



**Item No. 15
Town of Atherton**

CITY COUNCIL STAFF REPORT – REGULAR AGENDA

**TO: HONORABLE MAYOR AND CITY COUNCIL
GEORGE RODERICKS, CITY MANAGER**

THROUGH: ROBERT OVADIA – DIRECTOR OF PUBLIC WORKS

FROM: SALLY BENTZ-DALTON, TOWN ARBORIST/PARK MANAGER

DATE: APRIL 20, 2022

**SUBJECT: REVIEW AND PROVIDE FEEDBACK ON PROPOSED
CHANGES TO FEES AND CHARGES RELATED TO RENTAL
FEES AT HOLBROOK PALMER PARK**

RECOMMENDATION

The City Council review and provide feedback on proposed schedule, fees and charges related to rentals at Holbrook Palmer Park.

BACKGROUND

In 2018 the City Council approved amendments to the fees and charges associated with renting the Jennings Pavilion at Holbrook-Palmer Park, and later increased the pricing in the 2019 Master Fee Schedule adjustment that added a flat 19.5%. In February 2021 the Park and Recreation Committee selected updating the rental venue pricing for the facilities at Holbrook-Palmer Park as a priority for FY2022. The Committee thought the price list had opportunities for improving marketability, client flexibility, clarity, and add missing information. In June 2021, the City Council approved a contract with Catered Too for Event Management Services at Holbrook-Palmer Park.

A Subcommittee was created to evaluate the current rental policies and pricing, and to develop propose pricing and policy improvements for review with the Park and Recreation Committee, Park Manager, and Catered Too.

The Subcommittee's scope focused on improving rental policy clarity and efficiencies, including a framework to maintain as a standard as conditions change in the future. Only minor price changes are proposed to further that goal. Major price changes require balancing revenue, margin, and facility utilization priorities that Atherton Town Council is best suited to provide direction on.

The current HPP venue price list:

Jennings Pavilion

Days	Cost
Monday through Thursday 4 Hours (until 4 p.m.)	\$956 plus Administration Fee
Monday through Thursday 4 plus Hours (until 4 p.m.)	\$1,434 plus Administration Fee
Monday through Thursday Evening (4 p.m.-12 a.m.)	\$1,434 plus Administration Fee
Friday (until 4 p.m.)	\$1,793 plus Administration Fee
Friday (4 p.m.-12 a.m.)	\$4,780 plus Administration Fee
Saturday and Sunday 4 Hours (until 4 p.m.)	\$2,689 plus Administration Fee
Saturday and Sunday 4 plus Hours (until 4 p.m.)	\$4,780 plus Administration Fee
Saturday and Sunday Evening (after 4 p.m.)	\$4,780 plus Administration Fee

Carriage House

Days	Cost
Monday through Thursday up to 4 Hours (until 4 p.m.)	\$478 plus Administration Fee
Monday through Thursday up to 4 Hours (until 4 p.m.) (over 100 people)	\$956 plus Administration Fee
Monday through Thursday 4 plus Hours (until 4 pm)	\$837 plus Administration Fee
Monday through Thursday 4 plus Hours (until 4 pm) (over 100 people)	\$1,315 plus Administration Fee
Monday through Thursday (5 pm to Midnight)	\$837 plus Administration Fee
Friday, Saturday, & Sunday Evenings (5 pm to Midnight)	\$837 plus Administration Fee
Friday, Saturday, & Sunday up to 4 Hours (until 4 p.m.)	\$478 plus Administration Fee
Friday, Saturday, & Sunday up to 4 Hours (until 4 p.m.) (over 100 people)	\$956 plus Administration Fee
Friday, Saturday, & Sunday 4 plus Hours (until 4 p.m.)	\$837 plus Administration Fee
Friday, Saturday, & Sunday 4 plus Hours (until 4 p.m.) (over 100 people)	\$1,315 plus Administration Fee

Main House

Days	Cost
Monday through Thursday up to 4 Hours (until 4 p.m.)	\$478 plus Administration Fee
Monday through Thursday 4 plus Hours (until 4 p.m.)	\$837 plus Administration Fee
Monday through Thursday Evening (4 p.m.-12 a.m.)	\$837 plus Administration Fee
Friday (8 a.m.-12 a.m.)	\$837 plus Administration Fee
Saturday and Sunday (8 a.m.-12 a.m.)	\$1793 plus Administration Fee
Saturday and Sunday Hourly Rate	\$299 per hour plus Administration Fee (2 hours minimum)

