



# The Corporation of the Town of Milton

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Report To: Council

From: Kristene Scott, Commissioner, Community Services

Date: March 27, 2023

Report No: COMS-004-23

Subject: Indoor Turf RFP Report

**Recommendation:** THAT staff be authorized to prepare and issue a Request For Proposal seeking a private operator to install, operate and maintain an air supported structure in partnership with the Town of Milton and Halton District Catholic School Board at St. Francis Xavier Secondary School.

## EXECUTIVE SUMMARY

- The air supported structure (dome) located at St. Francis Xavier Secondary School is a Town of Milton and Halton District Catholic School Board partnership.
- The dome was damaged beyond repair as a result of a weather event that occurred December 23<sup>rd</sup>, 2022.
- Staff are continuing work through the insurance claim process concerning the structure and business interruption.
- The indoor turf business has evolved over the years with several private operators entering the market.
- Background work to investigate feasibility of alternative operating options has been ongoing; there is significant demand to replace the dome which is generally at full capacity from a rental perspective and has been a financially positive operation.
- The timing seems ideal to investigate the possibility of entering into a three way partnership agreement with the HDCSB and a third party operator for a seasonal dome at this location.
- It is anticipated the construction and installation of a new dome would be in place for the start of the 2024 fall season.
- The initial capital cost of an air supported structure, similar to what the Town previously operated on the site, is expected to be approximately \$1.7 million to \$2.0 million depending on the specifications and supplier chosen.



## EXECUTIVE SUMMARY

## REPORT

### Background

A partnership with Halton District Catholic School Board (HDCSB) was developed in 2012 to pursue the installation and operation of an air supported structure in coordination with the construction of St. Francis Xavier Secondary School. The dome was originally installed in late fall of 2013 and has been operating as the Milton Indoor Turf Centre since that time.

The Town oversees the operation of the facility including the installation and removal of the dome on a seasonal basis. As a cost mitigation measure, the Halton District Catholic School Board (HDCSB) permitted the Town to leave the dome up throughout the pandemic.

The dome was damaged beyond repair as a result of a weather event that occurred December 23<sup>rd</sup>, 2022. Staff worked with community organizations to re-allocate space in various locations where feasible as a result of this unfortunate incident.

Staff are continuing work through the insurance claim process concerning the structure and business interruption. There is significant demand to replace this well used community asset through either continued Town operation or private operator as soon as possible.

### Discussion

The Milton Indoor Turf Centre (dome) has been successfully operating for approximately 10 years with various challenges mostly related to weather and annual installation issues or difficulties associated with labour. The dome is generally at full capacity from a rental perspective and has been a financially positive operation. The indoor turf business has evolved over the years with several private operators entering the market. Based on the Town's recent success with the winter indoor tennis operator at Milton Community Park, the timing seems ideal to investigate the possibility of entering into a three way partnership agreement with the HDCSB and a third party operator for a seasonal dome at this location.



## Discussion

If Council approves the recommendation outlined in this report and direct staff to proceed with an RFP for an external vendor, it is anticipated the construction and installation of a new dome would be in place for the start of the 2024 fall season. It would be beneficial for the successful proponent to order an air supported structure according to their specifications to ensure it is engineered correctly in the hopes of avoiding future issues.

Staff is recommending an RFP be issued seeking a private operator to provide, administer and manage all dome operations during the winter months (typically early October to early April). This could be achieved through a lease / operating arrangement with the Town and HDCSB which would be negotiated with the successful proponent. The Town has an infrastructure investment on site which can be leveraged during the negotiation period to ensure corporate objectives are being met. Staff would work with the HDCSB to ensure the terms of reference for the RFP support the needs of the Board as well as the needs of community groups.

If Council does not wish to pursue an RFP for an external vendor, or the Town is unsuccessful with this initiative, staff will proceed with the dome replacement and continue operations utilizing existing agreements with HDCSB with the intent of having a dome installed for the fall of 2024. The Town would continue to work through the insurance claim process to negotiate a settlement to mitigate the financial impact of purchasing a replacement dome.



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## Financial Impact

The variable revenues and costs that are directly associated with the Town’s operation of the dome are shown in the table below, and show that in the most recent year the net proceeds amounted to \$222,793. The budgeted figure for 2023 of \$199,678 will not be realized as a result of the damage incurred, and a variance will be reported pending the finalization of the insurance process.

	2018 Actual	2019 Actual	2020 Actual	2021 Actual	2022 Actual	2023 Budget
Revenue	\$452,737	\$613,108	\$318,555	\$223,561	\$547,060	\$731,702
Expenses	\$(449,299)	\$(547,951)	\$(237,676)	\$(223,811)	\$(324,267)	\$(532,024)
Net	\$3,438	\$65,157	\$80,879	\$(250)	\$222,793	\$199,678

The figures presented above exclude overhead costs and the financing of the capital investments required for the dome, which can be significant. By way of example, the initial capital cost of an air supported structure, similar to what the Town previously operated on the site, is expected to be approximately \$1.7 million to \$2.0 million depending on the specifications and supplier chosen.

If the recommendations herein are approved, the Town would expect these costs and revenues to be primarily, if not entirely, absorbed and managed by the private sector partner. Full detail will be presented to Council based on the results of the request for proposal process in advance of final contract award.

Respectfully submitted,

Doug Sampano  
Director, Facilities, Operations & Environment

For questions, please contact: Doug Sampano Phone: 905-878-7252 Ext. 2547

## Attachments

Click or tap here to enter text.

Approved by CAO  
Andrew M. Siltala  
Chief Administrative Officer



## Recognition of Traditional Lands

The Town of Milton resides on the Treaty Lands and Territory of the Mississaugas of the Credit First Nation. We also recognize the traditional territory of the Huron-Wendat and Haudenosaunee people. The Town of Milton shares this land and the responsibility for the water, food and resources. We stand as allies with the First Nations as stewards of these lands.