



City of Prince Albert

RPT 2025-136

TITLE: Cosmopolitan Lodge Food Services Agreement

DATE: March 10, 2025

TO: Executive Committee

PUBLIC: X

INCAMERA:

RECOMMENDATION:

1. That a Food Services Agreement for operation of the Cosmo Lodge be awarded to Deepak Deepak and Akshay Arora for the continued operation of the Knotty Pine Bistro from May 1st, 2025 – April 30th, 2030; and,
2. That the Mayor and City Clerk be authorized to execute the 5-year Agreement on behalf of the City of Prince Albert, once prepared.

EXECUTIVE SUMMARY:

The current agreement is set to expire on April 30th requiring the city to issue an (Request for Proposal) RFP through the Sasktender process. The release date of this RFP was Tuesday, January 14th, 2025, with a closing date of Wednesday, February 19th, 2025, in search of a new Food Services vendor. The city received a total of five inquiries of interest with two proposals submitted for consideration by the closing date.

The Cosmo Lodge in the past had operated as a day use with canteen style set-up until the end of 2019 when the department investigated and explored options to create a more sustainable use for the location that allowed for less reliance on city grant funding to support it. That concept was a bistro/cafe style use that would work towards supplying a self-sustaining business that within 5 years time required zero investment dollars from the city into the day-to-day operations of the food service side. The city would continue allowing free use of the building in exchange for providing what was and is perceived as a much-needed service and experience for users and visitors of the park.

BACKGROUND:

The City of Prince Albert Recreation, Parks & Culture Department is looking for a motivated and dedicated contractor that is interested in becoming the Food Service Contractor for the Cosmo Lodge, Little Red River Park. The City has provided the opportunity for interested parties to submit a Proposal.

On Tuesday January 14th, 2025, Request for Proposal (RFP) No. 5/25 for the Little Red River Park, Cosmopolitan Lodge, Food Service Contractor was made available through the Sasktenders process. This process allows for vendors and suppliers to have access through open competition whether it be via. The Sasktenders website or the City's website <https://www.citypa.ca/en/city-hall/bids-and-tenders.aspx> and is the responsibility of the interested parties to seek out those opportunities. In this process the acceptance of late tenders or altering of a tender is not allowed and would be considered unfair to the process.

The Proposal is to be based upon a five (5) year term, **(May 1st, 2025 – April 30th, 2029)**. The contract may be extended an additional five (5) year term upon mutual consent of both parties subject to Council approval and subject to the Contractor giving notice of its intention to exercise such option by giving six (6) months' written notice thereof.

The Little Red River Park, Food Service Contactor is the host of the Park. The contractor operates out of the Cosmopolitan Lodge and is responsible for the day-to-day food service experience and operations within the lodge.

The Cosmo Lodge is a public facility, the bistro/cafe operates within the Lodge and provides the following additional services:

- Free, accessible bathroom use for the public during opeational hours of the lodge.
- Free warm-up, there is no need to purchase anything while visiting the lodge.
- Kids Menu developed with reasonable pricing to service the needs of the youth when visiting the park for events such as downhill/cross country skiing, tobogganning, etc.
- Distribution and management of Firewood for the park.

The Contractor undertakes routine maintenance to keep the facility in good, tidy, and clean condition and also provides for the hospitality, food delivery experience from open to close, 7 days a week . The Contractor is responsible for the opening and closing of the Lodge and also operates the food services, and private bookings of the Lodge all-year round.

The following are regular expected operating hours unless otherwise specified in your bid:

Park Hours of Operation: 7:00am to 10:00pm daily.

The City of Prince Albert provides external services for green space maintenance through out the Little Red River Park.

Cosmopolitan Lodge Operating Hours (minimum):

- Summer Season (April 1st to October 31st) - Daily 9:00am to 9:00pm, Closed on designated Statutory Holidays.
- Winter Season (November 1st to March 31st) - Saturday and Sunday 9:00am to 9:00pm, Weekdays 10:00am to 9:00pm, Closed on designated Statutory Holidays.

Little Red River Park is the City of Prince Albert's largest park. Located within a five minute drive off of Highway 55, northeast from Prince Albert's Central Business District, Little Red River Park incorporates active and passive activities all-year-round in a beautiful natural setting. Little Red River Park is a tourist destination and has a variety of passive and active amenities and facilities including:

