



**PARKS AND RECREATION COMMISSION  
WORK STUDY SESSION  
VISTA DEL CAMINO  
7700 EAST ROOSEVELT  
SCOTTSDALE, AZ 85257  
WEDNESDAY, FEBRUARY 4, 2009**

**MINUTES**

**PRESENT:** Robert Frost, Chair  
Jeanne Alspaugh, Vice-Chair  
George Adams, Commissioner  
John Faramelli, Commissioner (arrived at 4:43 p.m.)  
James Duchene, Commissioner (arrived at 4:04 p.m.)  
Ron King, Commissioner  
Stan Koczka, Commissioner

**STAFF:** William Murphy, Parks and Recreation Director  
Jeanne Jones, Senior Management Analyst  
Jan Cameron, Parks and Recreation Manager  
Jona Davis, Senior Recreation Coordinator  
Jason Waldron, Stadium Coordinator  
Mari Steinbach, Parks and Recreation Manager  
Liz Hildenbrand-Crossman, Senior Recreation Coordinator  
Steve Lehmann, Senior Recreation Coordinator  
Nick Molinari, Recreation Coordinator  
Walt Johnson, Recreation Coordinator  
Karen Weir, Recreation Coordinator

**1. CALL TO ORDER**

Chair Frost called the meeting to order at 4:00 p.m.

**2. ROLL CALL**

A formal roll call confirmed members present as stated above, noting the presence of a quorum.

### **3. WORK STUDY**

Ms. Jones presented a draft report on the proposed changes to fees and charges for 2009. Staff will use the Commission's feedback to revise the draft and bring it back for final approval in March. Ms. Jones said this has been a challenging year. The team was charged with the task of identifying services where fees could appropriately be added or increased, balanced against the desire to keep things affordable for citizens. Another goal was to remain competitive with other cities. Many facilities are available for drop-in use without charge. However, for special facilities and programs a portion of the cost is recovered, especially from those that benefit specifically from the programs. Once the new fees are approved, they would likely go into effect in September with the publication of the new brochures. Ms. Jones presented a series of slides highlighting some of the changes. The total generated revenue is expected to be about \$180,000.

Among the recommendations is a doubling of fees for field use across all categories. This decision was made after benchmarking rates from neighboring cities. Even by doubling the fees, the average cost per hour per resident is still below the average rate charged by other cities. Scottsdale's fields are often better maintained and are heavily used. The fees have not been raised for many years. Fees for lights are being changed to take into account the actual cost of lighting the fields.

Commissioner Duchene said he was amazed at the number of things that the team had to consider when deciding what fees to charge. He noted that several issues were raised during the discussions, such as how to measure utilization, that the Commission should look into.

Commissioner Adams said the basic economic rules of supply and demand imply that if costs increase, the demand likely would fall. He asked whether the additional revenue estimates were based on demand remaining at a similar level. Ms. Jones responded that the estimates were reduced to take that into account. Experience has shown that there is an initial drop-off when the fees are first introduced, but it grows back over time. Commissioner Adams noted that the cost for the Indian School Park fields has jumped from \$10 per hour to \$45 per hour, which is quite substantial. Mr. Waldron explained that that particular fee increase would not affect the youth sports groups that use the park regularly. They were established for men's league games and are more in line with those charged by other cities for the same purposes. Scottsdale Stadium charges men's leagues \$240 per game, yet the demand remains very high. The leagues charge a hefty price to their participants, and research suggests that the demand for these fields would not go down.

Commissioner King inquired if the City was aiming to recover 100% of its costs. Ms. Jones responded that it varies depending on the service. For the most part, the City tries to recover 100% of the direct cost, such as for leagues and lessons. Other things such as room rentals are set by a square foot rate and different tiers are offered to residents, non-residents, and commercial interests. Leisure education recovers 110% of direct costs.

Commissioner Koczka said the team's effort demonstrates that the City is trying to recover costs while still providing affordable services. Scottsdale is a very active city because it offers so many things that other places do not. Many people move here from

other places and are amazed at the low fees the City charges compared to what they used to pay. He asked whether consideration was given to charging a seasonal fee to lap swimmers, instead of a per-use charge. It would enable the City to have that money up-front instead of taking it in one day at a time. Ms. Jones responded that a pool pass program is going to be tested to see how it works out. Based on the results of that test, there may be a permanent recommendation made next year.

