

ITEM 10
MANAGER'S REPORT NO. 60
COUNCIL MEETING 91/10/21

TO : MUNICIPAL MANAGER 1991 OCTOBER 17

FROM : DIRECTOR RECREATION & CULTURAL SERVICES

RE : DISCONTINUATION OF FITNESS FIRST CONTRACT

PURPOSE : To respond to a letter from Ms. Wendy Carr regarding discontinuation of a contract with Fitness First.

RECOMMENDATION:

1. THAT the attached report be received for information.

REPORT

At its meeting of 1991 October 16, the Parks & Recreation Commission received the attached report on the above subject and adopted the two recommendations contained therein.



DENNIS GAUNT
DIRECTOR RECREATION &
CULTURAL SERVICES

tc
Attach.

RE: DISCONTINUATION OF FITNESS FIRST CONTRACT

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RECOMMENDATIONS:

1. THAT a copy of this report be forwarded to Ms. Wendy Carr, 39 - 9000 Ashgrove Crescent, Burnaby, B.C. V5A 4M3.
2. THAT a copy of this report be forwarded to Council for information purposes.

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REPORT

1.0 INTRODUCTION

Wendy Carr of Fitness First wrote to the Mayor and Council addressing concerns regarding the termination of the Fitness First contract with the Burnaby Parks & Recreation Department (copy of letter attached). Ms Carr claims that staff terminated the contract without just cause and feels that the Parks & Recreation Department are taking advantage of Fitness First's 11 year commitment of providing fitness services in the Cameron area.

This report will review the history of the relationship with Fitness First, the Parks & Recreation Department's fitness service, and the reasons for the termination of the contract.

2.0 RELATIONSHIP TO FITNESS FIRST

In 1980, Fitness First, a private company, was contracted by the Parks & Recreation Department to run four evening aerobic fitness classes. The response to these programs was enthusiastic and attendance was strong. A formal contract was developed outlining the financial arrangements and mutual commitments to the service.

The contract with Fitness First was only a component of the fitness service available at Cameron. The contract was intended to complement the Department's in-house fitness service also provided at Cameron.

Fitness First's class offerings have expanded from the initial four programs to seven programs at the present contracted level of service. Participation has declined from 100 participations per class in the early 80's to an average of 25-40 participants now.

Annually, the Parks & Recreation Department would formalize a contract with Fitness First. The contract outlined financial arrangements, level of service to be provided, clarifies roles of the contractor and the Parks & Recreation Department and outlines the notice of termination or changes to the agreement. The contract clearly states that "this agreement may be changed or terminated by either party upon one month's written notice".

Fitness First and Parks & Recreation staff had to negotiate and agree to any changes in the program prior to their implementation.

This year, staff reviewed the delivery of recreation services at Cameron Recreation Centre and proposed improvements, one of which was to hire a fitness specialist. This is a part-time Recreation Leader Grade 2. The specialist's role was to supervise and develop the fitness services including aerobic classes for all ages, wellness and active living programs and weight room programs and services. In July, the fitness specialist was hired.

In August, Fitness First was advised that their contract would not be renewed for 1992. The cost of contracting the service was higher than providing the service in-house and, in order to be effective and responsive, to the public, staff needed to have more complete jurisdiction over the provision of fitness services in the Centre. Maintaining the contract would be redundant.

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3.0 BURNABY PARKS AND RECREATION FITNESS SERVICE

The Parks & Recreation Department is charged with providing and coordinating an array of recreation opportunities designed to encourage individuals to develop their potential as physical, social and intellectual beings. The department considers fitness and recreation services to be an essential component of the community's standard of living.

To keep pace with the changing needs of the 90's, the goals of the Community Recreation Division's fitness service are:

- to ensure the availability of safe, participant oriented fitness opportunities to all members of the community at a cost which will not be prohibitive to anyone desiring service;
- to encourage and where necessary assist members of the community to design, organize, and implement life enhancing fitness activities within the community;
- to expose members of the community to a wide variety of fitness opportunities with an emphasis on direct participation; and
- to promote the value of active living to members of the community.

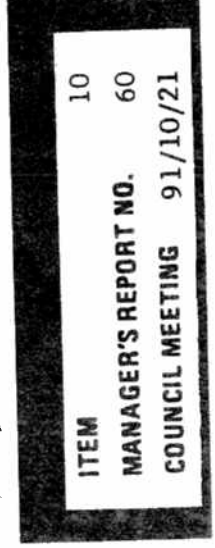
In 1989, the Parks & Recreation Department became assertive about fitness and addressed the need for coordinating an effective, efficient service. The Department's "fitness specialist" has established and implemented an effective model of fitness service delivery which includes: development of program standards, instructor training and development programs, established selection criteria for instructors, supervision standards and image development.

The results have been increased participation, introduction of new programs, increased revenues, improved quality of instructors, improved image of Burnaby's service in the fitness community, and increased profit that is used to off-set other recreation service costs.

The Parks & Recreation Department has 75 qualified fitness instructors teaching over 100 classes each week. Thirty one percent of these instructors have been with Burnaby for more than two years. As a result of our assertive approach to fitness and active living, instructors are seeking us as an employer.

