

CITY OF VAUGHAN

EXTRACT FROM COUNCIL MEETING MINUTES OF JANUARY 24, 2017

Item 5, Report No. 2, of the Committee of the Whole, which was adopted without amendment by the Council of the City of Vaughan on January 24, 2017.

5 REQUEST FOR APPROVAL OF SOLE SOURCE PURCHASES OF FITNESS EQUIPMENT - CITY WIDE

The Committee of the Whole recommends approval of the recommendation contained in the following report of the Deputy City Manager, Community Services and the Director of Recreation Services, dated January 17, 2017:

Recommendation

The Deputy City Manager, Community Services and the Director of Recreation Services, in consultation with the Director of Procurement Services and the Director of Financial Planning and Development Finance and Deputy City Treasurer, recommend:

1. That the sole source of fitness equipment be awarded to Advantage Fitness, National Fitness, VO2 Fitness Inc., and Legacy Fitness, in the amounts of \$200,322, \$42,670, \$32,872, and \$25,563, respectively, plus applicable taxes and administration recovery, being the exclusive Ontario distributors for the brands of equipment that are specified; and
2. That the Mayor and City Clerk be authorized to sign the necessary documents.

Contribution to Sustainability

This report is consistent with the priorities previously set by Council in the Green Directions, Vaughan, Community Sustainability Environmental Master Plan, Objective 4.1:

- 4.1.1 Develop an implementation plan for the initiatives described in the City's Active Together Master Plan through a phased and budgeted program.

Economic Impact

Sufficient funds for these purchases have been approved through capital project – RE-9503-13 and the 2017 operating budget as part of the annual Fitness Centre Equipment Replacement initiative.

Communications Plan

The Procurement Services Department will advise the equipment providers of Council's decision.

Purpose

The purpose of this report is to request Council's approval to award the sole source provision of fitness equipment to Advantage Fitness, National Fitness, VO2 Fitness Inc., and Legacy Fitness, the exclusive Ontario distributors for the brands of fitness equipment that are specified.

Background – Analysis and Options

With over 5,000 fitness memberships, Recreation Services operates six fitness centres at City of Vaughan community centres. On an annual basis, purchases are required to replace and enhance the inventory of fitness equipment at the City's fitness centres. Offering updated fitness equipment consistently across all fitness centres is critical in the department's ability to retain members, and is one of leading comments received from existing users via feedback surveys.

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The equipment to be purchased is the same selection that is currently offered, including treadmills, cross-trainers, stair-climbers, exercise bicycles, muscle conditioning machines, free weights and spinning bikes.

The City's fitness centres primarily possess a selection of LifeFitness, Precor, Stairmaster, Hammer, Hampton and Schwinn fitness equipment. The selection of these particular brands provided by the aforementioned exclusive distributors is important for a number of reasons:

- The selection of equipment is a reflection of the type and quality of fitness equipment that currently exists within our other fitness centres;
- Consistency and familiarity of look, adjustments and function benefits both the user and staff who use multiple fitness centre locations;
- The equipment represents a level of quality that serves the user well and minimizes maintenance issues;
- Consistency enhances the preventative maintenance because technicians are certified to perform work on these brands of equipment;
- The aforementioned vendors are long-standing in the fitness equipment field and has supplied the existing inventory of fitness equipment at City of Vaughan fitness centres; and, the aforementioned vendors have performed very well in the past, and their price, workmanship and services are satisfactory.

The purchases will be funded from the following areas:

| Capital Financial Summary - Fitness Equipment Replacement - Advantage Fitness | | |
|--|-----------|------------------|
| Budget for RE-9503-13 - Fitness Equipment Replacement | \$231,750 | |
| Less: Expenses/Commitment to Date | \$0 | |
| Current Funds Available (CAD) | | \$231,750 |
| Capital Equipment Purchases | \$221,108 | |
| Non-refundable portion of HST (1.76%) | \$3,892 | |
| Administration Recovery (3%) | \$6,750 | |
| Total Costs per Quote | \$231,749 | |
| Total Costs per Quote (rounded) | | \$231,750 |
| Balance Remaining | | \$0 |

| Operating Financial Summary - Fitness Equipment Replacement | | |
|--|-----------|------------------|
| Budget - Recreation - Small Tool & Equipment - 7335 | \$198,838 | |
| Less: Expenses/Commitment to Date | \$0 | |
| Current Funds Available (CAD) | | \$198,838 |
| Operating Equipment Purchases | \$80,319 | |
| Non-refundable portion of HST (1.76%) | \$1,414 | |
| Total Costs per Quote | \$81,733 | |
| Total Costs per Quote (rounded) (CAD) | | \$81,730 |
| Balance Remaining (CAD) | | \$117,108 |

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The remaining amount from the operating account will be used for small equipment purchases in 2017.

Relationship to Term of Council Service Excellence Strategy Map (2014-2018)

This initiative is consistent with the Service Excellence Strategic Initiative: Operational Performance.

- STRATEGIC GOAL: Service Delivery Options
 - Effective Service Delivery: Review service delivery options and shared services to match resources to the desired level of service.

Regional Implications

None.

Conclusion

In order to ensure the consistency of fitness equipment standards at the City's fitness centres, it is recommended that the purchases be awarded to Advantage Fitness, National Fitness, VO2 Fitness Inc., and Legacy Fitness.

Attachments

1. Letters of Exclusivity

Report prepared by:

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(A copy of the attachments referred to in the foregoing have been forwarded to each Member of Council and a copy thereof is also on file in the office of the City Clerk.)