



Audit, Finance, Enterprise Committee Report

Date:

To: City Council

Through: Kari Kent, Assistant City Manager

From: Marc Heirshberg, Director Parks, Recreation and Community Facilities

Subject: Parks, Recreation and Community Facilities Department Fees and Charges (Citywide)

Purpose and Recommendation

The purpose of this report is to submit for review and consideration recommended changes to fees and charges for certain services provided by the Parks, Recreation and Community Facilities (PRCF) Department.

The PRCF Department, in conjunction with the Parks and Recreation Advisory Board, requests Council approval of changes for the recommended FY18-19 and FY19-20 Schedule of Fees and Charges, as outlined in this report and detailed in the attached Exhibit "A" and Exhibit "B". The Fees and Charges once approved will be effective as of April 1, 2019, as is the historical practice of fee implementation for the PRCF Department to coincide with summer program registration.

Background

The PRCF Department offers diversified programs and services at facilities that include parks, recreation centers, swimming pools, a golf course, stadiums, convention center, amphitheater and cemetery. The Department relies on its ability to generate revenues via fees and charges to provide these services and maintain its facilities. Fees and charges are continually monitored in order to adapt to program costs and current market and economic conditions and are adjusted accordingly within the ranges approved by Council and published in the Fees and Charges Schedule.

Each year in October, PRCF staff contact neighboring municipalities to gather data to compile a market comparison survey of fees and charges for similar program and service offerings. The Parks and Recreation Advisory Board Fees and Charges Subcommittee members review and consider changes to the fee schedule and make decisions based on participant capacity, market demands, and fee structures of other cities. The recommended fees as outlined in this report were approved by the Parks and Recreation Advisory Board on January 9, 2019. With the majority of changes being focused on fee structure simplification, terminology/verbiage changes, and range adjustments in programs and services to allow for ongoing market flexibility.

Discussion

The Department is proposing ranges for program fees which will allow for maximizing capacity in programs while providing flexibility to adjust fees to achieve cost recovery and respond to changes in market conditions. Detailed below are the related programs with new or adjusted fee ranges recommended for approval.

Commercial Facilities (Exhibit A):

The fiscal impact with the changes recommended in the Commercial Facilities is \$2000 for FY19-20.

Mesa Convention Center and Amphitheater

Eliminate fee categories that are no longer utilized.

Expand fee ranges to allow for broader negotiating terms based on various factors such as day of the week, length of the event, number of events on site, etc.

Establishment of new fees for services or areas that have been requested from various users.

Parks and Recreation (Exhibit B):

There is an estimated fiscal impact of \$17,940 for FY19-20.

Aquatics

Adjust range for special event use to account for staff time in addition to wear and tear of City owned equipment.

Adjustment of partner group per participant fee to help offset minimum wage increases.

Correction of fees that were previously removed.

Park Use

Add fee for special event hourly electrical hook-up as more and more events are utilizing the infrastructure.

Expand range of equipment fee as large events have additional equipment that impact the facility.

Recreation Center/Gymnasiums

Webster, Jefferson, and Eagles Recreation Centers – Adjust semester pass range to help offset minimum wage increases.

Adjust range of special interest class programs as specialized programs, such as grief recovery, charge more for their services based on market conditions and additional training that is required for instruction.

Sports Leagues

Youth Sports Organizations/Partners: Adjust youth sports organizations/partner group hourly fee to help offset increases in expenses.

Summer/School Break Programs

Camps: Adjust full day programs fee range to accommodate specialty camps and more flexible programming.

Alternatives

1. Take no action. Maintain the fees and charges for services provided by the Department at current levels. No fiscal impact on current revenue projections based on the existing fee structure would result.
2. Recommend alternative adjustments to the proposed fees and charges. The fiscal impact of this decision would depend on the changes proposed.

