

THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

Department of Parks, Montgomery County, Maryland  
9500 Brunett Avenue Silver Spring, Maryland 20901



AGENDA DATE: October 30, 2008  
Karen Warnick – 301-650-2873

October 24, 2008

**TO:** Montgomery County Planning Board  
**VIA:** Gene Giddens, Deputy Director  
Christine Brett, Chief, Enterprise Division  
**FROM:** Karen Warnick, Acting Regional Operations Manager, Enterprise Division  
**SUBJECT:** FY09 and FY10 User Fee Schedules - Enterprise Fund

**Item: 13**  
**10-30-2008**

**ACTION REQUESTED: Approval of proposed fee schedules for the Enterprise Fund facilities.**

Per the Park Department's User Fee Policy, Enterprise staff has performed its annual review of the Enterprise Fund user fees for policy compliance and cost basis, and presents its fee recommendations for your review and approval. The fee recommendations presented today are for both FY09 and FY10, and any increased revenue generated from these fee recommendations are included in the FY09 Estimated and FY10 Proposed budget submissions.

Regular and timely fee adjustments are necessary to keep our fees competitive with comparable public and private self-supporting facilities or programs and/or to respond to market influences that affect pricing, user demand, etc.

As you are aware, the Enterprise Fund facilities are mandated by the County Council to be completely self-supporting, including not only the facility operating costs but also any capital repairs and renovations as well as debt service for new facilities. This has put an unsustainable burden on the Fund to keep up with needed deferred maintenance. No other park and recreation agency in the nearby metropolitan area has this same requirement.

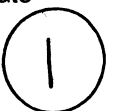
Last year, a Task Force was convened to review the County's policy requiring the Enterprise Fund facilities to be completely self-supporting. While this policy worked for a time, it is no longer viable and action must be taken now to secure the future of these facilities for the citizens of Montgomery County. The Task Force developed several recommendations and presented its findings to the Planning Board in September 2008. Since that time, at the direction of the Board, the Enterprise Division has hired an employee to develop a comprehensive business plan for the Enterprise Fund as a whole as well as individual business plans for each Enterprise facility. Using the Task Force recommendations and the business plans as guide posts, the Department can work with the County Council to move the Enterprise Fund policy to a more sustainable policy allowing for Park Fund investment in these facilities.

The Enterprise Division's mission is to provide great, affordable, active recreation for all. While our proposed fees reflect that mission, the County Council mandate has a significant impact on our ability to keep our fees affordable for all county residents. To help our low income residents, we do provide a 50% fee reduction for general admission fees, group lessons, programs, and facility rentals.

Background

In accordance with the Department's Policy on User Fees, Enterprise user fee recommendations go to the Planning Board on an annual basis. Prior to developing the proposed user fee schedules for the following year, staff conducts surveys of other local jurisdictions' user fees for similar facilities (see circle pages 19-25). This information, in concert with input from our facility managers, attendance information and user patterns for each facility, and the financial picture of individual facilities and the Enterprise Fund as a whole, is used to draft the recommended schedule of fees. Enterprise staff also presented our fee recommendations to the County Wide Recreation Advisory Board at their monthly meeting in October for their review.

Consistent with the Department's user fee policy (see circle pages 31-32), user fees for self-supporting Enterprise facilities, services, and programs are established at a level which (1) is competitive with comparable public and private



facilities and services in the area; (2) can reasonably be expected to generate sufficient revenue to sustain administrative, operating and maintenance costs; (3) is likely to generate surplus operating income to fund capital improvements at existing and developing facilities; and (4) reflects user demand and patterns of use.

Not all fees are recommended to increase or change on a yearly basis. Some fees, such as security deposits, are not necessarily affected by market influences or inflation, and may remain unchanged for several years running. Fees for certain family oriented activities, such as boat rentals, the carousel, and train rides, remain fairly static in the marketplace over a period of years, with only occasional, incremental increases, which we try to mirror or even initiate. In other instances, it is a judgment call by staff to leave selected fees at current and past levels in order to enhance usage, and/or when we believe a particular product or service level we offer does not command a fee commensurate with or higher than other competitive facilities.

The following is a summary of the proposed increases/changes to the Enterprise Fund user fees for FY09 and FY10. If approved, these fee increases are projected to increase revenue at the Enterprise facilities by \$490,500.

**Ice Rinks** - See staff justification - Attachment 1 (circle page 3) and fee schedule - Attachment 2 (circle page 13).

- Increase leased ice fee by \$40 per hour for Cabin John's full sized sheets and for Wheaton's indoor rink
- Increase leased ice fee by \$10 per hour for Cabin John's smaller studio rink.
- Increase per person admission fee 50¢ for attendees from 101 to 450 for party rental users. The first 100 attendees are included in the party rental rate.
- New fee for Private Lesson Session and Stick 'n Puck of \$12 per session.
- Increase skate rental fee from \$3.00 to \$3.06 so with sales tax the fee is \$3.25.

**Indoor Tennis** - See staff justification - Attachment 1 (circle page 5) and fee schedule - Attachment 2 (circle page 14).

- Pauline Betz Addie -
  - Increase seasonal court rates by \$5/hour across the board with the exception of the fringe times of 6am and 11pm everyday and the 10pm rates on the weekends.
  - Increase lesson fees to \$25/hour
- Wheaton -
  - Increase seasonal court rates by \$2/hour across the board.
  - Increase lesson fees to \$22 per hour

**Event Centers** - See staff justification - Attachment 1 (circle page 6) and fee schedule - Attachment 2 (circle page 15).

- Rockwood -
  - Increase rental fees from \$25/day for meeting use to \$500 for the 2-3 day retreat packages.
  - Increase overnight accommodation fees from \$2-\$5/night per person and \$50/night for patrons renting all of the guest rooms, with commensurate increases for the nightly minimum fees.
- Seneca Lodge and Woodlawn Manor - Increase rental fees from \$25 to \$100/day.
- All Event Centers - Increase refundable security deposits from \$500 to \$750.

**Park Facilities** - See staff justification - Attachment 1 (circle page 8) and fee schedule - Attachment 2 (circle pages 16/17).

- Boating
  - Lake Needwood and Black Hill - increase hourly and daily fee by 8% for the rental of row boats, canoes, and kayaks.
  - Black Hill - increase annual mooring fee by \$5
- Campsites - Little Bennett - increase electric campsite fee by \$2/night.
- Regional and Recreational Park Picnic Pavilions - increase rental fee for large shelter at Black Hill to \$225.
- Miniature Trains and Carousel - Cabin John and Wheaton - increase the per ride fee from \$1.50 to \$1.75.
- Brookside Gardens
  - Increase rental fees 6%-17% for selected garden areas.
  - Increase some refundable deposits to \$1000, commensurate with other deposits.
  - Increase Butterfly Show admission fee for adults from \$5 to \$6.

Attachment 1 (circle page 3) - Full explanation/staff justification of all fee recommendations

Attachment 2 (circle page 13) - Full listing of the fee schedules

Attachment 3 (circle page 18) - Surveys of fees for nearby facilities

Attachment 4 (circle page 25) - FY05-FY08 Revenues, Expenditures, and Attendance for Enterprise Facilities

Attachment 5 (circle page 30) - Department's Policy on User Fees