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## EXHIBITION PLACE

January 11, 2008

**ACTION REQUIRED**

To: The Board of Governors of Exhibition Place

From: Dianne Young  
Chief Executive Officer

Subject: **Automated Teller Machines - Direct Energy Centre  
and Canadian National Exhibition Association**

### Summary:

This report recommends the Board enter into a three year agreement with Gab Ezee ATM (Gab), commencing February 1, 2008 as the "Official Supplier" for the provision of Automated Teller Machines within the Direct Energy Centre ("DEC") and for the Canadian National Exhibition Association ("CNEA"). Approval of the agreement between the Board and Gab will result in a positive income stream annually for both the DEC and CNEA programs.

ATM availability is an essential service for the DEC and the CNEA and is a source of incremental revenue. A Request for Proposal (RFP) process was issued through the City of Toronto Purchasing Department for automated teller machines for the DEC, CNEA or both but it did not apply to the Ricoh Coliseum, Royal Agricultural Winter Fair, BMO Field, tenanted buildings and the Grand Prix.

The designation of "Official Supplier" is an accepted industry practice and is utilized by other trade and consumer show venues, such as the Metro Toronto Convention Centre. The designation has been very beneficial for the DEC and the CNEA and allowed it to earn incremental revenue stream and provide clients with an opportunity to better serve their visitors.

Gab is a member of the Newport Partners Income Fund, trading on the TSX with a market value of over \$600 million. With over 4,200 locations in Canada which include over 1200 customers in the GTA and 19 million transactions annually, their list of clients include the Calgary Stampede, Kitchener OctoberFest, the Canadian Briar and Walmart, to name a few.

### Recommendations:

**It is recommended that the Board**

- 1. Approve an agreement between the Board and the CNEA with Gab for a period of three (3) years on the terms and conditions outlined in this report and the Confidential Attachment 1 to this report and other such terms and conditions satisfactory to the GM of the CNEA, the Chief Executive Officer of the Board and the City Solicitor; and**

- 2. The confidential information in Attachment 1 not be released publicly in order to protect the competitive position and the future economic interests of The Direct Energy Centre and Canadian National Exhibition Association.**

Financial Impact:

Approval of the agreement will result in a positive income stream annually for both the DEC and CNEA programs of approximately \$250,000 which is included in the 2008 operating budget and is an increase of approximately 9% over 2007 budget. Financial information is contained on Attachment 1 – Confidential information.

Decision History:

In December 2004, a RFP was awarded by the Board to Stanley – Frisco Bay Division for provision of ATM services for Direct Energy Centre and the Canadian National Exhibition for a term of three years commencing February 1, 2005 and expiring January 31, 2008.

On October 25, 2007, Exhibition Place through the services of City of Toronto issued a Request for Proposals to establish a new agreement for the provision of ATM services commencing February 1, 2008. The RFP closed on November 15, 2007 with three submissions received.

Issue Background:

At the December 10, 2004 meeting of the Board, approval was given to enter into a three-year contract for an official supplier of Automated Teller Machines Services for the DEC and CNEA. The term of this contract is set to expire January 31, 2008.

Comments:

Once submissions were received, senior staff from Exhibition Place and the CNEA reviewed all proposals in accordance with the RFP evaluation criteria which placed emphasis on experience, service levels, pricing and incremental revenue to the Board/CNEA. In addition, all proponents were interviewed by the evaluation committee.

The Gab proposal received the highest overall score based on their experience and financial return to the Board and staff are recommending the approval of Gab on the following terms and conditions:

- (a) Term: Three (3) years, commencing February 1, 2008 and expiring on January 31, 2011.  
Rights: To be the Official Supplier of ATM Services providing top quality ATM services.
- (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: Gab 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: Gab 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. For machines across the grounds during the CNE period the per transaction service fee will be also \$2.00 and the CNE Casino at \$2.50, or a higher negotiated surcharge.
- (g) Assignment: The agreement shall not be assigned by Gab Ezee without written consent of the Board.
- (h) Indemnity/Insurance: Gab shall indemnify the Board and the City of Toronto with respect to any and all expenses, costs or claims as a result of Gab exercise of its rights under the agreement of use of the grounds. Gab 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: Gab shall comply with all trade union/association agreements affecting work done on the grounds.
- (j) Staffing: Gab will be required to have on-site personnel during high volume events at the DEC as determined in conjunction with DEC Show Management and during the CNE as outlined in the operational requirements of the RFP.
- (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.

For the information of the Board, Mr. Bednar, GM, CNEA has reviewed with staff the recommended proponent and concurs with the evaluation team selection and will be presenting a similar report to the CNEA Board of Directors for information only to enter into an agreement with Gab as the Official Supplier of ATM services to the CNEA.

Contact

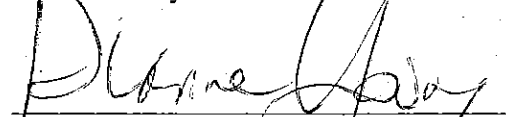
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Submitted by:



Dianne Young

Chief Executive Officer

Attachments 1 – Confidential Information – Proponent Evaluation

