

Municipality of Chatham-Kent
Infrastructure and Engineering Services
Parks, Fleet and Facilities

To: Mayor and Members of Council
From: Ian Clark, Manager, Parks, Recreation and Cemeteries
Date: December 9, 2024
Subject: Bothwell Arena Canteen Operating Agreement

Recommendation

It is recommended that:

1. The General Manager, Infrastructure and Engineering Services be authorized to enter into an agreement, satisfactory to the Director, Legal Services, with the Bothwell Community Boosters concerning operation of the Bothwell Arena canteen, with such agreement to include the following terms:
 - a. One-year term, automatically renewable unless terminated by either party.
 - b. Similar operating availability and at similar price points as other Chatham-Kent arena canteens.

Background

In February 2016, the Bothwell Area Recreation Advisory Committee (BARAC), a committee of the Bothwell Community Boosters, was formed with the purpose of proposing ideas and implementing solutions to maximize usage of Bothwell Arena. Since that time BARAC has implemented various public programs within the facility and proposed improvements with the goal of attracting new users and enhancing the experience of existing groups.

Comments

Arena canteen operations provide added value for facility users and their guests. Operations are intended to be cost recovery. Administration does not seek to maximize profit. This business model involves balancing each the following:

1. Pricing food and beverage items affordably, generating value for patrons while targeting cost recovery.
2. Selecting operating days and hours – predictable and consistent to the public, serving the needs of multiple seasonal groups and special events. This involves operating during low demand times, and at lower demand arenas, with losses offset by operating during high demand times, and at higher demand arenas.

Municipal employees currently operate canteens at 8 out of 10 arenas. Ridgetown and Bothwell Arenas are the exceptions. While cost recovery is the goal, cumulative canteen operating expenses continue to exceed revenues. The Municipality currently recovers approximately \$0.84 for every \$1.00 expenditure. The largest cost drivers are staff wages and food. Following exceptionally low demand, Ridgetown Arena successfully transitioned from a staffed canteen to vending machines in 2018 without concern reported from its user groups. However, most user groups of other arenas have consistently informed staff that an operating canteen serving affordably priced items during their events and programming is an important amenity valued by their stakeholders.





In 2021, the Bothwell Community Boosters approached the Municipality about assuming operation of the canteen at Bothwell Arena. At that time, the Municipality could not consistently staff the canteen resulting in regular closure during arena activities. The Boosters indicated that if they could more regularly operate the canteen it would enhance the experience, and potentially increase overall usage of the arena.

No formal agreement was entered into at that time; however, the Boosters have operated the canteen during subsequent ice seasons in cooperation with Parks, Recreation and Cemeteries. Administration views this relationship as favourable since the Boosters operate the canteen with the same primary business goal as municipally operated canteens – to retain and attract new facility usage through the added value its availability brings. Third-party operation of the canteen also eliminates the risk of further cumulative financial loss incurred directly by the Municipality.

It is recommended a formal agreement to operate the Bothwell Arena canteen be entered into with the Bothwell Community Boosters. This agreement would result in the Boosters operating the canteen for the remainder of the 2024-2025 ice season at similar availability and price points as other Chatham-Kent arenas. It will be automatically renewable each season unless terminated by either party.

Council Term Priorities

This report supports the following Council Term Priorities:

			
Deliver Excellent Service	Promote Safety & Well-Being	Grow Our Community	Ensure Environmental Sustainability
5b	6b		

Consultation

Legal Services and the Bothwell Community Boosters were consulted in preparation of this report.

Communication

The Bothwell Community Boosters will be informed of the report. A sign will be posted at the Bothwell Arena canteen indicating that the Boosters are responsible for its operation.

Diversity, Equity, Inclusion and Justice (DEIJ)

This report does not have implications related to diversity, equity, inclusion or justice.

Financial Implications

There are no financial implications resulting from the recommendation. The 2024-2027 multi-year budget did not include a base budget expectation for the municipal operation of the Bothwell Arena canteen since it has not been operated by municipal staff since 2020.

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Reviewed by:

Robert Pollock, H.B. Comm. SPAD, CIT., Director, Parks, Fleet and Facilities

Edward Soldo, P.Eng., General Manager, Infrastructure and Engineering Services

Consulted and confirmed the content of the consultation section of the report by:

Dave Taylor, Director, Legal Services

Attachment: None