

For Information Only

Operational Review of Whitewater Lake Trailer Park

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| Presented To: | Community Services Committee |
| Presented: | Monday, Aug 12, 2013 |
| Report Date | Wednesday, Jul 31, 2013 |
| Type: | Correspondence for Information Only |

Recommendation

For Information Only

Background

The Community Services Committee received a report from the Community Development Department on April 15th, 2013 regarding a review of municipally operated trailer parks. The report was a follow up to a report presented in February 2013, which resulted in direction to staff to provide further details regarding Trailer Parks with respect to programmable space at each site as well as detail of the RFP per site.

The following recommendations were carried by the Committee at the April 15th meeting:

CS2013-21 Berthiaume/Caldarelli: THAT the City of Greater Sudbury receive the report dated April 3, 2013 from the General Manager of Community Development regarding Trailer Parks – Review for information only.

CS2013-22 Barbeau/Cimino: THAT the City of Greater Sudbury direct staff to find alternate ways to increase the number of bidders for the operation of trailer parks;

AND THAT Whitewater Lake Park have an operational review undertaken by staff with results brought back to the Committee.

The current report will address the request for an operational review of Whitewater Lake Park and will provide financial information about the park's operation, including financial details of the operator's agreement and history of the competitive bid process that has been followed in awarding agreements. The following figures illustrate the park and the dedicated space for the trailer park.

Signed By

Report Prepared By

Rob Blackwell
Manager, Quality, Administrative and
Financial Services
Digitally Signed Jul 31, 13

Division Review

Real Carre
Director of Leisure Services
Digitally Signed Jul 31, 13

Recommended by the Department

Catherine Matheson
General Manager of Community
Development
Digitally Signed Jul 31, 13

Recommended by the C.A.O.

Doug Nadorozny
Chief Administrative Officer
Digitally Signed Jul 31, 13

Park Description

Whitewater Park, located in the Greater Sudbury Community of Azilda, contains the municipally operated Whitewater Trailer Park. The park has a total land area of 32.4 acres, with the trailer park occupying approximately 5.4 acres. The trailer park provides for approximately 25 trailer sites.

The park is, and has historically, been well utilized, and is generally at, or near, capacity. Whitewater Park also includes a municipal park, supervised beach and a comfort station.

Trailer Park Operations

The City of Greater Sudbury's municipal trailer parks are operated by contractors that must participate in a competitive bid process in order to be awarded the contract to operate the park. The latest contract was awarded April 29th, 2010 and then extended for the 2012 and 2013 seasons.

The following table provides the daily operating cost provided by the operating contract for all 3 municipally operated parks. It illustrates that the cost of operating Whitewater Park is approximately 50% higher than the other parks.

Table 1: Daily Operating Costs paid to Park Operators

| | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 |
|--------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| <i>Whitewater</i> | \$230 | \$235 | \$240 | \$250 | \$250 | \$250 | \$250 |
| <i>Centennial</i> | \$147 | \$154 | \$162 | \$167 | \$184 | \$185 | \$186 |
| <i>Ella</i> | \$140 | \$150 | \$160 | \$160 | \$165 | \$167 | \$170 |

A contributing factor for the higher operating cost for Whitewater is the lack of competition in the bidding process as only one contractor submitted a bid for that park over the period illustrated above. It should be noted that there was also only one bidder each for Centennial and Ella Lake parks.

The following table presents the revenues and expenses for Whitewater Trailer Park for 2011-2012, including the costs associated with the operator's contract.

Table 2: Whitewater Lake Seasonal Trailer Park Expenses and Revenues

| | 2012 actual | 2011 actual |
|--|--------------------|--------------------|
| Expenses (includes cost of operator contract*) | \$83,633 | \$71,068 |
| Revenue | \$33,554 | \$23,268 |
| Impact to Levy | (\$50,079) | (\$47,800) |
| <i>*cost of operator contract</i> | \$33,250 | \$27,840 |

Because the municipal trailer parks exist within municipal parks, the cost associated with maintenance and upkeep is difficult to discern. Based on parks staff estimates, the expenses illustrated below assume that 65% of costs would remain even if Whitewater was no longer a trailer park, but was maintained solely as a city park.

Table 3 provides a detailed review of the expenses for Whitewater Park for 2012, illustrating the budgeted and actual expenses, as per the cost centre report. Note that the original budgeted amount did not reflect the extra 18 days of operation that were added to the camping season, as per Council's direction in 2012.

There is also an noted increase in expenditures in the “Repairs and Maintenance” line account, which reflects repair costs to Whitewater Park that were not directly associated with the operation of the trailer park (shoreline restoration and repair).

Table 3: Detailed Expenses - Whitewater Park 2012

| <i>Expenses</i> | <i>Budget</i> | <i>Actual</i> |
|-------------------------------|------------------------|------------------------|
| Building & Ground Maintenance | \$0 | \$48 |
| Repairs & Maintenance | \$7,120 | \$35,418 |
| Natural Gas | \$1,256 | \$1,262 |
| Hydro | \$13,230 | \$9,434 |
| Water | \$3,636 | \$4,221 |
| Garbage Collection P.S. | \$3,867 | \$0 |
| Contract - Parks Operation | \$26,933 | \$33,250 |
| Security Costs | \$770 | \$0 |
| Internal Recoveries | \$1,061 | \$0 |
| <i>Total</i> | <i>\$57,873</i> | <i>\$83,633</i> |

Requests for Proposals and the Bidding Process

The bidding process for RFP’s is managed by the Supplies and Services Section of the City of Greater Sudbury. Once formalized and approved, the RFP posted to the CGS Tenders website for viewing and bidding opportunities to the general public. The posting time on the site is generally 3 weeks.

The department will offer additional marketing and advertising for RFP’s, including newspaper advertisements and increased use of social media in hopes of increasing the number of bidders.