- ***The Cosmopolitan (Cosmo) Lodge*** – information centre, Bistro, and function facility for Little Red River Park. The Lodge's meeting room is available for private bookings during operating hours, and the entire Lodge is available for private bookings after hours subject to availability.
- ***Kinsmen Ski and Snowboard Centre*** – is a downhill ski and snowboard facility with 2 downhill runs, 2 rope tow lifts, and a terrain park. Downhill skis and snowboard rentals are available at the old log cabin, as well as lessons for individuals or groups.
- ***The Old Log Cabin*** – warm-up facility and operational centre for the Kinsmen Ski and Snowboard Centre in the winter. This is maintained year round by the Ski Hill Contractor.
- ***The Swinging Bridge*** – suspension bridge spanning the Spruce River.
- ***Picnic Sites*** – located throughout the core area of the Park, there are a range of picnic sites offering different amenities including picnic tables, shelters, and barbeque pits. Firewood is available for use within Little Red River Park, at no charge.
- ***Trails*** – an extensive natural trail system throughout Little Red River Park connects the buildings, facilities, and amenities within the Park. Trails traverse a number of natural ecosystems such as the Spruce River, the plains grassland, boreal forest, Jack Pine Forest, and provide a range of experience and difficulty levels. Trails are for non-motorized use only, with specific trails for equestrian use and mountain biking. The trail system includes a five (5) kilometre long lit River Trail loop. Designated trails are groomed for cross country skiing by the Prince Albert Ski Club in the winter, and others are available for walking and snow shoeing.
- ***Playground*** – while most of Little Red River Park is a natural playground, there is a newly developed 4.5 acre Rotary Adventure Park/Playground and Zip Lines near the entrance of Highway 55.
- ***Toboggan Hill*** – There is a 3 acre toboggan hill located just off the main entrance of Highway 55 to Little Red River Park that is host to a number of toboggan adventures and other recreational opportunities.
- ***Upper Plains Cultural + Ceremonial Grounds*** – this is currently in consultation and will provide for the creation of an Indigenous Cultural Grounds on the Upper East Plains within Little Red River Park to promote and foster reconciliation in the region between all residents.

Little Red River Park is known for a variety of specific activities, events and user groups including but not limited to:

- The annual Cosmo Classic Loppet and organized cross country ski races through the Prince Albert Nordic Ski Club.
- Prince Albert Nordic Ski Club is home to over 400 members.
- The annual PA Winter Triathlon in February.
- The annual Pine Needle Mountain Bike Festival in June.
- Wildflower viewing in the spring.
- Land Based Learning.
- Weddings and other special private events.
- Rock N Road Cycling Club.
- Nancy Green Ski Club.
- PA Ski Club.
- Jack Rabbits Ski Club.
- Triatholon Club.

PROPOSED APPROACH AND RATIONALE:

The City of Prince Albert wishes to enter into an Agreement with the Cosmopolitan Lodge/Knotty Pine Contractor that is beneficial for all parties involved. Any revenues and expenses resulting from proposed additional value-added or revenue generating services not included within this RFP or corresponding Agreement(s) shall be the property and responsibility of the Bidder, and subject to approval by the Director of Parks, Recreation & Culture.

The City of Prince Albert and the Contractor would acknowledge and agree that in exchange for the opportunity of collecting and receiving all revenues generated from the operations of the Knotty Pine Bistro, and private bookings of the Cosmopolitan Lodge after hours, for sole benefit on terms and conditions set out in an Operational Agreement to be developed, that the Contractor agrees to supply all services necessary for the efficient operation of this facility and assume responsibility.

Both parties would agree that there shall be no other remuneration or fee payable by the City to the Contractor for such services.

The Little Red River Park Contractor will be able to safely and competently operate equipment relevant to their respective duties and responsibilities.

- The Bidder is to be responsible for SaskPower and SaskEnergy utility expenses related to the Cosmopolitan Lodge/Knotty Pine.

The City is to be responsible for water, security, septic, cleaning and maintenance of the vent hood, HVAC system, lighting, floors, doors, Utility Room, grease trap cleaning, and building maintenance.

The City received a total of two (2) qualifying proposals with each of the proposals evaluated for completeness based on the following scale:

	Maximum Points
Relevant experience and knowledge.	20
Demonstrated ability to meet all RFP requirements and qualifications, and City expectations, as outlined in the RFP document.	20
Ability to meet all Operating Requirements	20
References	20
Proposed value-added services	20
TOTAL POINTS	100

The recommended proposal scored an overall 96.2% favourability – The proposal as put forward by **DEEPAK DEEPAK** is for the purchase of the Knotty Pine Business that resides within the Cosmopolitan Lodge, a city owned facility and allows for the continued operation of the Knotty Pine with a clean transfer of operation/ownership with little to no downtime in operations. The proposal received the highest score count and provided the best qualifying bid noting their desire to continue with the Knotty Pine concept and menu while looking for opportunity to add their own twist on menu offerings, enhanced service, and experience. There is a desire towards continued fostered growth while maintaining the core values and atmosphere that have been built into the operation over the last five years.

The menu offerings would be consistent with what the clientele has become accustomed to over the past five years with items served such as French fries, burgers, hotdogs, chicken strips, nuggets, a variety of sandwiches, wraps, salads, breakfast offerings, baked goods, barista style and speciality coffees and drinks.

