people)	95.00
Each additional member (maximum fee \$199.00)	35.00
Private Rental	250.00
Private Rental Non-Profit Organ.	200.00
Private Skate Rental	2.50

The RDA honors the GRASP (Greater Des Moines Recreational Activity Scholarship Program) card with 50% off admission and skate rental.

Since Brenton Skating Plaza opened in 2006, nearly 200,000 people have enjoyed skating at the winter facility. Warm weather during the 2011-12 season boosted attendance to an all-time high of 40,224.

PREVIOUS COUNCIL ACTION(S):

Date: November 10, 2008

Roll Call Number: [08-1979](#)

Action: [Amending](#) Chapter 74 of the Municipal Code regarding Brenton Skating Plaza fees. Moved by Mahaffey that this ordinance does now pass, No. 14,809. Motion carried 5 -2.

BOARD/COMMISSION ACTION(S):

Board: Park and Recreation Board

Date: September 25, 2012

Resolution Number: 12-081

Action: Approval of fees for Brenton Skating Plaza.

Board: Park and Recreation Board

Date: June 22, 2010

Resolution Number: 10-054

Action: Approval of staff recommendation on Brenton Skating Plaza Fees

Board: Park and Recreation Board

Date: September 23, 2008

Resolution Number: 08-081

Action: Approved 2008/2009 Brenton Skating Plaza Fees

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS: NONE

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