

# Municipality of Lakeshore – Report to Council

## Growth & Sustainability

## Community Services



**To:** Mayor & Members of Council  
**From:** Frank Jeney, Division Leader – Community Services  
**Date:** March 22, 2023  
**Subject:** Atlas Tube Recreation Centre Concession Operations

---

### Recommendation

This report is for information only.

### Background

At the Regular Council meeting of March 21<sup>st</sup> 2023, the following Council Resolution was passed:

Resolution #97-03-2023

Direct Administration to prepare a report regarding outsourcing options and the scope to outsource concession stands at the Atlas Tube Recreation Centre.

Result: Carried Unanimously

Lakeshore Community Services has a mission to deliver excellent recreation experiences to residents and visitors each year. Lakeshore recreational facilities and services are made available to residents and visitors at a cost that is reasonable and competitive in the market. Rentals and programs at the Atlas Tube Recreation Centre (ATRC), are offered 12 months per year, and in compliment to these services, the ATRC also provides food and beverage as an option for those visiting and participating.

Since the ATRC opening in 2014, the Municipality has operated the concessions, supported by the budget established within the Community Services Division. Lakeshore has two concession locations at the ATRC, the main location being on the main floor outside the Rock Arena, the second on the walking track on the second floor in the Rock Arena.

Operations of the ATRC concession involve the following: oversight and administration of ordering, hiring, training, and scheduling of the concession staff. The maintenance

and cleaning of the two concession stands is also completed by full and part time rink attendants.

The annual financial breakdown of the ATRC concession operations is in the table below.

Item	Budget	Notes
<b>Concession Staff</b>	<b>-\$79,336</b>	Student staff hired to work September to April annually.
<b>Concession Food/Drink Purchases</b>	<b>-\$55,000</b>	Cost of goods sold.
<b>Concession Items (cups, plates, etc.)</b>	<b>-\$6,500</b>	Cost of goods sold.
<b>Concession Cleaning (estimated)</b>	<b>-\$10,000</b>	Full time and part time rink attendants, estimated at 8-10 hours per week, 12 months per year. Cleaning, changing cooking oil, etc.
<b>Concession Equipment Maintenance</b>	<b>-\$1,500</b>	Fixtures and chattels.
<b>Concession Sales</b>	<b>\$120,000</b>	Estimated annually
<b>Annual Concession Operations</b>	<b>\$-32,336</b>	Annual loss

The annual operating deficit of the concession stand is supported through the municipal levy.

## Comments

There are advantages to using a third-party food provider for recreation centre concession operations. A company that has a specialization in the food industry will have expertise and experience, better product purchasing power, access to a more comprehensive menu, as well as access to a higher number of staff trained in food safety.

There are disadvantages to using a third-party food provider as well. This can include less control over adjustments to menu items and hours of operation. Lakeshore will lose the opportunity to hire local youth into what is considered an entry level position and later mentoring these youth into further municipal roles. Many current staff began their Lakeshore career within the concession operations.

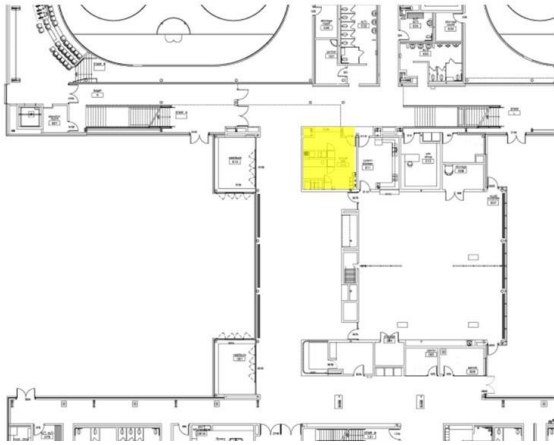
Should Lakeshore issue a Request for Proposal (RFP), it will not obligate Lakeshore to enter into an agreement/contract with a third-party food vendor, unless the service levels and revenue will have a positive impact on the Municipality. Lakeshore currently has advantageous contracts for operations of the West Beach concession and the Belle River Marina restaurant space.

Should Lakeshore decide to enter into an agreement with a third-party food provider, the contract would include provisions for monthly rent, expected hours of operation, utilities costs, storage of items for sale, fume hood cleaning certifications, and maintenance and cleaning of all fixtures and chattels within the concessions areas.

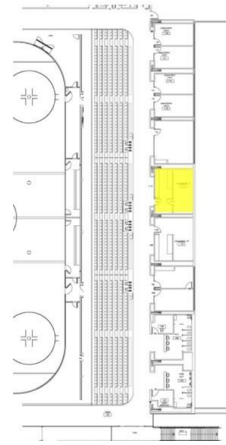
Images of the concession space:



## Lower Level Concession



## Rock Rink Concession



### Financial Impacts

There are no financial impacts for this Report.

### Report Approval Details

Document Title:	ATRC Concession Operations.docx
Attachments:	
Final Approval Date:	Apr 26, 2023

This report and all of its attachments were approved and signed as outlined below:

Prepared by Frank Jeney

Submitted by Tammie Ryall

Approved by Justin Rousseau and Truper McBride