

The following report was reviewed by the Executive Committee at its meeting of November 23, 2006 and is recommended to the Board of Directors for APPROVAL.

THE CANADIAN NATIONAL EXHIBITION

November 13, 2006

To: CNEA Executive Committee & Board of Directors

The Board of Governors of Exhibition Place

From:

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David Bednar

Dianne Young

General Manager/CNEA

General Manager & CEO

Subject:

CNEA Haines Mural Agreement

Purpose:

This report recommends the terms for a three-year lease agreement between the CNEA Board of Directors and the Board of Governors for the loan of eight Haines Murals

Financial Implications & Impact Statement:

There is no financial impact as the terms and conditions proposed are the same as in the previous lease agreement.

Recommendation:

It is recommended that the Board of Directors (CNEA) and the Board of Governors (BOG) approve of entering into an agreement for three years (2006 to 2009) for the loan of eight Haines Murals (the "Murals") to be displayed in the Direct Energy Centre on the terms and conditions set out in this report, and such other terms and conditions satisfactory to the General Manager & CEO, CNEA General Manager and City Solicitor.

Background.

At its meetings of January 2004, both Boards approved a three-year agreement with respect to the loan of eight Haines Murals that are currently displayed in the Direct Energy Centre. The term of this agreement expired on March 31, 2006.

Discussion:

The Haines Murals were commissioned by the CNEA for installation around the base of the dome in the Government Building (now Medieval Times). Frederick Haines and his students from the Ontario College of Art completed the eight Murals, also known collectively as the "Settlement of Canada," in 1929. The Murals hung in that building until 1996 when they were removed and restored by Fine Art Conservation and Restoration (cost of \$41,700 borne by the NTC Project budget) and re-installed in 1997 in their current home, the Galleria of the Direct Energy Centre.

This report is recommending an agreement between the CNEA and BOG for loan of these Murals in the Direct Energy Centre, generally on the same terms and conditions which are as follows:

- (a) Term: 3 years commencing April 1, 2006
- (b) Ownership of the Murals: The ownership of the Murals shall remain with the CNEA.
- (c) Use by CNEA: If the CNEA requests the use of the Murals at any time during the Term, the Murals will be removed from and returned to the Direct Energy Centre at the cost and expense of the CNEA.
- (d) Insurance: The BOG will provide necessary insurance coverage for the Murals at all times.
- (e) Cost of Maintenance: The BOG will maintain the Murals at the Board's expense at an appropriate level of maintenance, as determined by the Conservator chosen by the Association, acting reasonably.
- (f) Standard of Care: The BOG will take all reasonable precautions as indicated by the Conservator: (i) to ensure that the Murals are protected from interference from the public; (ii) to protect the Murals from extreme variances in temperature; and, (iii) to protect the Murals from damage from fire and water including moving the Murals to protect them from fire and water. To regularly inspect the Murals for signs of deterioration and/or damage and to immediately inform the CNEA if any such signs are detected.
- (g) Relocating the Murals: If the Murals are moved at the request of the BOG they will be moved and replaced at the cost and expense of the BOG under the supervision of the Conservator chosen by the CNEA.
- (h) Inspection by CNEA: The BOG, at all reasonable times, will allow representatives of the CNEA, at its own expense, access to the Direct Energy Centre in order to inspect the Murals.
- (i) Other Terms and Conditions as are satisfactory to the City Solicitor, General Manager & CEO and General Manager, CNEA.

Conclusion:

This report recommends approval of a three-year agreement between the CNEA and BOG for the loan of the Murals.

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