

AGENDA ITEM #: \_\_\_\_\_

DATE: January 25, 2021

CAR #: 2021-7169



## CITY COUNCIL ACTION REPORT

**SUBJECT:** Recreation Center and Aquatic Facility Resident Pass Promotions

**STAFF PRESENTER(S):** David Seid, Parks & Recreation Deputy Director; Mike Beadle, Recreation Superintendent

**OTHER PRESENTER(S):** None

**Summary:** Staff will present a recommendation for the recreation center and aquatics facility resident pass promotions.

**Recommendation:**

1. Approve a motion authorizing Resident Promotional Rates for the Recreation Center and Aquatics Facility; and provide for an effective date; and
2. Approve a motion authorizing Budget Transfers of up to \$50,000 using the General Fund One-Time Special Contingency.

**Fiscal Impact:** The promotional discounts associated with recommended “75<sup>th</sup> Anniversary Promotion” will have a direct impact on the revenue projections for both the FY2021 and FY2022 operating budgets for the Recreation Campus. In addition, costs will also increase for part-time and other costs such as supplies due to higher levels of usage anticipated with the proposed promotion. The below estimates outline the impact of the promotional discounts:

75<sup>th</sup> Anniversary Promotion:

- Estimated Revenue Loss: (\$52,000) – (\$110,000)
- Estimated Increase in Expenditures: \$25,000 - \$50,000

Staff is anticipating a budget impact of \$77,000 - \$160,000 to implement this 75<sup>th</sup> Anniversary Promotion. As a result of the anticipated expenditure increases, budget transfers of up to \$50,000 using the General Fund One-Time Special Contingency will be required to provide funding for this one-time promotion. Because the promotion spans two fiscal years, the amounts not spent in FY2021 will be carried over into FY2022.

## **Background and Previous Actions**

On August 26, 2019, Council approved the Recreation Campus expenditure authority for the design and construction of the Goodyear Recreation Campus (30-acre park, recreation center, aquatics facility, RID relocation, and Estrella Parkway & Harrison Street improvements). The Recreation Campus is scheduled to open in summer 2021.

On October 19, 2020, Council reviewed the new Recreation Campus user fees and updated system-wide user fees during a staff presentation at work session. The presentation included benchmarking from other cities, research and analysis of cost recovery, and recommendation of new and updated fees for the department. Council provided feedback and input related to the fees and staff revised descriptions and terms of the fees based on this input.

On January 5, 2021, Council approved the new Recreation Campus user fees and updated system-wide park rental fees. In addition to facility use fees, Council also approved the delegation of authority to the Parks & Recreation Director for discounts. During Council discussion, staff were directed to research and recommend Covid-19 fee relief options for residents to utilize the Recreation Center & Aquatics Facility for 2021.

## **Staff Analysis**

Following Council discussion at the January 5, 2021 Council meeting, staff explored the suggested relief options provided by council and researched the fiscal and operational impact of providing a variety of discounts to residents during the 2021 calendar year. Staff have reviewed the options and are recommending the following fee relief promotion for council consideration with the following operational impacts.

### *75<sup>th</sup> Anniversary Promotion*

This promotion will provide residents access to the recreation center & aquatics facility at the Goodyear Recreation Campus for a total cost of \$75 per pass for 2021. This promotion provides general admittance to the facility and also includes free access to all group fitness classes being held within the facility. All residents are eligible for the 75<sup>th</sup> Anniversary Promotion. Passes may be purchased at anytime during 2021 but all 75<sup>th</sup> Anniversary Promotion passes will expire December 31, 2021. This promotion does not include other registration-based programs and activities such as special interest classes, youth sports, or other specialty programs that require additional fees.

### Operational Impacts

Staff is anticipating an increased need for part-time staff during peak times to assist in the management of the facility as a result of the promotional pricing. Patron check-in, increased frequency of cleaning, and assurance of compliance for building capacity limits are some of the duties/tasks associated with these part-time staff. Increased demand on equipment and supply usage can also be expected as a result of this promotion.

## **Attachments**

None