Day Use Fee

Groups	Cost
Groups 1-12	Free
Groups 13 - 25	\$90 - Atherton Residents \$120 Non-Atherton Resident
Groups 26 - 50	\$180 Atherton Residents \$239 Non-Atherton Resident
Penalty for failure to obtain Day Use Permit	\$120

The Subcommittee identified the following issues in the current rental policy:

- **Numerous pricing time slots/categories are complicated for potential clients to understand.** For example: Carriage house has 10 price slots, Jennings Pavilion has 8 price slots, and Main house has 6 price slots.
- **The current indoor venue price list requires reading the fine print to calculate the final price.** Clients must calculate the final price themselves instead of being presented with a straightforward price or pricing mechanism. The client finds the list price and then multiplies by 15% (resident) or 30% (non-resident) for the final cost.
- **Prices rarely end in “9” or “0”.** Consumers associate prices ending in “9” as good values. Prices ending in “0” are associated with higher quality. The current prices are a result of a 2019 master fee schedule adjustment that added a flat 19.5% increase to all town fees, which resulted in today’s prices that end with various digits.
- **Flat price bands are inflexible.** For example, day event rental clean up cannot not go past 4 PM and evening event setup should not start before 4 PM. Venues are not competitively priced for shorter events.
- **Prices can remain static for years.** Any pricing update requires an act of Town Council, which is a high barrier for change to occur.
- **Unclear and inflexible outdoor venue rental policy.** Some outdoor rental venues require an indoor venue rental. Many of the policies around exclusive outdoor rentals are unclear. For example, there are no prices listed for exclusive outdoor rentals with catering.
- **Day use non-registration frequently occurs.** MCE encounters 10-15 non-registered outdoor day use events each good weather month. When they observe a non-registrant, they collect the registration fee no associated penalty fee. In the end, this policy has several impacts: non-

registrants have a possible upside with no downside for their behavior; Atherton loses revenue from non-registrants that are not addressed; non-registrants cause conflicts with other registered day users; and MCE's enforcement detracts from its primary duties.

ANALYSIS

At the April 6, 2022 Park and Recreation meeting the Subcommittee proposed improving the Holbrook-Palmer Park venue rental price list for clarity, consistency, efficiency, and completeness with changes as outlined below. Some pricing and grouping adjustments are being recommended but were kept at a minimum to remain consistent with current price levels. The differences in prices and reasons for the change are noted as follows:

- **Convert from flat rate to hourly pricing.**

Hourly pricing greatly reduces the number of price bands while earning roughly the same revenue. While it does require the client to calculate the final price, it affords more flexibility and easier calculations as a benefit. Moreover, it eliminates the \$120/hour overtime price charge. In its place is the regular vendor hourly pricing rate, which starts at \$135/hour, more than the overtime rate.

- **Show hourly prices in two columns (resident & non-resident).**

Upfront pricing, including administration fees, is clear and concise without clients having to read the fine print to calculate the final price.

- **Round prices to the nearest "0" or "5".**

Brands associated with quality price their products and services ending in a zero. The "Atherton" brand has an association with high quality. Thus, all prices have been rounded. With that said, updating prices by \$10/hour increments can change the total price significantly. Having the ability to adjust prices by \$5/hour is more reasonable and better aligns with current and expected future inflation rates. Ultimately, the subcommittee decided to round prices to the nearest \$5/hour.

- **Align Holiday rental pricing with the weekend rental pricing.**

Holidays are popular times to rent a venue for many and often occur next to weekends. Holidays are now priced at the same rate as weekends to reflect that popularity. The Holbrook-Palmer Park rental price page should list the specific holidays recognized with the new pricing.

- **Adjust prices annually for inflation.**

Staff would be empowered to adjust HPP rental prices once a year in line with local inflation. The SF Bay area Consumer Price Index averaged 3.14%/year since 2018. More recently, February's national inflation rate was nearly 8%, a 40-year high. Allowing staff to make yearly adjustments permits Atherton to keep its rental prices in line with market rates more easily as it does not require Town Council action.