Fiscal Impact

There is an anticipated fiscal impact of \$19,940 in FY19/20 with the adjustments outlined in this report. Recommended changes continue to simplify the PRCF Fees and Charges Schedules and maintain current cost recovery goals of the PRCF's vastly diverse programming while also recognizing Parks and Recreation's role in the community to provide affordable, accessible programs and facilities to its citizens. Staff continues to reassess cost recovery strategies in all programs and also pursues opportunities for maximizing revenue generation through program partnership and sponsors.

Coordinated With

The recommended fees and charges were coordinated with the Parks and Recreation Advisory Board and the Office of Management and Budget.

Fees & Charges Schedule - Key

Heading Configuration

| |
|--|
| <u>Schedule of Fees & Charges</u> |
| Department |
| Contact Information |
| |
| HEADING 1 |
| HEADING 2 |
| <i>Heading 3</i> |
| Description of Fee |
| Description of Fee 2 |

Font Indications

| Font | Font Indications |
|--------------------------|---|
| Regular Font | Existing fee or language |
| Strikethrough | Fee or language will be deleted from the Fee Schedule |
| BOLD CAPS | Language is being added to Fee Schedule |
| Bold | New or increased Fee Amount |

Schedule of Fees & Charges
Parks, Recreation, and Community Facilities
Commercial Fees: 480-644-2030

COMMERCIAL FEES

Description of Services: FY 18/19 Fee: Proposed Unit: Revenue Code: FY 19/20 Notes:
FY 19/20 Fee: FY 19/20 Fiscal Impact:

| COMMERCIAL FEES | | | | | | |
|--------------------------------------|----------|-------------------|---|--------------|--------|---|
| MESA CONVENTION CENTER | | | | | | |
| <i>Facility Rentals</i> | | | | | | |
| Overtime | \$250.00 | \$100.00-\$500.00 | Hour (IN ADDITION TO RENTAL OUTSIDE CONVENTION CENTER NORMAL HOURS: FRI & SAT 7AM-MIDNIGHT; SUN 7AM-8PM; MON-THURS. 7AM-10PM) | | \$0.00 | ADDING RANGE FOR ABILITY TO NEGOTIATE OVERTIME RATES BASED ON VARIOUS FACTORS (I.E. DAY OF THE WEEK, LENGTH OF EVENT, OTHER EVENTS ON SITE, ETC.) |
| | | | | | | |
| <i>Centennial Hall (Building C):</i> | | | | | | |
| LIBRARY GREEN | | \$100.00-\$350.00 | | 3005 CC 3773 | \$0.00 | ADDING NEW FEE FOR COST RECOVERY OF FACILITY USAGE; PROACTIVE FEE FOR RARE POSSIBILITY OF USE. |
| | | | | | | |

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COMMERCIAL FEES

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|---|---|-----------------------------------|--------------|----------------------|------------------------------------|---|
| <i>Conference Center (Building B):</i> | | | | 3005 CC-3773 | | |
| Executive Board Room (550 s.f.) | \$125.00- \$150.00 | \$125.00-\$250.00 | Rental | | \$500.00 | INCREASE RANGE FOR FLEXIBILITY DUE TO MODERNIZATION |
| LABOR – PULLING WALL - PV ROOM TURN | | \$50.00-\$150.00 | | | \$0.00 | NEW FEE TO IDENTIFY AND TO ACCOMMODATE REQUESTS TO CHANGE OVER ROOM IN LIEU OF SERVICE RENTAL FEE (I.E.- FROM BANQUET TO BALLROOM, ETC). PREVIOUSLY CHARGED “AS UP TO 20% SERVICE FEE ON RENTAL” |
| | | | | | | |
| <i>Miscellaneous Equipment and Services</i> | | | | | | |
| Concert Grand | \$75.00- \$150.00 | \$50.00-\$300.00 | Day | 3005 CC-3781 | \$0.00 | MODIFYING THIS FEE WILL SIMPLIFY FEE STRUCTURE FOR ALL PIANO TYPES AND |

