



CITY OF RAPID CITY

300 SIXTH STREET
RAPID CITY, SOUTH DAKOTA 57701

LF081104-12

PARKS AND RECREATION DEPARTMENT

Jerry W. Cole,
Director
(605) 394-5225

Jeri Lynn
Administrative
Assistant
(605) 394-5225

Lon VanDeusen,
Parks & Cemetery
Manager
(605) 394-5307

Doug Lowe,
Recreation Manager
(605-394-6161

James (JJ) Walraven
Golf Superintendent
(605) 394-4199

Duncan Olney
Aquatic Manager
(605) 394-5223

Parks and Recreation Memo

Date: August 2, 2004

To: Legal and Finance Committee

From: Jerry W. Cole

Subject:

Recommendation: Staff recommends that City Council pass a resolution authorizing the Director of Parks and Recreation to offer special rates for the Rapid City Swim Center and the Rapid City Ice Arena.

Summary: In the past the City Council has provided the authorization for the Director and Golf Pro to be able to offer specials to encourage attendance at the golf course. This has worked very well for the golf courses as more than \$20,000 was raised through special promotion this past winter and spring.

Staff would like to take this concept and apply it to the swim center and ice arena to promote and market these two facilities. Below is one example of why we need to be flexible with promotions.

In May of 2004 we opened the doors of the new Rapid City Swim Center. Most of the people who bought passes purchased them for the summer months only. This is what the community has been used to for many years. However we now have a facility that runs year round and we need to educate our citizens that they can now swim in the winter months also. One of the promotions that we would like to start would be the extension of a three month pass into an annual pass.

People have paid \$106.00 for a three month family pass. If they would like to purchase an annual pass now it would cost them \$351.00 and would run through August of 2005. If we did a promotion and offered them a pass that would run through the date of when they first purchased their 3 month pass we could sell it for \$245.00; \$351.00 less the \$106.00 they already paid. They would have to purchase this extension before their three month pass runs out. We believe that we could convert at least some of the quarterly passes to yearly passes with this type of special.

Through June of this year we have sold 647 three-month family passes. If we were able to capture 10% of these passes it would increase our pass revenue by \$15,000.

At the same time we would be marketing the facilities and keeping them in the public eye. As all businesses know you have to market yourself in different ways to stay in front of your customer. With these types of promotional efforts we hope to increase our revenues, put less of a burden on the general fund, and most important, create a following among our citizens using our facilities.

Other specials that we might try in the future are holiday specials for family swim or ice skating and even a combination special for daily ice and swim. We could also create specials for low attendance at pools or ice. Right now our attendance is down at the Horace Mann pool. We could discount the price for the rest of the summer to \$1.00 for a child and \$1.50 per adult and maybe raise the awareness and attendance of this pool.

We won't know if these ideas will work to promote attendance and pass sales but what we can predict is that our swimming attendance will level off and become flat just like the ice center in its second year. Rather than setting back and watching this happen, we would like to be proactive in keeping the people coming to our facilities and reducing the tax burden of the general populace.

RESOLUTION AUTHORIZING SPECIAL RATES FOR
THE RAPID CITY ICE ARENA AND SWIMMING POOLS

WHEREAS the City has previously granted authorization to the Golf Professional to offer specials to encourage attendance and play at the City's golf courses; and

WHEREAS those specials have been successful in encouraging play at the municipal courses and additional revenue has been generated, and

WHEREAS the City's indoor pool was opened to the public in May of 2004 and has enjoyed significant use by the general public, and

WHEREAS the City's Ice Arena is in its third year of operation and promotional and marketing strategies are necessary.

NOW, THEREFORE BE IT RESOLVED that the Director of Parks and Recreation is hereby authorized to offer special rates and pricing for the Rapid City Ice Arena and Swimming Pools as he shall determine to be appropriate for the purpose of encouraging attendance and pass sales.

DATED this _____ day of _____, 2004.

THE CITY COUNCIL

ATTEST

Mayor

Finance Officer

(SEAL)