Chair Frost inquired about the \$10 per lane charges for commercial use of the pools. Ms. Cameron responded that under the current fee structure, the City had no way to charge groups that wanted to use lap lanes. The changes would allow the space to be reserved and would better utilize City facilities. Commissioner Duchene added that the lane rate changes would also allow a team of swimmers to work with a personal coach, which was not possible before.

Commissioner Adams noted that staff should take precautions to discourage the perception that the fee structure increase would undermine the launch of Scottsdale's Fit City initiative. Raising fees is a requirement of the economic times in order to remain competitive. Chair Frost said attention should be drawn to the benchmarking that was done to align Scottsdale's fees more closely with those of neighboring communities. Commissioner Koczka suggested that the participation in Fit City could be used as a selling point. Commissioner Duchene felt that it was important to properly manage the City's overall message.

Chair Frost inquired whether an avenue exists for personal fitness coaches who want to use City facilities for training clients. Ms. Cameron said currently those services are discouraged. Chair Frost suggested that the policy could be changed to allow them to do that, providing they sign liability documents. With the recent closure of several private fitness centers, there is likely to be a market that the City could benefit from.

Chair Frost inquired about Club SAR fees. Ms. Jones said that these fees are set up on a formula which is based on direct cost recovery along with a portion of the capital cost. That same formula is used at the City's other fitness facilities.

Chair Frost questioned the value of requiring that management companies pay a commercial fee to rent spaces, as it seems too easy to avoid. Ms. Hildebrand noted that an individual would have to take responsibility and sign the contract for that reservation in order to get the reduced fee. The management companies that arrange meetings are usually not present at them. The HOA's are usually happy that the management companies have done the work for them. She said the policy could be tested for one year to see how well it works.

Commissioner Duchene noted that fee changes are part of an annual assessment and review. It is not happening as a knee-jerk reaction to the economic times. Most individual fees were simply adjusted to capture costs that were not being captured, or to be comparable to the fee structures of similar facilities. In some cases, that equalization even resulted in a decrease. The team that did the assessments did not set out to charge more money. Most of the increases have come on the commercial side, where for-profit groups have been using City facilities at bargain rates compared to the broader market.

Commissioner Duchene said the personal trainer question is a good one. He noted that some facilities have coaches on-site, and the activities of personal trainers should not interfere with them. The Commission should look into opportunities to increase revenue by better marketing and utilizing the facilities it possesses. This would reduce the need for future fee increases.

Chair Frost said that requiring facilities to provide utilization numbers could be problematic, because every facility is different. As the facilities make their regular reports to the Commission, staff could talk about utilization as they see fit. Mr. Murphy said the City Manager has already directed staff to begin exploring those issues to see how they might further generate revenues for the City

Chair Frost said he considered approaching City Council to inform them of what is to come. Mr. Murphy felt that such a discussion might be premature, and it would be helpful to wait until the process has concluded in March. Staff appreciates any support that the Commission provides. Ms. Jones noted that Council would receive a report that documents the benchmarking and public meetings that have been held during the process.

Commissioner Koczka inquired about setting different fees based on peak use times. Ms. Jones responded that some discounts are in place to encourage off-peak use, and there possibly could be further implementations in other areas.

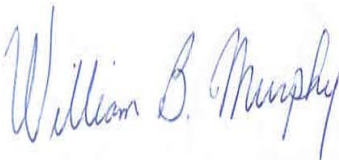
Commissioner Duchene encouraged the Commissioners to participate in staff efforts such as this. He said it was a rewarding experience, and demonstrates how knowledgeable Scottsdale's City government is.

#### **4. ADJOURNMENT**

With no further business to discuss, and no need for an executive session, the meeting adjourned at 4:53 p.m.

Respectfully submitted,  
AV-Tronics, Inc.

Meets established criteria.

A handwritten signature in blue ink that reads "William B. Murphy". The signature is written in a cursive style.

William B. Murphy  
Parks and Recreation Director