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|--|--|---------------------------|------------|---------------|----------------------------|---|
| PIANO RENTAL (INCLUDES TUNING) | | | | | | INCLUDE TUNING. (NO FISCAL IMPACT AS PREVIOUS ACTUAL CHARGES INCLUDED TUNING) |
| Baby Grand | \$50.00- \$125.00 | | Day | 3005-CC-3781 | | THIS FEE IS INCLUDED/COMBINED INTO FEE ABOVE |
| Studio Piano | \$50.00- \$125.00 | | Day | 3005-CC-3781 | | THIS FEE IS INCLUDED/COMBINED INTO FEE ABOVE |
| WATER FILL AND WATER EMPTY (PER GALLON) | | \$0.25-\$1.00 | | | | THIS IS A NEW FEE FOR THE COST RECOVERY OF FILLING AND EMPTYING CONTAINERS USED BY EXHIBITORS AND RENTERS. (IE- HOT TUB, POOL, BATHTUB EXHIBITS) |
| | | | | | | |
| <i>Electric Service</i> | | | | 3005 CC-3781 | | |
| 600 AMP, 3-PHASE ELECTRICAL | | \$200.00-\$500.00 | DAY | | \$1,000.00 | THIS IS A NEW FEE FOR AN ELECTRICAL AMPERAGE NOT |

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|--------------------------|---|---------------------------------------|-------|---------------|----------------------------|---|
| | | | | | | PREVIOUSLY CATEGORIZED IN THE FEE SCHEDULE. |
| ADDITIONAL DAYS | | \$35.00-\$400.00 | DAY | | \$0.00 | 600 AMP, ELECTRICAL FOR ADDITIONAL DAYS) |
| UTILITY FEE – DJ | | \$100.00-\$400.00 | DAY | | \$500.00 | NEW FEE TO RECUPERATE COSTS FOR ELECTRICAL USAGE |
| | | | | | | |
| <i>Amphitheater</i> | | | | | | |
| <i>Labor</i> | | | | | | |
| Event Clean-Up | \$250.00- \$500.00 | \$250.00- \$1,000.00 | Event | 3005 CC-3795 | \$0.00 | INCREASING FEE TO COVER CLEAN UP IN EXCESSIVE CASSES. THIS IS A PROACTIVE FEE FOR POSSIBLE FUTURE USE. (CONFETTI, ETC.) |
| | | | | | | |
| <i>Security Services</i> | | | | | | |

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|---|--|--|-------|---------------|----------------------------|---|
| City of Mesa Police Department Off-Duty AND CITY OF MESA EMERGENCY MEDICAL SERVICES | Charges will be passed thru from the contractor to the client; Arrangements are made by the City. | \$75.00-\$200.00 Charges will be passed thru from the contractor to the client; Arrangements are made by the City. | HOUR | 3005 CC-3795 | \$0.00 | AMENDING FEE TO INCLUDE FEE RANGE AND TO ADD EMERGENCY MEDICAL SERVICES. |
| Total Commercial Fiscal Impact | | | | | \$2,000.00 | |

Schedule of Fees & Charges
Parks, Recreation, and Community Facilities
 Recreation Fees: 480-644-2030

PARKS AND RECREATION FEES

| Description of Services: | FY 18/19 Fee: | Proposed FY 19/20 Fee: | Unit: | Revenue Code: | FY 19/20 Fiscal Impact: | Notes: |
|---|----------------------------------|------------------------------|--------------|------------------|----------------------------|---|
| Partnering group participant fee-non-resident | \$6.00 | \$8.00 | Quarter | 1101-3177 | | INCREASING FEE TO HELP OFFSET INCREASE IN EXPENSES. |
| PARTNERING GROUP PRACTICE RENTAL | | \$6.00 | HOUR | 1101-3177 | | THIS IS A NEW FEE. THE WAS DELETED FROM PREVIOUS SCHEDULE. |
| OFFICE RENTAL FEE | | \$50.00- \$200.00 | MONTH | | | WAS DELETED FROM PREVIOUS SCHEDULE. |
| PARKS MISCELLANEOUS | | | | | | |
| <i>Park Use Options:</i> | | | | 1101-3199 | | |
| ELECTRICAL HOOK-UP | | \$10.00- \$50.00 | HOUR | 1101-3180 | \$1,000.00 | NEW FEE FOR FOOD TRUCKS, FARMERS MARKET, EVENTS, ETC. |
| Equipment Fee (Inflatables, Tents, etc.) | \$10.00- \$250.00 | \$10.00- \$500.00 | Item/Event | 1101-3177 | \$200.00 | INCREASING FEE RANGE. LARGER EVENTS HAVE ADDITIONAL EQUIPMENT AND IMPACT ON FACILITIES. |

