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EXHIBITION PLACE

April 9, 2008

ACTION REQUIRED

To: The Board of Governors of Exhibition Place

From: Dianne Young
Chief Executive Officer

Subject: Extension of Official Supplier Agreement with GES Canada

Summary:

This report recommends the Board further extend the current three year agreement with GES Canada ("GES") as the "Official show display service provider" to Exhibition Place including Direct Energy Centre" for an additional three (3) month period expiring on September 30, 2008. Staff was awaiting the confirmation of the Conference Centre construction in the Automotive Building before going out to the marketplace to explore potential options. The new Conference Centre will secure additional events to the grounds and provide significant new revenue stream for show display services and at the same time provide additional opportunities for third party providers.

Recommendations:

It is recommended that the Board:

- 1) **Approve an extension with GES for a period of three (3) months expiring on September 30, 2008, on the same terms and conditions outlined in this report and the Confidential Attachment 1 to this report and other such terms and conditions satisfactory to the Chief Executive Officer 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 Exhibition Place**

Financial Impact:

Approval of the extension of the agreement between the Board and GES will result in a positive income stream to the Direct Energy Centre in accordance with the 2008 operating budget.

Decision History:

At the September 24, 2007 meeting of the Board, approval was given to enter into a six month extension with GES Canada as the Official supplier of display show services within the Direct

THE BOARD OF GOVERNORS OF EXHIBITION PLACE



Energy Centre under the same terms and conditions as the previous agreement. The term of this extension is set to expire on June 30, 2008.

At the December 10, 2004 meeting of the Board, approval was given to enter into a three (3) year contract for an official supplier of display show services within the Direct Energy Centre. The term of this contract expired on December 31, 2007.

Issue Background:

With the final confirmation of the Conference Centre construction in the Automotive Building and the commencement of the project with the launch on April 23, 2008, staff will be developing marketing materials and pricing for the Centre. The new Conference Centre will secure additional events to the grounds upon completion and could therefore provide significant new revenue stream for show display services and the Board. An extension to the existing GES agreement will allow staff to draft a new Request for Proposal for show services that will include the Conference Centre with the intent to bring a new recommendation to the Board at its meeting in September 2008.

Comments:

Except for the term of the agreement which will now expire on September 30, 2008, the terms and conditions previously approved by the Board for the existing agreement and which will continue are as follows:

- (a) Rights: To be the Official Supplier of Show Display Services in the DEC which services include planning and design, floor marking, the provision of exhibit booths (both drape and hard wall), carpet, plants and flowers.
- (b) Fees: Per the submitted RFP response
- (c) Reporting/Auditing Requirements: As required to allow the Board to determine and confirm amounts payable under the agreement.
- (d) Taxes: GES shall be responsible for payment of all taxes, rates and assessments levied with respect to its activities and presence on the grounds.
- (e) Office Space: GES shall be given the right to occupy office space within the DEC for the sole purpose of providing the services permitted under the agreement, subject to such terms and conditions as may be required.
- (f) Equipment/Expenses: GES shall provide and maintain all equipment and furnishings required for its purposes and be solely responsible for the payment of all expenses and costs associated with its operations, including utility costs.
- (g) Rates: All rates to be charged to exhibitors or other persons shall be as set out in the agreement.
- (h) Joint Marketing Initiatives will be mutually agreed by the parties.
- (i) Indemnity/Insurance: GES shall indemnify the Board, and City of Toronto with respect to any and all expenses, costs or claims as a result of GES's exercise of its rights under the agreement or use of the grounds. GES shall provide sufficient insurance in such form and amount as required by the CEO, in consultation with the City's Insurance & Risk Management Group.

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- (j) Union Obligations: GES shall comply with all trade union/association agreements affecting work done on the grounds.
- (k) Other Commercial Terms: The agreement shall include other standard commercial terms respecting termination and other matters in a form satisfactory to the General Manager and the City Solicitor.

Contact

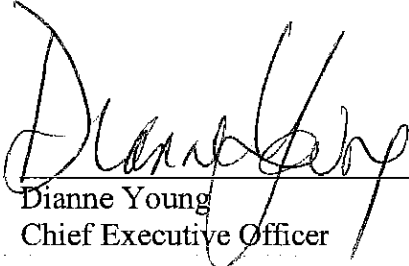
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Submitted by:



Dianne Young
Chief Executive Officer

Attachments 1 – Confidential Information

