

 <p style="text-align: center;">Council Communication Office of the City Manager</p>	Date:	January 12, 2015
	Agenda Item No.	39
	Roll Call No.	<u>15-0057</u>
	Communication No.	<u>15-013</u>
	Submitted by:	Benjamin R. Page, Park and Recreation Director

AGENDA HEADING:

Approve proposed amendments of Municipal Code Chapter 74 Article VI. FEES, regarding various changes to golf fees.

SYNOPSIS:

Approve staff's recommended changes to the schedule of fees in Article VI. FEES Sec.74-181. Golf Courses of the Municipal Code Chapter 74.

FISCAL IMPACT:

Amount: \$7,285 yearly revenue increase based on historical data analysis if the same number of rounds were sold as in the previous year.

Funding Source: FY 2014-2015 Operating Budget, Golf Contracted Operations, E201 PK001201, page 184.

ADDITIONAL INFORMATION:

Under the golf management contracts that have been in effect since January 15, 2010, the contractor, C-Corporation, (Jeff Chiodo, President) is responsible for proposing fee changes for consideration by the City. Golf fees were last adjusted for the 2014 season. At its October 1, 2014 meeting, the Citizen Golf Advisory Committee unanimously voted to recommend fee increases and changes being proposed by the contractor, to be effective with the 2015 golf season.

Staff has reviewed sections of Chapter 74 of the Municipal Code pertaining to current golf fees and believes the proposed changes reflect the need for periodic updating of fees based on demand and comparable market rates as well as current business practices and expenses. Proposed changes follow:

	<u>Present</u>	<u>Proposed</u>	<u>% Inc</u>	<u>Most Recent Changes</u>	
Season Badge Restricted *	\$ 750	\$ 800	7%	2008	\$ 700 to \$ 750
Season Par Pass	1,900	1,995	5%	2014	1,795 to 1,900
Senior Badge Unrestricted	700	800	14%	2014	680 to 700
Season Private Cart Pass	500	600	20%	2008	450 to 500
Season Private Cart Trail Fee	150	200	33%	2011	100 to 150

*a restricted season pass allows weekend afternoon play

A general goal in determining a price incentive level through the sale of season passes is to keep the discount under 30%, based on 40 rounds of golf per year. Des Moines Municipal's fees for Season Badge Restricted, Season Par Pass, Senior Badge Unrestricted, Season Private Cart Pass and Season Private Cart Trail Fee presently reflect a discount of 44-70%.

The Season Par Pass, which includes green and cart fees with no restrictions on play, is below the market rate and staff believe it has been greatly underpriced for the value.

The Season Private Cart Pass and Season Private Cart Trail Fee only affect players who registered their cart for Des Moines Municipal courses prior to April 30, 1996; additionally, these rights cannot be passed from one individual to another. There are seven (7) individuals who meet this criterion; no new private golf cart registrations are accepted.

2015 PROPOSED BADGE PRICES OVERVIEW

	ROUNDS SOLD	REVENUE	AVG. PRICE PAID PER ROUND	AVE. ROUNDS PLAYED	DISCT.	CUR. PRICE	NEW PRICE	FISCAL IMPACT	
Season Badge Restricted	2,571	38	\$28,500	\$11.09	67.74	44.57%	\$ 750	\$ 800	\$1,900
Season Badge Unrestricted	1,551	34	\$40,800	\$26.31	45.61	37.37%	\$1,200	NC	
Season Par Pass	3,625	33	\$62,535	\$17.25	109.8	50.71%	\$1,900	\$1,995	\$3,135
Season Senior Badge Restrict	5,215	146	\$65,700	\$12.60	35.72	27.01%	\$ 450	NC	
Senior Badge Unrestricted	774	15	\$10,500	\$13.57	51.64	44.41%	\$ 700	\$ 800	\$1,500
Season Private Cart Pass	796	7	\$ 3,500	\$ 4.40	113.7	70.67%	\$ 500	\$ 600	\$ 700
Season Private Cart Trail Fee	40	1	\$ 150	\$ 5.75	40	61.67%	\$ 150	\$ 200	\$ 50
Total Fiscal Impact if Approved and the Same Number of Badges are sold									\$7,285

PREVIOUS COUNCIL ACTION(S):

Date: December 23, 2013

Roll Call Number: [13-2000](#)

Action: [Amending](#) Chapter 74 of the Municipal Code regarding Parks and Recreation fees. ([Council Communication No. 13-619](#)) Moved by Coleman that this ordinance be considered and given first vote for passage. Motion Carried 7-0.

Date: January 24, 2011

Roll Call Number: [11-0128](#)

Action: [Amending](#) Chapter 74 of the Municipal Code regarding 2011 Golf Course Fees. ([Council Communication No. 11-045](#)) Moved by Mahaffey that this ordinance be considered and given first vote for passage. Motion Carried 7-0.

Date: December 17, 2007

Roll Call Number: [07-2398](#)

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. ([Council Communication No. 07-753](#)) Moved by Hensley that this ordinance be considered and given first vote for passage. Motion Carried 6-1.

BOARD/COMMISSION ACTION(S):

Board: Park and Recreation Board

Date: December 19, 2014

Resolution Number: 14-086

Action: Approval of recommendation of Chapter 74 fees in regards to golf fees.

Board: Park and Recreation Board

Date: November 25, 2014

Resolution Number: 14-081

Action: Receive and file proposed amendments of Municipal Code Chapter 74 Article VI. FEES, regarding various changes to golf fees.

Board: Park and Recreation Board

Date: December 16, 2013

Resolution Number: 13-101

Action: Approval of recommendation of Chapter 74 fees and Chapter 70 in regard to implementation of fees for hunting permits.

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS: NONE

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