



# Exhibition Place

## Item No. 7

April 10, 2015

**ACTION REQUIRED**

To: The Board of Governors of Exhibition Place

From: Dianne Young  
Chief Executive Officer

Subject: **Agreement Extension for Automated  
Teller Machines within Direct Energy Centre**

### Summary:

This report recommends approval of a seven-month extension to December 31, 2015 to the existing agreement which is set to expire on May 31, 2015, between the Board and Direct Cash Management for the for the provision of Automated Teller Machines within the Direct Energy Centre Exhibition Place.

### Recommendation:

**It is recommend that the Board approve a seven month extension to the agreement with Direct Cash Management commencing June 1, 2015, on the same terms and conditions outlined in this report and other such terms and conditions satisfactory to the Chief Executive Officer of the Board and the City Solicitor.**

### Financial Impact:

Approval of the agreement between the Board and Direct Cash Management will result in a positive income stream. There are no financial implications as the revenue stream is provided for in the 2015 operating budget

### Decision History:

On April 28, 2011 a RFP was awarded by the Board to Direct Cash Management for provision of ATM services for Direct Energy Centre and the Canadian National Exhibition for a term of four years commencing commencing June 1, 2011 and expiring May 31, 2015.

### Issue Background:

The Board's current agreement with Direct Cash Management is set to expire on May 31, 2015 and under normal circumstances staff would be issuing an RFQ to establish a new agreement. In advance of issuing a RFQ, Exhibition Place staff reached out to the CNEA in order to see if the parties would continue with a joint agreement for automated teller machine services and the CNEA has indicated it intends to seek out its own agreement which we understand has been completed for the 2015 CNE. In addition, during the Toronto 2015 Pan American/Parapan games, CIBC has all right to all ATM services. Accordingly, any new provider for the Board would not have access to Direct Energy Center until October 2015 and staff had concerns respecting the logistics and market opportunity in bringing a new ATM services provider on board in these circumstances.

Comments:

Direct Cash Management has confirmed that it would agree to extend the ATM services agreement, substantially on the same terms and conditions, but excluding the CNEA portion of the existing agreement, with the same fee/commission structure, for the ATM machines located in Direct Energy Centre for the period June 1, 2015 to December 31, 2015.

By extending the existing agreement by seven months to expire at the end of December 2015, it would allow staff time to assess and address the issues. Accordingly, staff are recommending approval of a seven-month extension to the existing agreement with Direct Cash Management on the following terms and conditions:

- (a) Term: Seven months commencing June 1, 2015 and expiring on December 31, 2015.  
Rights: To be the supplier of ATM Services providing top quality ATM services in the Direct Energy Centre.
- (b) Fees: The Board will receive fees based on monthly transactions volume.
- (c) Reporting /Auditing Requirements: As required to allow the Board to determine and confirm amounts payable under the agreement.
- (d) Taxes: Direct Cash Management shall be responsible for payment of all taxes, rates and assessments levied with respect to its activities and presence on the grounds.
- (e) Equipment/Expenses: Direct Cash Management shall provide and maintain all equipment and materials required for its purposes and are solely responsible for the payment of all expenses and costs associated with its operations, including telecom costs.
- (f) Rates: The per transaction service fee rate for machines in the DEC will be \$2.00, or a higher negotiated surcharge.
- (g) Assignment: The agreement shall not be assigned by Direct Cash Management without written consent of the Board.
- (h) Indemnity/Insurance: Direct Cash Management shall indemnify the Board and the City of Toronto with respect to any and all expenses, costs or claims as a result of Direct Cash Management exercise of its rights under the agreement of use of the grounds. Direct Cash Management shall provide sufficient insurance in such for and amount as required by the CEO, in consultation with the City's Insurance & Risk Management Group.
- (i) Union Obligations: Direct Cash Management shall comply with all trade union/association agreements affecting work done on the grounds.
- (j) Staffing: Direct Cash Management will be required to have on-site personnel during high volume events at the DEC as determined in conjunction with DEC Show Management.
- (k) Other Commercial Terms: The agreement shall include other standard commercial terms respecting termination and other matters in a form satisfactory to the City Solicitor and the CEO.

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