

 <p style="text-align: center;">Council Communication Office of the City Manager</p>	Date: September 9, 2013
	Agenda Item No. 27 Roll Call No. <u>13-1401</u> Communication No. <u>13-456</u> Submitted by: Benjamin R. Page, Park and Recreation Director

AGENDA HEADING:

Approve the Concession Agreement for the management, operation, and maintenance of the Brenton Skating Plaza (Plaza) between the City, the Downtown Des Moines Self-Supported Municipal Improvement District a/k/a Operation Downtown (OD), and the Des Moines Riverfront Development Authority (RDA).

SYNOPSIS:

Recommend approval of the concession agreement for the management, operation, and maintenance of the Plaza between the City, OD, and the 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; as was the case for the past two (2) skating seasons. The City also has an ongoing responsibility for capital repairs of the skating plaza and related equipment, which are now seven (7) years old.

Funding Source: FY2014 Operating Budget, GE001 PKS101800, page 180

ADDITIONAL INFORMATION:

On October 8, 2012, by Roll Call No. 12-1590, City Council approved renewal of the Agreement for the management, operation and maintenance of the Plaza by the RDA through the services of a professional third-party ice rink operator, Rink Management Services (RMS). That Agreement expired April 30, 2013.

The new Agreement commences upon Council approval and expires June 30, 2014, at which time it may be renewed for a two (2) year term ending June 30, 2016. OD shall be responsible for the management and operation of the Plaza and shall be allowed to select and manage a professional operator, subject to City Council approval. The City Manager’s approval is required prior to OD subcontracting various operational and maintenance services costing in excess of \$25,000 annually. The agreement fixes the annual City operating subsidy to this operation at a level not to exceed \$25,000. The RDA and OD also agree to each provide up to \$25,000 in operating expense funding, 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 between the City and

OD to negotiate. Further, the OD will pay costs for rink operations equipment. Following are important components of this agreement:

- 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 City shall have the right to hold 10 total City-sponsored events per year (seven events per skating season) at the facility and the OD shall provide the City with 500 free skating passes for promotional purposes.
- All fees and charges shall be established by the City Council, upon recommendation from the OD and the Park and Recreation Board. The OD shall honor reduced skating admissions or scholarship cards if 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.
- The City shall have the responsibility for maintenance of the compressor, plumbing, heating units, glass dasher boards, doors, light bulbs and fixtures, water heater, electrical repairs, and tree care.
- The City shall provide the OD limited office space in the Armory Building.
- Operational cleaning, maintenance, and appearance shall be the responsibility of OD.
- During the off-skating season at the Plaza, the City retains the right to operate if the OD declines to provide such service; the City shall retain any resulting revenues.

PREVIOUS COUNCIL ACTION(S):

Date: October 8, 2012

Roll Call Number: [12-1590](#)

Action: [Third](#) Renewal Agreement and Amendment to Concession Agreement with Riverfront Development Authority (RDA) for the Brenton Skating Plaza. ([Council Communication No. 12-537](#)) Moved by Mahaffey to adopt. Motion carried 7-0.

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. 11-663](#)) 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.

BOARD/COMMISSION ACTION(S): NONE

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS:

Approval of renewal of contract upon expiration.

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