



TOWNSHIP OF NORTH HURON

REPORT

Item No.

REPORT TO: Reeve Vincent and Members of Council
PREPARED BY: Kim Scholl, (A) Director of Recreation
DATE: 18/06/2018
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 receives the report of the Acting Director of Recreation and Facilities, dated June 18, 2018 regarding the purchase of a replacement treadmill for the Fitness Centre.

AND FURTHER THAT staff are authorized to proceed with the purchase of the treadmill;

AND FURTHER THAT staff are authorized to dispose of the current treadmill by using Gov Deals (<https://www.govdeals.ca/>) and to deposit the proceeds from the sale into reserves for future equipment purchases.

EXECUTIVE SUMMARY

North Huron purchased the original Life Fitness treadmills seventeen years ago when The Fitness Centre opened. These pieces of equipment have proven to be very durable and reliable. Their life expectancy was 10 years and they have far exceeded this. Replacement parts are now difficult to acquire. The plan is to remove the current Life Fitness treadmill and replace it with an updated model of the same brand.

DISCUSSION

The North Huron Fitness Centre is requesting to replace a treadmill which has been included in the 2018 budget. The equipment is 7 years past its life expectancy and may stop working without any advance notice. Also, replacement parts for some components are no longer available or difficult to acquire. Our clients pay membership dollars in order to have these machines available, and a breakdown would end up with a delay in use of up to 6 weeks which could affect membership sales and member confidence.

The equipment being replaced is the 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 this is attached to this report. The desire to purchase the Life Fitness brand again is due to its reputation for durability and reliability in the industry, but is also based on the excellent experience the North Huron Fitness Centre has encountered with this equipment. It has exceeded its life expectancy, parts are simple and affordable to acquire, is easy to use, 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 in 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. This method of purchase refers to the negotiation of

an agreement for the purchase of goods and services from a supplier where there is no open competition.



FINANCIAL IMPACT

The purchase includes the following breakdown:

Equipment Piece	Cost	# of Pieces	Total Cost
<i>Life Fitness Treadmill (integrity series, SC console)</i>	\$7,252.00	1	\$7,252.00
Shipping, Delivery, Installation	\$350.00		\$350.00
Total Cost		1	\$7,602.00

A treadmill purchase was approved by council for \$10,000 in the 2018 budget. There is also an additional \$6,000 in reserves for additional equipment breakdowns if required.

It is staff's recommendation to use Gov Deals (<http://www.govdeals.ca/>) to dispose of the existing equipment and as has been the past practice, the proceeds from the sale of the equipment be put into reserves for future equipment purchases.

FUTURE CONSIDERATIONS

From submission of a purchase order to delivery is expected to be from 4 to 6 weeks.

There were 8 pieces of cardiovascular equipment that were purchased with the original lease in 2001. There are currently only 2 pieces remaining, the treadmills, and the plan is to replace one in 2018 and budget to replace the other in 2019, or use the remaining reserves if it breaks down later in 2018, whichever comes first.

As other equipment ages, it will need replaced. It is recommended that we continue to put \$10,000 yearly into reserves.

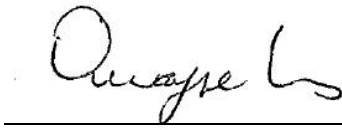
RELATIONSHIP TO STRATEGIC PLAN

Our community is healthy and safe.

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

Handwritten signature of Kim Scholl in cursive script.

Kim Scholl, Director of Recreation

Handwritten signature of Dwayne Evans in cursive script.

Dwayne Evans, CAO