There is commitment to bringing new value-added services with the desire to hold on to services that have been proven staples in the Knotty Pines success. Value-added comes in the form of but is not limited to: Thursday Wing Night, Local Farmers Market Dinners, Sask Farm to Table, Seasonal Tasting Menus, potential for outdoor dining and firepit lounges, Live Music & Community events such as support for Pine Needle Bike and Music Festival, Giving Tree for Herb Basset Home, Fundraising for Big Brothers and Sisters and local Radio events such as the Summer Free Ride, International Festivals, etc.

The proposal as presented provides for the necessary commitments to financing, ongoing business support and training and is considered the strongest contender in creating ongoing consistency in operation and a positive and familiar experience that community has strongly supported over the last 5-years.

Even though both overall scores were favorable it is the recommendation of the department to have the city continue with a familiar concept and food offering that the current users and clientele of the park have become accustomed to over the last few years.

Additional thoughts in support of the recommendation of Proposal #1 are as noted:

- At this time community and users have not indicated nor asked for a change in the type of service or operation being provided. In fact, visitors at this time have been indicating that, service, food and experience have been positive with a 4.3/5 rating being provided through Facebook and 3.7/5 review on Google. One of numerous visitor comments provides for the following sentiment –

“One of the cooler establishments I have been in! The mixture of having the benefit of Little Red Park, the walking/hiking trails and now the new play structures for kids makes every visit to the Knotty Pine Bistro a great family outing. The food has been excellent every-time we have purchased with both takeout and dine in. Do not forget to pick up one of there home-made desserts, you will not be disappointed!”
~ RF

- With the current food services arrangement in place, we have seen over the last five years a significant reduction in complaints around service delivery and food product being served.
- The current Knotty Pine business has become a familiar staple within the Cosmopolitan Lodge and has been a positive drawing card for users and visitors looking for an experience nestled in the natural surroundings of Little Red River Park.
- The business has operated under the Knotty Pine name for the last five years and has taken a good three years to establish, to become tremendously successful it is important to recognize that a 7-to-10-year period is required. Changing course in concept and operation at this point may be seen as detrimental to the momentum the department has seen built on the user experience front.
- The department believes as we continue to improve upon the services within the park and if change is required that community/users will provide that insight. Any feedback which the department receives will be carefully reviewed and used to help inform the decision-making process related to services, operational and capital investment as we move forward into future budgeting years.

CONSULTATIONS:

The city purchasing department was consulted in the RFP process in the development and formatting of the RFP and to ensure proper processes were followed, and that the issuance of the RFP reached the targeted and required platforms.

The Parks and Open Spaces Manager was consulted to provide feedback into the development of the RFP document.

All interested parties considering proposals were invited to meet with the Parks and Open Spaces Manager to have an open and transparent meeting outlining the RFP process and to ensure information shared was consistent between parties.

The department consulted with four internal city departments to provide feedback and rankings in the evaluation process to ensure impartiality and honest feedback.

Consultation with the City Solicitor on the draft agreement and to prepare it for signing.

COMMUNICATION AND/OR ANNOUNCEMENT PLAN:

Upon approval the transition to the new operator will commence.

Engagement with the Communications Department as to the new operator and a plan, strategy on how to release that information to the public to be developed.

Both groups who have submitted proposals as part of this process have been communicated with prior to the submission of this report regarding the recommendations noted above.

BUDGET/FINANCIAL IMPLICATIONS:

As part of this newly approached agreement there is to be no operating grant made available to the operator over the 5-year term.

As part of the tender process the city did include that the bidder would be responsible for the monthly billings invoiced monthly by the city for both utilities. The department believes this is a more suitable arrangement and would represent an estimated approximate savings of **\$24,000** per year or **\$2000 per month** to the city.

OTHER CONSIDERATIONS/IMPLICATIONS:

There is no policy, privacy, legal, safety or environmental implications.

OPTIONS TO RECOMMENDATION:

There are no options to the Recommendations.

STRATEGIC PLAN:

Little Red River, Cosmopolitan Lodge, Food Service Contractor Agreement supports the City's Strategic Plan Priority of developing and new and existing amenities and infrastructure while supporting partnerships to leverage the strengths of Prince Albert.

OFFICIAL COMMUNITY PLAN:

The report supports the Community Services Master Plan initiatives and addresses the goal of contributing to infrastructure and sustainability efforts through proper planning which can help preserve and maintain natural and built environments. Our connection to the natural world is important and must be considered in the delivery of community services.

PUBLIC NOTICE:

Public Notice pursuant to the Public Notice Bylaw No. 24 of 2015 is not required.

PRESENTATION:

Verbal – Timothy Yeaman, Parks, and Open Spaces Manager

ATTACHMENTS:

1. Cosmopolitan Lodge Operations Agreement

Written by: Timothy Yeaman, Parks, and Open Spaces Manager

Approved by: Director of Parks, Recreation and Culture, City Manager