



TOWNSHIP OF NORTH HURON

REPORT

Item No.

REPORT TO: Reeve Vincent and Members of Council
PREPARED BY: Pat Newson, Director of Recreation and Facilities
DATE: 16/05/2016
SUBJECT: Purchase of replacement Fitness Equipment
ATTACHMENTS: Quote from dealer and the dealer exclusivity letter

RECOMMENDATION:

THAT the Council of the Township of North Huron hereby authorize North Huron staff to use the negotiated method for the purchase of six new pieces of cardiovascular fitness training equipment for the Fitness Centre.

AND FURTHER THAT the Council of the Township of North Huron authorize the purchase of new fitness equipment from Advantage Fitness Equipment Inc. for the expense of \$28,147.08. This purchase includes the following breakdown:

Equipment Piece	Cost	# of Pieces	Total Cost
<i>Life Fitness Classic Elliptical Cross-Trainer (Integrity Series)</i>	\$5864.81	3	\$17,594.43
<i>Life Fitness Classic Upright Lifecycle Bike (Integrity Series)</i>	\$3646.68	1	\$3,646.68
<i>Life Fitness Recumbent LifeCycle Bike (Elevation Series)</i>	\$5129.48	1	\$5,129.48
<i>Concept 2 Rower Model D</i>	\$1376.49	1	\$1,376.49
Shipping, Delivery, Installation	\$400	1	\$400.00
Total Cost		6	\$28,147.08

AND FURTHER THAT staff are instructed to dispose of the six pieces of existing equipment that are being replaced by Silent Auction held in the Fitness Centre over a two to three week period where public will have an opportunity to submit sealed bids. Equipment will be auctioned off in "as is" condition and a waiver must be signed. The six pieces include: 2 Life Fitness Elliptical Trainers, 2 Upright Life Fitness bikes, and 2 Life Fitness recumbent bike. Any unsold pieces of equipment will be donated to a community group or removed to the landfill. Proceeds from the sale of the equipment will be put into reserves for future equipment replacement.

EXECUTIVE SUMMARY

The Fitness Centre purchased these pieces of Life Fitness Equipment fifteen years ago when the Fitness Centre was opened. These pieces of equipment have proven to be very durable and reliable. Their life expectancy was 10 years. They have exceeded their life expectancy and replacement parts are difficult to acquire. The plan is to remove these six pieces and replace them with new Life Fitness equipment.

DISCUSSION

The North Huron Fitness Centre is replacing six piece of cardiovascular equipment. It is recommended that this replacement take place in 2016 because the equipment is experiencing more frequent break downs. Also, rust in the frames is making some pieces unsteady and replacement parts for some components are no longer available or difficult to acquire. The equipment has exceeded its life expectancy, and staff have been pleased with the performance and ease of use of this equipment for the members.

The equipment being replaced is Life Fitness brand and is considered a “workhorse” in the industry. There is only one exclusive dealer in Ontario for this equipment, and the letter demonstrating that is included in the attachments to this report. The desire to purchase Life Fitness brand again is due to its reputation for durability and reliability in the industry, and also based on the excellent experience the North Huron Fitness Centre has experienced with this equipment. It is easy to use, runs on its own power (does not require plugging it in), and fits a variety of sizes of users and is appropriate for all fitness levels. Replacing Life Fitness with Life Fitness equipment will also provide members with continuity of their familiarity with the fitness equipment. For these reasons, staff are recommending that Life Fitness brand be purchased, and that the negotiated method be used for this equipment purchase.

Staff recommend changing up the existing compliment of types of fitness equipment being replaced based on experience of member preference and utilization. This chart shows the change:

Current Equipment Pieces being Replaced	#	New Equipment Piece	#
Life Fitness Cross-Trainer	2	Life Fitness Cross-Trainer	3
Life Fitness Upright Cycle	2	Life Fitness Upright Cycle	1
Life Fitness Recumbent Bike	2	Life Fitness Recumbent Bike	1
	0	Concept 2 Rowing Machine	1
Total Replacing	6	Total Recommended for Purchase	6

Pictures of the new equipment:



FINANCIAL IMPACT

For the past six years, as part of the Fitness Centre Program operating budget, \$5,000 is transferred to reserves to purchase replacement equipment as required. At the end of 2015 the reserve

account had \$30,000. The 2016 budget includes \$25,000 transfer from reserves, plus the standard \$5,000 annual contribution to cardiovascular equipment replacement. This leaves \$5,000 in the reserve account. These funds were allocated in the 2016 budget to purchase new equipment. The total cost of the new equipment is \$28,147.08.

Proceeds from selling the old equipment will be placed into reserves.

FUTURE CONSIDERATIONS

From submission of a purchase order to delivery is expected to be from 2 to 6 weeks.

Staff will use this new equipment delivery as an opportunity to promote memberships and utilization of the facility.

As other equipment ages, they will need replaced. It is recommended that starting in 2017, the \$5,000 contribution to replacing equipment be increased to \$10,000.

RELATIONSHIP TO STRATEGIC PLAN

Our community is healthy and safe.

Our community is attractive and welcoming to new businesses and Residents.

Pat Newson, Director of Recreation and
Facilities

Sharon Chambers, CAO