Evaluation and assessment of fitness services occurs regularly. Each instructor is evaluated annually and classes are reviewed by supervisors three times each season to ensure that the product delivered is safe, fun, well run and of high quality.

New programs are created by the fitness specialists to meet the changing needs of participants and comply with up to date trends and risk management issues within our standard delivery. Staff are confident that the service is competitive, challenging and meets the needs of our community.



4.0 REASONS FOR TERMINATION OF CONTRACT

4.1 Economic Benefit:

Staff calculate a decrease in expenditures and an overall increase in revenue with this change. The 1992 Provisional Budget for fitness at Cameron Recreation Centre predicts a net decrease of \$12,499 (-\$3,115 expenditures and +\$9,384 revenues) due to the elimination of the Fitness First contract and inflationary fee increases.

4.2 Program Management:

Staff can provide a more efficient and effective management and development of the fitness services at Cameron. There will not be staff time dedicated to the contract negotiations or service offerings, nor time spent in meetings coordinating the Fitness First component. As stated earlier in this report, there is no need for two fitness coordinators.

4.3 Program Delivery:

The fitness service at Cameron will be more efficiently designed and delivered. The fitness specialist at Cameron will be able to immediately change, alter, increase, decrease programs and activities to meet community interests.

Next year, staff are planning to involve the participants in the design and evaluation of Cameron's fitness programs. They will form a fitness committee. The committee will assist staff in determining the needs and services and provide direct feedback on the quality of fitness programs in the Centre. The functions and direction of the fitness committee would be compromised and restricted if part of the service was under the control of a private contractor.

4.4 Participant:

Future participants will not be confused as to who is providing the service. Two operators of a service within one facility has caused confusion, competition and sometimes conflict in operational philosophies.

4.5 Fitness First Clientele:

The Burnaby Parks & Recreation Department operates 22 fitness classes each week at Cameron Recreation Centre, of which instruction in seven classes was contracted to Fitness First. In January, Cameron will continue to offer 22 fitness classes with Burnaby Parks & Recreation Department staff instructing. The program content and schedule is now being developed for the winter season.

Currently, participants are unaware of the termination of the contract with Fitness First. Fitness First indicated they would prefer if the participants in these seven classes were not made aware of the upcoming change.

In January, staff do anticipate a reaction from loyal Fitness First participants and a subsequent reduction in participation due to the change in program leadership. In discussions with Fitness First, Wendy Carr indicated that they may seek alternate location for their programs in the community. If so, loyal participants will likely follow.

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5.0 CONCLUSION

The termination of the Fitness First contract is necessary to achieve our objectives of good financial management, maximizing our revenue and optimizing the services to the public. The establishment of the fitness specialist allowed the Parks & Recreation Department to look closely at its fitness services, and identify accurately what is needed to meet current public demands, and future directions.

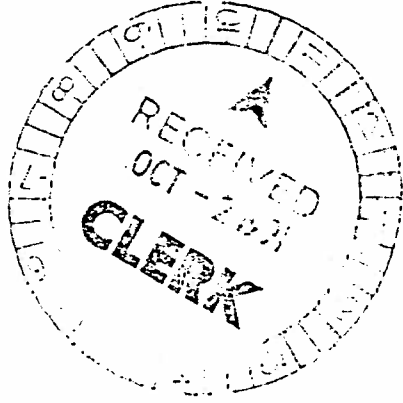
The Burnaby Parks & Recreation Department is confident that its fitness/health services are a quality product and will be responsive to the public's changing interests and needs. We are in a position to now manage our fitness services within Cameron with a single philosophy and quality standard.

We will continue to offer a service that the community of Burnaby wishes to have. If those wishes and needs change, we want to be able to adjust and mold the service accordingly. The '90's are suggesting change - and with control over the fitness services at Cameron, we can more efficiently respond to these changes.

CVC/ND:ps
Attach.

ITEM 07
DIRECTOR'S REPORT NO. 18
COMMISSION MEETING 91/10/16

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39-9000 Ashgrove Crescent
Burnaby, B.C., V5A 4M3
October 1st, 1991

Mayor and Council
Corporation of the District of Burnaby
4949 Canada Way
Burnaby, B.C., V5G 1M2

Ladies and Gentlemen,

I hereby request that a matter involving Burnaby Parks and Recreation be addressed at your next Council meeting.

I run a small company, Fitness First, whose services have been contracted by the Corporation of the District of Burnaby at Cameron Recreation Centre for 11 years. This contract has been terminated effective December 31, 1991 without, I believe, just cause. The attached material should outline my reasons for feeling that the dismissal is not only unkind but unethical. It is my opinion that those acting on behalf of the Corporation are taking advantage of 11 years of our hard work and commitment by attempting to take over a market which has been developed by Fitness First.

The relationship between Burnaby Parks and Recreation and Fitness First has been a mutually rewarding one, and the loyalty and commitment of Burnaby participants to Fitness First is long-standing. I am very concerned that all of us can be so profoundly affected when the service has been so well delivered and so well received. There was neither a poll of the participants nor any complaint about the contractor to support such a dismissal. It seems illogical that tax dollars would now go towards competing with a service already provided (with great success for 11 years) rather than to complementing or augmenting it. There has been no evidence of any desire on Burnaby's part to cooperate or collaborate.

Thank you for considering this matter at your earliest convenience.

Wendy Carr