

**CITY OF ALBANY
PARKS AND RECREATION COMMISSION
STAFF REPORT**

Agenda Date: January 9, 2014

SUBJECT: Tom Bates Sports Field User Fees

REPORT BY: Chelle Putzer, Recreation & Community Services Director

STAFF RECOMMENDATION

Information only

BACKGROUND

In 2004, the cities of Albany, Berkeley, El Cerrito, Emeryville, and Richmond established a Joint Powers Agreement (JPA) to construct ball fields for regional use at the foot of Gilman Street on land owned by the East Bay Regional Parks District (EBParks).

In addition to grants that have been used on the construction of the fields each city, as part of the JPA, agreed to pay \$15k per year towards capital improvements for the fields. The JPA and City of Berkeley did not collect \$15k from each of the five cities in the first 3-4 years of the agreement because the original estimate to replace synthetic turf on the fields was \$750,000. In the first four years, the annual revenue from user fees was sufficient to cover the operating costs of the fields, plus \$75,000 into the capital reserve fund. After ten years, the capital reserve fund would have the \$750,000 to replace the fields. Based on recent cost estimates, however, the cities learned that it would cost \$1.2 million to replace the fields. Therefore, the JPA and City of Berkeley needed to start collecting the \$15,000 from each of the five JPA cities, as well as a 10% increase in user fees. The City of Albany has already paid the \$15,000 fee this year, FY2013/14.

The City of Berkeley projects that there will be a sufficient amount in the capital reserve account to replace the fields in 2017. (See the attached spreadsheet to follow the expenses, revenues, and capital replacement cost over five years.) By 2017, the capital reserve fund will have a small shortfall of just over \$21,000.

DISCUSSION

The JPA meets regularly to discuss operation budget, capital improvement projects (CIP), scheduling and maintenance issues. When the JPA alerted users that fees would be raised, the users did not support in the increase as they felt the fees were adequate to substantially contribute to the operating budget for the fields

Commission Urbas suggested the topic be agendaized in an effort to get community input, as well as, raise awareness as to the issues surrounding the regional sports complex as Albany is not only in the JPA, but Albany club organizations reserve the fields regularly for youth and adult sports programs.

Attachments:

City of Berkeley Tom Bates Sports Fields Revenues & Expenditures

City of Berkeley
Parks Recreation & Waterfront
Gilman Fields Revenues & Expenditures
11/5/2013

Option 4

**One-time increase in fees of 10% beginning in FY 14, mid year
\$15,000 annual contribution per City**

Decstiption	2013 Projected	2014 Projected	2015 Projected	2016 Projected	2017 Projected		
Operations							
Beginning Balance	54,725	82,374	119,316	148,375	174,575		
Revenue		3 Qtrs inc.	full year inc.	no increase	no increase		
FEE REVENUE	221,969	238,617	244,166	244,166	244,166	22,197	10% inc. rev.
Estimated interest (@ .11%)		0.0011	0.0011	0.0011	0.0011	0.75	3 qtrs in FY 14
Interest earned		353	400	432	461	16,648	amount of increase
Total Revenue	221,969	238,970	244,566	244,598	244,627	221,969	FY 13 proj. rev.
Expenditure			15% increase			238,617	new FY 14 revenue
MISC PROF SVCS	71,920	71,920	82,708	82,708	82,708	22,197	amount of increase
WATER (est. 9.6% increase)	17,150	18,796	20,601	22,579	24,746	221,969	FY 13 proj. rev.
GAS/ELECTRICITY (3% inc.)	28,700	29,561	30,448	31,361	32,302	244,166	new FY 15 revenue
FIELD TESTING	1,550	1,750	1,750	1,750	1,750	0.000%	0% fee increase
Major Maintenance	-	5,000	5,000	5,000	5,000	244,166	new FY 15 revenue + 2.5%
Capital Transfer	75,000	75,000	75,000	75,000	293,930	0.000%	0% fee increase
Total Expenditures	194,320	202,027	215,507	218,398	440,436	244,166	new FY 16 revenue + 2.5%
Operating Income / (Loss)	27,649	36,942	29,059	26,200	(195,810)		0% fee increase
Ending Balance	82,374	119,316	148,375	174,575	(21,234)		
Capital Program							
Beginning Balance	303,000	378,000	528,581	679,245	830,074		

Revenue					
Inc. Cities Contribution		75,000	75,000	75,000	75,000
Capital Transfers IN	75,000	75,000	75,000	75,000	293,930
Estimated interest (@ .11%)		0.0011	0.0011	0.0011	0.0011
Interest earned		581	664	830	996
Total Revenue	75,000	150,581	150,664	150,830	369,926
Expenditures					
Capital Replacement ⁽¹⁾	0	0	0	0	1,200,000
Total Expenditures	0	0	0	0	1,200,000
Ending Balance	378,000	528,581	679,245	830,074	(0)

⁽¹⁾ Estimated cost to replace both fields in FY 17 is \$1,200,000.