

 <p style="text-align: center;">Council Communication Office of the City Manager</p>	Date: November 9, 2015
	Agenda Item No. 42 Roll Call No. <u>15-1885</u> Communication No. <u>15-592</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: \$30,000 yearly revenue increase based on historical data analysis if the same number of rounds were sold as in the previous year.

Funding Source: FY 2015-2016 Operating Budget, Golf Contracted Operations, E201 PK001201, page 184.

ADDITIONAL INFORMATION:

Under the golf management contract that has been in effect since January 15, 2010, the contractor, C Corporation, is responsible for proposing fee changes for consideration by the City. Golf fees were last adjusted prior to the 2015 season. At the September 3, 2015 meeting of the Citizen Golf Advisory Committee, the committee voted to recommend fee increases and changes being proposed by C Corporation, to take effect as part of the 2016 golf season by a vote of 7-1 (two {2} committee members were absent for the vote). On October 27, 2015 the Park and Recreation Board unanimously approved the recommended changes to the golf fees.

Staff has reviewed sections of Chapter 74 of the Municipal Code pertaining to current golf fees and believe the proposed fee changes reflect the need to update fees based on demand and the comparable market rates as part of sound and current business practices. The proposed changes as are follows:

	<u>Present</u>	<u>Proposed</u>	<u>% Increase</u>	<u>Most Recent Changes</u>	
<u>Waveland</u>					
18 hole weekday	\$21	\$24	14%	2014	\$20 to \$21
18 hole weekend	\$31	\$32	3%	2014	\$30 to \$31
9 hole weekday	\$16	\$18	12%	2011	\$14 to \$16
9 hole weekend	\$19	\$20	5%	2011	\$17 to \$19

Twilight walking	\$14	\$18	28%	2014	\$13 to \$14
Twilight riding	\$26	\$30	15%	2014	\$25 to \$26

(Twilight – play after 3pm Friday and 4pm on Saturday and Sunday)

	<u>Present</u>	<u>Proposed</u>	<u>% Increase</u>		<u>Most Recent Changes</u>
<u>Blank</u>					
18 hole weekday	\$19	\$21	10%	2014	\$18 to \$19
18 hole weekend	\$27	\$29	7%	2014	\$26 to \$27
9 hole weekday	\$14	\$15	7%	2011	\$12 to \$14
9 hole weekend	\$16	\$17	6%	2011	\$14 to \$16

C Corporation has proposed no changes to the fees at Bright Grandview Golf Course.

New in 2016 Senior Rate Category. Anyone 62 and older will be offered the following rates:

<u>Waveland</u>	<u>Proposed</u>
18 hole walking	\$21
18 hole riding	\$36
9 hole walking	\$16
9 hole riding	\$28

<u>Blank</u>	
18 hole walking	\$19
18 hole riding	\$31
9 hole walking	\$14
9 hole riding	\$26

The goal of establishing these new rates is to;

1. Maintain the best value in relation to comparable courses in the Great Des Moines area; and
2. Establish a Senior Rate Category to create a unique situation to promote the City’s golf courses to that section of the golf community.

These proposed rate increases will realign the City of Des Moines golf course fees with current market rates. Implementation of these proposed fee changes will continue to position the City of Des Moines golf courses with one of, if not the lowest set of fees of comparable golf courses in the area.

With considerable improvements being made at Waveland over the past year including new bunkers and tee boxes in several locations, the increase is justified. Even after these proposed increased fees at Waveland the course is still listed as one (1) of the lowest priced of comparable courses in the area.

Additionally, with a newly established senior rate at Waveland and Blank being proposed for participants 62 and older, there was discussion about this also happening at Bright Grandview. The current fees at Bright Grandview were evaluated as lower than other comparable courses in the area therefore it was deemed that a senior rate was not applicable at this time. Staff will promote the rates at Bright Grandview as a senior level rate for all players with consideration of creating separation in the future.

The fiscal impact is challenging to pinpoint as the new senior rate category being proposed has no previous data to assess. However, there are projections about those numbers and the total senior

rounds in the current information being used to make these recommendations. Staff estimate an increase in revenue of approximately \$30,000 for all courses. This represents an approximate 1% increase in total golf course revenue.

PREVIOUS COUNCIL ACTION(S):

Date: January 12, 2015

Roll Call Number: [15-0057](#)

Action: [Amending](#) Chapter 74 of the Municipal Code regarding golf course fees. ([Council Communication No. 15-013](#)) Moved by Hensley that this ordinance be considered and given first vote for passage. Motion Carried 7-0.

Date: January 12, 2015

Roll Call Number: [15-0057](#) and [15-0058](#)

Action: [Amending](#) Chapter 74 of the Municipal Code regarding golf course fees. ([Council Communication No. 15-013](#)) Moved by Hensley that this ordinance be considered and given first vote for passage. Motion Carried 7-0.

(A) Final consideration of ordinance above, requires six votes. Moved by Hensley that the rule requiring that an ordinance must be considered and voted on for passage at two Council meetings prior to the meeting at which it is to be finally passed be suspended, that the ordinance be placed upon its final passage and that the ordinance do now pass, [#15.337](#). Motion Carried 7-0.

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.

BOARD/COMMISSION ACTION(S):

Board: Park and Recreation Board

Date: October 27, 2015

Resolution Number: 15-070

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

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.

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS: NONE

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