

CITY OF VAUGHAN

EXTRACT FROM COUNCIL MEETING MINUTES OF DECEMBER 11, 2012

Item 22, Report No. 48, of the Committee of the Whole, which was adopted without amendment by the Council of the City of Vaughan on December 11, 2012.

22 REQUEST FOR APPROVAL OF SOLE SOURCE PURCHASE OF FITNESS EQUIPMENT FOR VELLORE VILLAGE FITNESS CENTRE – WARD 3

The Committee of the Whole recommends approval of the recommendation contained in the following report of the Commissioner of Community Services, dated November 27, 2012:

Recommendation

The Commissioner of Community Services, in consultation with the Director of Recreation and Culture and the Acting Director of Purchasing Services, recommends:

- 1) That Council approve the awarding of Advantage Fitness Sales for the purchase of fitness equipment in the amount of \$252,798 plus applicable taxes, and administration recovery, being the exclusive Ontario distributor for the brands of fitness equipment that are specified.

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

Funds for these purchases have been approved through the Vellore Village Community Centre capital budget, project # RE-9511-11.

Communications Plan

The Purchasing Services Department will advise the equipment provider of Council's decision.

Purpose

The purpose of this report is to request Council approval to award a sole source purchase of fitness equipment to Advantage Fitness Sales, the exclusive distributor for the equipment specified.

Background - Analysis and Options

In preparation for the opening of the new Vellore Village Fitness Centre, fitness equipment is being purchased to outfit the new fitness centre at the same standard as similar sized City-owned fitness centres such as Al Palladini, Maple, North Thornhill and Garnet A. Williams.

The equipment to be purchased is the same selection that exists in the other fitness centres: 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 is important for a number of reasons:

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- the current selection of equipment at Vellore Village Fitness Centre is the same as what currently exists at the other four fitness centres;
- consistency and familiarity of look, adjustments and function benefits both the user and staff who go from centre to centre;
- they represent the highest level of quality that both serves the user well and minimizes maintenance issues;
- consistency enhances the preventative maintenance contract because the technicians are certified to perform work on these brands of equipment; and
- the long-range plan for fitness equipment schedules the replacement of equipment with the same brand of equipment, if available, for the purposes of consistency.

Advantage Fitness Sales provides the type and quality of fitness equipment that has been established as a standard in the City's fitness centres. Advantage Fitness Sales is the exclusive authorized dealer for LifeFitness, Hampton and Hammer fitness equipment. These brands of equipment are already well established in the other five fitness centres.

Vellore Fitness Centre Equipment Financial Summary – Advantage Fitness Sales Inc.	
Approved Capital Budget (RE-9511-11)	\$355,530.00
Less: Expenses/ Commitments to Date	0.00
Current Funds Remaining	\$355,530.00
Cost of equipment (including HST)	\$285,661.74
Non Refundable Portion of HST (0%)	0.00
HST	- \$32,863.74
Sub-Total	\$252,798.00
Administration Recovery (3%)	\$7,583.94
Total Costs	\$260,381.94
Total Costs (rounded)	\$260,382.00
Balance Remaining	\$95,148.00

Due to the bulk purchase of fitness equipment for Vellore Village Fitness Centre, the vendor is able to offer relatively better rates than previous purchases. Based on analysis of the rates and market assessment, staff are satisfied that the rates provided are fair and reasonable when compared to other fitness equipment suppliers.

The remaining amount of the capital budget is \$95,148.00 minus administrative fees. This amount will be used for additional fitness and office equipment.

Relationship to Vaughan Vision 2020/Strategic Plan

In consideration of the strategic priorities related to Vaughan Vision 2020, this report will provide:

- **STRATEGIC GOAL:**
Service Excellence – Providing service excellence to citizens
- **STRATEGIC OBJECTIVES:**
Enhance and Ensure Community Safety, Health and Wellness.

This report is consistent with the priorities previously set by Council and the necessary resources have been allocated and approved.

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Regional Implications

There are no regional implications as a result of this report.

Conclusion

In order to continue with the consistency of the standard of fitness equipment currently available in the City-owned fitness centres, it is recommended that the purchases be awarded to the authorized exclusive distributor, Advantage Fitness Sales, for the specified equipment.

Attachments

1. Life-Hammer Exclusive Dealer Letter
2. Hampton Exclusive Dealer Letter

Report Prepared By

Mary Reali, Director of Recreation and Culture, ext. 8234
Paul Compton, Area Recreation Manager, ext. 8358

(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.)

COMMITTEE OF THE WHOLE – NOVEMBER 27, 2012

REQUEST FOR APPROVAL OF SOLE SOURCE PURCHASE OF FITNESS EQUIPMENT FOR VELLORE VILLAGE FITNESS CENTRE – WARD 3

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Report Prepared By

Mary Reali, Director of Recreation and Culture, ext. 8234
Paul Compton, Area Recreation Manager, ext. 8358

Respectfully submitted,

Marlon Kallideen
Commissioner of Community Services



August 1, 2012

Mr. Brian Furlong
ADVANTAGE FITNESS SALES
500 Denison Street
Markham, ON L3R 1B9

Re: Advantage Fitness Sales Inc. Platinum Dealer Exclusivity

Dear Mr. Furlong:

I am pleased to continue to recognize Advantage Fitness Sales as the exclusive authorized dealer of Life Fitness and Hammer Strength commercial products in the Province of Ontario.

Your appointment as an exclusive authorized dealer reflects the fact that your organization has distinguished itself by demonstrating a level of professional sales and service required in distributing Life Fitness commercial products. ***In support of your organization, please note that any Life Fitness or Hammer Strength products sold in the above described territory from an unauthorized source may jeopardize their warranties.*** This is due to the fact that we cannot assure product authenticity and integrity unless the product(s) has been purchased directly from a Life Fitness authorized dealer such as yourself. Life Fitness will protect this warranty agreement with Advantage Fitness Sales by closely tracking serial numbers of all equipment sold in Ontario.

Potential buyers of Life Fitness products who wish to verify your current standing as an exclusive authorized dealer may contact Life Fitness at 1-800-735-3867 and ask for me directly.

Please note that this letter of confirmation covers all quotations, including the above referenced version, and any additional quotes submitted hereafter.

Sincerely,

A handwritten signature in black ink that reads "Tim McCarthy". The signature is fluid and cursive, with a large, stylized "M" and "C".

Tim McCarthy





Oct. 20, 2012

Mr. Brian Furlong
Advantage Fitness Sales
500 Denison Street
Markham, ON L3R 1B9

Dear Mr. Furlong:

Hampton is pleased to recognize *Advantage Fitness Sales* as the **exclusive distributor** for Hampton Fitness commercial products in the Province of Ontario, Canada.

In support of your efforts, please note that Hampton Fitness products sold into regions listed above by other (non-authorized) sources will be void of any and all warranties, as we cannot assure product authenticity and integrity unless the product has been purchased directly from Hampton Fitness and/or our authorized distributors.

Thank you for your years of effort and continued support.

Sincerely,

A handwritten signature in dark ink, appearing to read "Robert Hornbuckle", followed by a long horizontal line.

Robert Hornbuckle

WWW.HAMPTONFIT.COM

1913 Portola Road • Ventura, CA 93003 • USA
Tel: (805) 339-9733 • Toll-free: (877) 339-9733 • Fax: (805) 339-0401