



## REPORT



**TO:** Mayor and Council

**FROM:** Jason Kabel, Manager of Community Services

**DATE:** December 3, 2013

**RE:** **Pulse Fitness – Equipment purchase for MSC Aerobic room**

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### Preamble

The Memorial Sports Centre made its final lease agreement payment (3years) for the two treadmills in the fitness area on October 15, 2013. At the executive committee meeting on November 4, 2013 the executive committee requested more information on the options available before making a decision on re-leasing, purchasing, or adding another piece of equipment to the area.

At the last meeting of the executive on November 18, 2013 the committee made recommendation to purchase the equipment if possible. To proceed with the purchase of the equipment, direction needs to be provided to treasury as to where the funds will be drawn from.

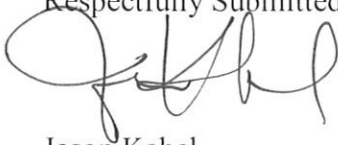
Existing Agreement (#2165) Buyout – 2 Treadmills	\$ 3,947.50 + tax
New Tread-climber Quote (#2274)	<u>\$10,965.00</u> + tax
TOTAL	\$14,912.50 + tax

Lease Options for Tread-climber	Option 1	Option 2
Equipment Value Term	\$10,965.00	\$ 10,965.00
Term	36 months	36 months
Payment	\$365.00	\$326.00
HST	<u>\$ 47.45</u>	<u>\$ 42.38</u>
TOTAL	\$412.45 /month	\$368.38 /month
Purchase Option (after 36 month term)	\$ 100.00 + tax	\$ 1,645.00 + tax
Amount paid during term	<u>\$13,140.00</u> + tax	<u>\$11,736.00</u> + tax
TOTAL (cost of equipment if purchased after term)	\$13,240.00 + tax	\$13,381.00 + tax

The Community Services Executive Committee feels that it best to buy-out the existing lease on the current treadmills in the fitness area of the Memorial Sports Centre at a cost

of \$3,497 and also purchase one new tread-climber for the facility at a cost of \$10,965. Funds for the purchase can be drawn from existing Town reserve funds.

Respectfully Submitted,

A handwritten signature in black ink, appearing to read 'JKabel', written over the typed name 'Jason Kabel'.

Jason Kabel

**Council approval of this report will authorize:**

- 1) the buy-out of lease #2165 with Pulse Fitness for the two treadmills at the Memorial Sports Centre at a cost of \$3,497 + tax.
- 2) the purchase of quotation #2274 with Pulse Fitness for a new Tread-climber at a cost of \$10,965 +tax.
- 3) the funds for the purchase to be drawn from the existing Town reserve account.