- **Allow exclusive outdoor venues to be rented a la carte.**

Currently, outdoor venues can be rented exclusively only when an indoor venue is included (i.e.,

North Lawn rental requires Carriage House rental). This bundling can significantly increase the price when a client is only interested in an outdoor event. Allowing outdoor venue rentals without an indoor venue provides a lower price point and flexibility. This change represents a new revenue opportunity for Atherton and Catered Too, especially with the public's COVID sensitivity.

The Subcommittee recommended that the following outdoor venues be offered a la carte: North Lawn, Water Tower Lawn, and the Event Garden. These venues are more popular to be rented on their own or in combination with a nearby indoor venue. This rental type is different from outdoor rental day use. Day use is a non-exclusive rental that has a 50-person limit. Exclusive outdoor use provides access to catering, alcohol, commercial vendors, and fewer than 75 people. If there's more guests or a need for electricity, an indoor venue must be added so that attendees have sufficient access to bathroom facilities and/or electrical power.

Staff is suggesting that the threshold for a required indoor facility be limited to 50 or less unless port-a-potty or other restroom facilities are provided by the renter to limit impact to the park restrooms and other park patrons.

- **Improve day use reservation compliance by increasing same day registration fee and eliminating penalty.**

When MCE encounters day use non-registrants, they collect just the regular day use fee, but never the penalty. As the penalty is not usually collected, it diminishes compliance, which may explain why 10-15 non-registrants are encountered each good weather month.

The Subcommittee proposes Atherton eliminate the penalty fee and add a new price category for same day registration that is double the current registration price. Any reservations made one day or more before the event will be charged the current day use fee. For clients that already comply, they should see no difference in prices.

The new price category means the Town would be able to collect double the fees Atherton normally charges. This pricing mechanism encourages clients to register early in the future and over time will ideally minimize the time MCE has to spend enforcing day use permits. The Council may decide to choose another fee amount instead of double. It could also incentivize MCE to verify day use permits by setting aside a percentage of same day registration fees to MCE employees as a bonus. That would encourage consistent enforcement and compliance.

The goal of this new fee is to not increase revenue, but to improve compliance. Eventually, MCE wouldn't need to spend as much time collecting fees when it has many other park duties and non-registrants wouldn't conflict with other registered day users.

The Subcommittee proposes to apply this pricing mechanism to photo shoot permits as well.

Staff would notes that if there is a new landscape services provider in the Park, it may impact the availability of MCE to monitor Day Use Permits. The Town will have to assess *how* such permits would be monitored going forward. One option for the Council to consider is elimination of Day Use Permits entirely.

Proposed Hourly Pricing:

The new pricing recommendations by the Subcommittee, as shown in Attachment 1, is intended such that roughly the same revenue will be collected, as the current hourly minimums for each venue would stay in place. Attachment 2 shows a comparison of the proposed prices (left side) and the “current” prices (right side) if they were charged hourly. Prices have been rounded to nearest \$5 or \$10 per hour.

The number of price categories is significantly reduced as time bands have been consolidated.

- The Carriage House went from 10 price bands to 1 with the proposal.
- Jennings Pavilion went from 8 price bands to 2 with the proposal.
- Main House went from 6 price bands to 2 with the proposal.

The a la carte price for outdoor venue exclusive use was raised by \$10/hour from what would have been the expected “current” price. Being able to rent an outdoor venue exclusively is new for HPP and is likely to be more popular as COVID remains top of mind for many clients. There was a consensus among staff, Catered Too, and the Subcommittee that Atherton should charge a little more initially to discourage overuse. Price adjustments can be made later if revenue and rental expectations are not met.

Marketing Recommendations:

The above pricing and rental recommendations can be made at little to no cost. The Subcommittee further recommended that HPP improve its venue marketability as well. The marketing changes will require more investment, with the intent that the benefits of more revenue through higher prices and more frequent rentals will be accrued.

The current HPP rental venue website experience uses dated materials, video, and the calendar does not appear to be up to date.

- **Create modern interactive website that matches client needs and date requests.**

In most cases, clients must call the HPP event manager to learn about venue availability. The process can be slow and cumbersome for both the event manager and client. An interactive website that has real-time venue availability will make it easier for clients to check whether HPP has availability for specific dates and times. They should be able to place a deposit with a credit card from the website to make a reservation. The website should allow customers to filter the venues based on date, number of guests (which can vary based on whether those guests are sitting, standing, and seat arrangements), and other client requirements (indoor or outdoor, electrical, catering, etc.).