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 Recreation Fees: 480-644-2030

PARKS AND RECREATION FEES

| | | | | | | |
|---------------------------------|----------------------|-----------------------------------|--------------|----------------------|------------------------------------|---------------|
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|---------------------------------|----------------------|-----------------------------------|--------------|----------------------|------------------------------------|---------------|

| RECREATION CENTERS/GYMNASIUMS | | | | | | |
|--|---------------------------------|-----------------------------|------|-----------|------------|---|
| <i>Jefferson Gymnasium/Recreation Center</i> | | | | | | |
| <i>Webster Gymnasium/Recreation Center</i> | | | | | | |
| <i>Eagles Community Center</i> | | | | | | |
| Semester Pass-Resident | \$5.00-\$30.00 | \$5.00- \$40.00 | Each | 1101-3206 | \$2,850 | EXPANDING RANGE TO COVER INCREASING MINIMUM WAGE IMPACT |
| Semester Pass-Non-Resident | \$6.00-\$36.00 | \$6.00- \$50.00 | Each | 1101-3206 | \$990 | EXPANDING RANGE TO COVER INCREASING MINIMUM WAGE IMPACT |
| <i>Red Mountain Multigenerational Center</i> | | | | | | |
| <i>Special Interest classes/Workshops:</i> | | | | 1101-3224 | | |
| Residents | \$4.00- \$100.00 | \$4.00- \$200.00 | | | \$4,000.00 | EXPANDING FEE RANGE. SPECIALIZED INSTRUCTORS (DRAWING AND GRIEF RECOVERY) CHARGE MORE FOR THEIR CONTRACTOR |

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|---|---|-----------------------------------|-------------|---------------|----------------------------|--|
| | | | | | | FEE DUE TO SPECIALIZED TRAINING |
| Non-Resident | \$5.00- \$120.00 | \$5.00- \$240.00 | | | \$0.00 | EXPANDING FEE RANGE. SPECIALIZED INSTRUCTORS (DRAWING AND GRIEF RECOVERY) CHARGE MORE FOR THEIR CONTRACTOR FEE DUE TO SPECIALIZED TRAINING |
| <i>SPORTS LEAGUES</i> | | | | | | |
| Youth Sports Organizations (PARTNERS)/Per Team | | | | 1101-3244 | | |
| Field use and lights/hour/youth sports organizations (PARTNERS) | \$5.00-\$30.00 | | | | | REMOVING FEE |
| Field use and lights/hour/youth sports organizations (PARTNERS) NON-PRIME TIME (BEFORE 5PM) | | \$7.00 | HOUR | | | NEW FEE TO HELP OFFSET INCREASES IN EXPENSES DUE TO MINIMUM WAGE INCREASE AND |

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| | | | | | | INCREASES IN COMMODITIES |
| Field use and lights/hour/youth sports organizations (PARTNERS) PRIME TIME (AFTER 5PM) | | \$13.00 | HOUR | | | MINIMUM WAGE INCREASE AND INCREASES IN COMMODITIES |
| <i>SUMMER/SCHOOL BREAK RECREATION ACTIVITIES</i> | | | | | | |
| Full day programs/per week/per person- Resident* | \$21.00 \$130.00 | \$21.00- \$160.00 | | | | INCREASE RANGE FOR MORE FLEXIBLE PROGRAMMING |
| Full day programs/per week/per person-Non- Resident* | \$25.00 \$156.00 | \$25.00- \$190.00 | | | | INCREASE RANGE FOR MORE FLEXIBLE PROGRAMMING |
| Total Fiscal Impact | | | | | \$17,940.00 | |