

## **COMMITTEE OF THE WHOLE – JULY 6, 2010**

### **AWARD OF TENDER RFP10-140 MANAGEMENT OF UPLANDS GOLF AND SKI CENTRE FOR THE CITY OF VAUGHAN - WARD 5**

#### **Recommendation**

The Commissioner of Community Services, in consultation with the Uplands Working Committee and the Director of Purchasing Services Department recommends:

- 1) That RFP10-140 for Management of Uplands Golf and Ski Centre for the City of Vaughan be awarded to Smirnov Golf Management Ltd., and;
- 2) That Legal Services staff, in consultation with the Uplands Working Committee, prepare a legal agreement with Smirnov Golf Management Ltd. for the management of Uplands Golf and Ski Centre in accordance with the terms of the Request for Proposal, and;
- 3) That all revenues received from Smirnov Golf Management Ltd. through the operation of the Uplands Golf and Ski Centre be deposited into the "Uplands Reserve" account, and;
- 4) That a bylaw be enacted authorizing the Mayor and the City Clerk 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, Goal 4, and Objective 4.3:

- To encourage the establishment of green businesses and sustainable business practices.

#### **Economic Impact**

There is no financial impact to the City of Vaughan capital budget. It is the intent of the Uplands Golf and Ski Centre to be revenue neutral. All revenues received from the proponent will be deposited in the Uplands Reserve account and that all future capital projects for repair and replacement put forward through the annual capital budget process, as appropriate, be funded from the Uplands Reserve account. Based on the 5 year projections (2011-2015) gross revenue proforma prepared and provided by the proponent, City of Vaughan revenue is estimated at \$877,000.

#### **Communications Plan**

Not applicable.

#### **Purpose**

The purpose of this report is to seek Council approval to award RFP10-140 – Management of Uplands Golf and Ski Centre for the City of Vaughan.

#### **Background – Analysis and Options**

The current agreement with Smirnov Golf Management Ltd. expires October 31, 2010 and staff has undertaken a Request for Proposal for the Management of Uplands Golf and Ski Centre for the City of Vaughan. As identified in the RFP, the term of the agreement is five (5) years, commencing November 1, 2010 with two (2) five years optional extensions. The extensions are subject to review of selected proponent's performance, revenue payments, operational efficiency

of the golf and ski operations, and mutual agreement between the selected proponent and Uplands Operations Committee,

The RFP10-140 was issued on May 13, 2010 with closing date as Friday June 4, 2010. The RFP was advertised on Bidding, OPBA web site and the City Web Page. A bid call notice was sent out on May 19, 2010 to golf courses operating in the following regions: Toronto, Hamilton and Barrie & South-Central Ontario.

A proponent's mandatory site visit was conducted on Tuesday May 25, 2010 at 2:00 p.m. at 46 Uplands Avenue, Uplands Golf and Ski Centre. An addendum was issued to provide site tour information and responses to inquires from the Proponents on Monday May 31, 2010.

Eight (8) proponents picked up the RFP packages, six (6) proponents attended the mandatory site meeting and upon opening of bids, two (2) proposal submissions were received as follows:

- Smirnov Golf Management Ltd., Ontario
- Kenny Golf Aurora, Ontario

The Uplands Working Committee, which is comprised of staff representation from Reserves and Investments, Parks Development, Building and Facilities, and Parks and Forestry Operations, utilized the following evaluation criteria in order to fully evaluate the two (2) proposal submissions received.

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| • Qualifications and Experience:                           | 25% |
| • Proposed Financial Incentive / Revenue                   | 25% |
| • Overall Business Operations Plan and Project Management: | 20% |
| • Financial Capability                                     | 15% |
| • References   | 10% |
| • Quality of the Proposal:                                 | 5%  |

The Uplands Working Committee carefully evaluated the proposals and scored them based on the evaluation criteria contained in the RFP. Based on the evaluation, the Uplands Working Committee unanimously agreed that Smirnov Golf Management Ltd. being the highest scorer be recommended as the preferred proponent. Smirnov Golf Management Ltd. has managed the facility successfully for the past nine (9) years. Revenues generated over the past five (5) years (2004-2009) total \$1,040,000.

Smirnov Golf Management Ltd., have identified the need for capital investment in the site, specifically repair/replacement of the existing ski chair lift and the golf course irrigation/ski hill water system. The Uplands Working Committee will continue to monitor and assess all infrastructure at Uplands to determine if repair/replacement is appropriate and if so, the timing of such repair/replacement. Any request for repair/replacement will be put forward through the annual budget process. Staff is recommending that all revenues received from the successful proponent be deposited in a reserve account and that future capital projects, as appropriate, be funded from this account.

#### **Relationship to Vaughan Vision 2020 / Strategic Plan**

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

- **STRATEGIC GOAL:**  
Service Excellence - Providing service excellence to citizens.
- **STRATEGIC OBJECTIVES:**  
Pursue Excellence in Service Delivery; and Enhance and Ensure Community Safety, Health and Wellness – To deliver high quality services and to promote health and wellness through design and program.

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

**Regional Implications**

Not applicable.

**Conclusion**

That RFP10-140 for Management of Uplands Golf and Ski Centre for the City of Vaughan be awarded to Smirnov Golf Management Ltd., and that a legal agreement with Smirnov Golf Management Ltd. for the management of Uplands Golf and Ski Centre in accordance with the terms of the Request for Proposal be prepared and executed prior to November 1, 2010.

**Attachments**

Not applicable.

**Report prepared by:**

Paul Gardner, Director of Parks Development, Ext. 3209  
Ferruccio Castellarin, Director of Reserves and Investments, Ext. 8271  
Lynne Bonneville, Administrative Manager, Ext. 8296

Respectfully submitted,

Marlon Kallideen  
Commissioner of Community Services