Having an online availability platform will decrease the back and forth between HPP event staff and the client, which will ideally improve the entire client experience and ensure positive reviews, words of mouth, and future reservations. There are many platforms that can be explored; a few examples are listed below depending on the financial commitment of the Town (the platform with the lowest financial commitment is listed first):

- A system similar to Player Capital for tennis court reservations that lists basic information

about the availability of a space on a given day/time. This platform would allow the Town to pre-block off reoccurring trainings, events, or facilities repairs that would prevent a client from using the space.

- A system that includes information about the availability of a space along with basic information, such as how many people will be attending the event, so clients can utilize a basic ‘filter’ feature to reduce the amount of back and forth with HPP event staff.
- A system that accounts for all the above-described features: filtering based on date, number of guests, and venue features. This system would also allow for an immediate deposit so that their reservation goes into the public calendar and cannot be reserved by another person. Once the deposit is submitted, HPP staff can reach out to the client directly to coordinate additional logistics and finalize a venue price. This system would likely need to be contracted out and will require input from HPP staff so that the necessary parameters can be coded into the platform. It is recommended that the contract include on-going technical support and yearly updating to reflect changes in prices, venue characteristics, etc.

Staff would like to note that a new Town website is in the works and could possibly incorporate an availability calendar.

- **Multimedia website experience.**

An important part of meeting a client’s venue needs is to allow them to better imagine the possibilities of the space. This imagination can help increase the number of venue reservations over time since the possibilities will become more realistic for clients. The venue rental website should include pictures of how the space has been used for different events, such as a wedding reception, birthday party, or corporate retreat. These photos can be a starting place for clients to be creative on how they will use the space. These pictures can be taken from past client events, either by the client themselves or an Atherton vendor, with a media release. 3-D interactive and videos can also be taken of each venue to give clients a more tangible understanding of the space without having to visit it.

- It is recommended that HPP event staff request media releases from all clients and events so that any photos taken by HPP event or Town staff can be used freely on the websites. Given the difficulty in hosting many photos on the HPP website or Town website, HPP event staff can develop a photo sharing site (such as Google or Flickr) to host and label different photos. This external site can be linked on the HPP website so that potential clients can view high resolution photos of the various events they can reserve in the park.
- There is a strong incentive for Catered Too to request media releases and encourage staff to take photos during events, as this marketing tool will increase catering opportunities. It is reasonable to assume that an increase in photos will likely correlate to a higher demand for catering services.

At the April 6, 2022 Park and Recreation meeting the Committee reviewed the Subcommittee’s recommendations and made a motion to forward the recommendations to the City Council for consideration.

Staff would like to note that Catered Too was involved in the venue rental pricing and policy discussions and did not have any objections. They agreed that additional flexibility in combining spaces would assist in venue rentals. Per the Town’s Event Management agreement with Catered Too, Catered Too is responsible for marketing the venues at Holbrook-Palmer Park and as the

exclusive caterer for events hosting more than 50, they do a significant amount of coordination with the larger reservations.

With the shift in landscape maintenance services and park staffing, the City Council may want to consider changing day use permits to a simple reservation system wherein a day use permit guarantees a picnic or reservation area, including posting of the reservation. Though use without a day-use permit would be permitted, it would be on a first-come, first-served basis unless a paid reservation is made at least one business day in advance. This would significantly reduce the need for policing day-use permit activities.

With the Council's feedback, staff can make any adjustments to Council the below proposed fee changes and return to Council for final fee adoption. As a public hearing is required for such fee changes, it is proposed that the adoption of the fee adjustment be considered during the public hearing for the FY 2022/23 budget along with any other fee adjustments adopted at that time. Staff further recommends that the Council adopt future rate changes through this same process, rather than delegating to staff as recommended by the Subcommittee.

POLICY FOCUS

The City Council's policy discussion should revolve around the proposed rental fees for facilities at Holbrook Palmer Park, threshold for exclusive outdoor space rentals, changes to (or elimination of) day-use permits and enforcement, requesting media waivers, and fee update process.

