



March 11, 2004

EXHIBITION PLACE

To: The Board of Governors of Exhibition Place

From: Dianne Young
General Manager & CEO

Subject: Rental of Material Handling and Grounds Maintenance Equipment

Recommendation:

It is recommended that the Board enter into a rental agreement with Podolinsky Farm Equipment Ltd. ("Podolinsky") for the supply of various types of material handling and grounds maintenance equipment on a rental basis on such terms and conditions as contained in this report, the Request for Quotations or as required by the General Manager & CEO and the City Solicitor.

Background:

At its meeting of March 30, 2001, the Board approved of entering into an agreement with Podolinsky for the provision of various types of material handling and grounds maintenance equipment on a rental basis which agreement will expire on March 31, 2004.

Discussion:

In January 2004, Exhibition Place through the City of Toronto Finance Department's Purchasing and Materials Management Division issued an RFQ for rental of various types of material handling and grounds maintenance equipment to 82 listed suppliers. Two quotations were received from Podolinsky Farm Equipment Ltd. and Hertz Equipment Rental.

The RFQ was structured in a manner that required bidders to provide monthly rental rates for various types of equipment to meet both short and long term needs. These rates, applied for evaluation purposes to the projected annual requirements resulted in pricing as follows:

Podolinsky farm Equipment Ltd.	\$65,834.86 plus GST per annum
Hertz Equipment Rental	\$263,813.76 plus GST per annum

Exhibition Place utilizes various types of farm equipment including loaders, tractors, skid steers and snow removal equipment on a year-round basis to fulfill requirements for service to Exhibition Place and its clients. These services also include the CNE and RAWF. Levels of equipment required might vary from time to time depending on client or Board needs. Base annual requirements include 13 tractors and 7 loaders with various attachments. The approximate annual

cost for this rental service is provided for in the 2004 Operation Budget. Staff monitor expenditures under this rental agreement on an ongoing basis.

The proposed terms and condition of the rental agreement with the Board are as follows:

- (a) Term: Three-year term commencing April 1, 2004 and expiring March 31, 2007.
- (b) Rental Fees: Fees will be paid by the Board as per the Schedule attached to this report.
- (c) Pricing: Pricing be fixed during the term of the Agreement.
- (d) Union Agreements: Podolinsky shall comply with all agreements in force between the Board and any union or association with respect to Exhibition Place.
- (e) Assignment: The agreement between the Board and Podolinsky shall not be assigned by Podolinsky without the consent of the Board.
- (f) Insurance/Indemnity: Podolinsky shall provide proof of insurance in a form and amount satisfactory to the Board and containing provisions including the Board, CNEA, O&Y-SMG Canada and the City of Toronto as additional insured with a cross liability/severability of interest clause of standard wording. Insurance shall be primary before any insurance held by the additional insured and the Board shall be entitled to thirty days notice of any intention to cancel or not to renew the policy. Podolinsky shall indemnify the Board, the CNEA, O&Y-SMG Canada and the City of Toronto with respect to any and all liability arising from any damage or injury as a result of the negligent acts or omissions of Podolinsky, or its employees or any other person for whom it is in law responsible, in the supply and quality of the equipment.
- (g) Warranty: Podolinsky shall supply equipment in a state of repair satisfactory to the Board and shall warrant the fitness of the equipment for its intended use by the Board.
- (h) Other Terms: Such other terms and conditions as contained in the Request for Quotations or as required by the General Manager and the City Solicitor.

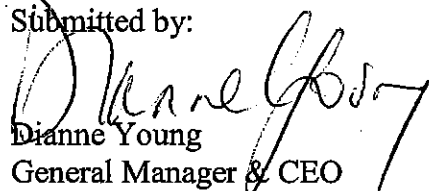
Conclusions:

This report recommends the Board enter into a further agreement with Podolinsky for the supply of such equipment in accordance with this report, the terms of the RFQ and such other terms and conditions required by the General Manager and the City Solicitor.

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Submitted by:


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