FISCAL IMPACT

There will be limited fiscal impact associated with the proposed fee changes. The fee changes are intended to provide some clarity by incorporating administrative fees within the rental rates and will allow for additional rental options via the a la carte ability to select outdoor venues. The fee schedule provides hourly rental charges to provide flexibility in rental durations. Though rentals have been reduced over the last few years, due to the pandemic, the Town no longer splits rental revenues and thus the associated revenue with each rental has increased.

GOAL ALIGNMENT

This Report and its contents are in alignment with the following Council Policy Goals:

- Goal A – Maintain Fiscal Responsibility
- Goal B – Preserve Small Town Character and Quality of Life
- Goal F – Be Forward-Thinking, Well-Managed, and Well-Planned

PUBLIC NOTICE

Public notification was achieved by posting the agenda, with this agenda item being listed, at least 72 hours prior to the meeting in print and electronically. Information about the project is also disseminated via the Town's electronic News Flash and Atherton Online. There are approximately 1,200 subscribers to the Town's electronic News Flash publications. Subscribers include residents as well as stakeholders – to include, but be not limited to, media outlets, school districts, Menlo Park Fire District, service providers (water, power, and sewer), and regional elected officials.

COMMISSION/COMMITTEE FEEDBACK/REFERRAL

This item X has or _____ has not been before a Town Committee or Commission.

- _____ Audit/Finance Committee (meets every other month)
- _____ Bicycle/Pedestrian Committee (meets as needed)
- _____ Civic Center Advisory Committee (meets as needed)
- _____ Environmental Programs Committee (meets every other month)
- X Park and Recreation Committee (meets each month)
- _____ Planning Commission (meets each month)
- _____ Rail Committee (meets every other month)
- _____ Transportation Committee (meets every other month)
- _____ Tree Committee (meets each month)

ATTACHMENTS

Attachment 1 – Proposed Park Rental Fees

Attachment 2 – Comparison of Proposed and Current Equivalent (Hourly) Fees

Holbrook-Palmer Park - Proposed Rental Fees

Main House		
<i>Day</i>	<i>Proposed Cost: Atherton Resident</i>	<i>Proposed Cost: Non-Atherton Resident</i>
Monday - Friday (4 hour minimum)	\$135 per hour	\$155 per hour
Saturday, Sunday, or Holidays (2 hour minimum)	\$345 per hour	\$390 per hour

Price does not include \$600 refundable security deposit.

Includes outdoor area with adjacent porch and lower patio

Jennings Pavillion		
<i>Day</i>	<i>Proposed Cost: Atherton Resident</i>	<i>Proposed Cost: Non-Atherton Resident</i>
Friday Day Use or Monday - Thursday (4 hour minimum)	\$275 per hour	\$310 per hour
Friday Evenings, Saturday, Sunday, or Holidays (4-6 hour minimum*)	\$785 per hour	\$890 per hour

Price does not include \$1200 refundable security deposit.

Friday evenings begin at 4 PM

*Day use has 4 hour minimum. Evening use has 6 hour minimum.

Includes water tower lawn, event garden, patio, and side lawn (subject to availability)

Carriage House		
<i>Day</i>	<i>Proposed Cost: Atherton Resident</i>	<i>Proposed Cost: Non-Atherton Resident</i>
Every Day (4 hour minimum)	\$135 per hour	\$155 per hour

Price does not include \$600 refundable security deposit.

Does not include any outdoor areas

Outdoor Area - Exclusive Use or more than 50 people		
<i>Day</i>	<i>Proposed Cost: Atherton Resident</i>	<i>Proposed Cost: Non-Atherton Resident</i>
Every Day (4 hour minimum)	\$145 per hour	\$165 per hour

Price does not include \$300 refundable security deposit.

Price includes rental of one of the following: North Lawn, Water Tower Lawn, or Event Garden

No electrical access and less than 75 people

75 or more people or electrical access requires indoor venue to be added

Non-Exclusive Day Use		
<i>Groups</i>	<i>Proposed Cost: Atherton Resident</i>	<i>Proposed Cost: Non-Atherton Resident</i>
1-12	None	None
13-25	90*	120*
26-50	180*	240*
Penalty	None	None

*Cost registering more than one day in advance. Same day registration doubles day use fee with minimum \$180 fee.

Photo-Shoot Permit		
<i>Days</i>	<i>Proposed Cost</i>	
One Day	120*	
One Month	\$600	
Penalty	None	

*Cost registering more than one day in advance. Same day registration doubles day use fee.

**Holbrook-Palmer Park Rental Fee Comparison
Proposed fees vs. Current Equivalent Fees**

Main House		
Day	Proposed Cost: Atherton Resident	Proposed Cost: Non-Atherton Resident
Monday - Friday (4 hour minimum)	\$135 per hour	\$155 per hour
Saturday, Sunday, or Holidays (2 hour minimum)	\$345 per hour	\$390 per hour

Price does not include \$600 refundable security deposit.
Includes outdoor area with adjacent porch and lower patio

Jennings Pavillion		
Day	Proposed Cost: Atherton Resident	Proposed Cost: Non-Atherton Resident
Friday Day Use or Monday - Thursday (4 hour minimum)	\$275 per hour	\$310 per hour
Friday Evenings, Saturday, Sunday, or Holidays (4-6 hour minimum*)	\$785 per hour	\$890 per hour

Price does not include \$1200 refundable security deposit.
Friday evenings begin at 4 PM

*Day use has 4 hour minimum. Evening use has 6 hour minimum.
Includes water tower lawn, event garden, patio, and side lawn (subject to availability)

Carriage House		
Day	Proposed Cost: Atherton Resident	Proposed Cost: Non-Atherton Resident
Every Day (4 hour minimum)	\$135 per hour	\$155 per hour

Price does not include \$600 refundable security deposit.
Does not include any outdoor areas

Outdoor Area - Exclusive Use or more than 50 people		
Day	Proposed Cost: Atherton Resident	Proposed Cost: Non-Atherton Resident
Every Day (4 hour minimum)	\$145 per hour	\$165 per hour

Price does not include \$300 refundable security deposit.
Price includes rental of one of the following: North Lawn, Water Tower Lawn, or Event Garden
No electrical access and less than 75 people
75 or more people or electrical access requires indoor venue to be added

Non-Exclusive Day Use		
Groups	Proposed Cost: Atherton Resident	Proposed Cost: Non-Atherton Resident
1-12	None	None
13-25	\$90*	\$120*
26-50	\$180*	\$240*
Penalty	None	None

*Cost registering more than one day in advance. Same day registration doubles day use fee with minimum \$180 fee.

Photo-Shoot Permit		
Days	Proposed Cost	
One Day	\$120*	
One Month	\$600	
Penalty	None	

*Cost registering more than one day in advance. Same day registration doubles day use fee.

Main House (Current Equivalent)		
Day	Cost: Atherton Resident	Cost: Non-Atherton Resident
Monday - Friday (4 hour minimum)	\$137.43 per hour	\$155.35 per hour
Saturday-Sunday (2 hour minimum)	\$343.85 per hour	\$388.70 per hour

Price does not include \$600 refundable security deposit.
Includes outdoor area with adjacent porch and lower patio

Jennings Pavillion (Current Equivalent)		
Day	Cost: Atherton Resident	Cost: Non-Atherton Resident
Friday Day Use or Monday - Thursday (4 hour minimum)	\$274.85 per hour	\$310.70 per hour
Friday Evenings, Saturday, or Sunday (4-6 hour minimum*)	\$785.29 per hour	\$887.71 per hour

Price does not include \$1200 refundable security deposit.
Friday evenings begin at 4 PM

*Day use has 4 hour minimum. Evening use has 6 hour minimum.
Includes water tower lawn, event garden, patio, and side lawn (subject to availability)

Carriage House (Current Equivalent)		
Day	Cost: Atherton Resident	Cost: Non-Atherton Resident
Every Day (4 hour minimum)	\$137.43 per hour	\$155.35 per hour

Price does not include \$600 refundable security deposit.
Does not include any outdoor areas

Outdoor Area - Exclusive Use (Current Equivalent)		
Day	Cost: Atherton Resident	Cost: Non-Atherton Resident
Every Day (4 hour minimum)	\$137.43 per hour	\$155.35 per hour

Price does not include \$300 refundable security deposit.

Non-Exclusive Day Use (Current Equivalent)		
Groups	Cost: Atherton Resident	Cost: Non-Atherton Resident
1-12	None	None
13-25	\$90	\$120
26-50	\$180	\$239
Penalty	\$120	\$120

Photo-Shoot Permit (Current Equivalent)		
Groups	Cost	
1-12	\$120	
13-25	\$598	
Penalty	\$120	