

MINUTES

PUBLIC SESSION

THE BOARD OF GOVERNORS OF EXHIBITION PLACE

Friday, May 26, 2000

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THE BOARD OF GOVERNORS OF EXHIBITION PLACE**

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MINUTES
THE BOARD OF GOVERNORS OF EXHIBITION PLACE
Fountain Dining Room - Q.E. Bldg. - Exhibition Place
Friday, May 26, 2000 - 8:30 a.m.

The Board of Governors of Exhibition Place met in the Fountain Dining Room, Exhibition Place on Friday, May 26, 2000.

PRESENT: Joe Pantalone, Chair

Robert Bowman, Rob Davis, John Downing, Mario Giansante, Carole Kerbel, Chris Korwin-Kuczynski, Jim Melvin, David Miller, Sean Webster

APOLOGIES: Fernando Do Rio, Sam Sniderman, Deborah Woodman

ATTENDING: Dianne Young, Interim General Manager/Exhibition Place
David Bednar, General Manager/CNE
Fatima Scagnol, Corporate Secretary
Paul Egli, Director of Finance
Kathryn Reed-Garrett, Director/Business Development & Special Events
Leo Lauro, Interim Director/Operations
Danny Chui, Manager, Capital Works
Jim Anderson, Solicitor/City Legal Department
Sito Mungcal, Administrative Assistant/General Manager & CEO
Ernest Vincent, O&Y/SMG Canada, General Manager/NTC
Arlene Campbell, O&Y/SMG Canada, Director of Finance/NTC
Temple Harris, Director/Venues & Training Facilities-TO-Bid
Diana Brouwer, Ernst & Young

Joe Pantalone presided and Fatima Scagnol acted as Secretary to the meeting. The meeting was called to order at 8:45 a.m.

Before proceeding with the regular business of the meeting, the Chair requested members to indicate the report on the public agenda wherein they have an interest, together with the nature of the interest. None were declared

1. **MINUTES OF PREVIOUS MEETING**

On motion duly made by Robert Bowman seconded by Sean Webster, and **CARRIED**, it was **RESOLVED** that the Minutes of Meeting of the Board of Governors held on April 7, 2000, be **VERIFIED** in the form distributed to the members.

CONSIDERATION OF REPORTS

The Chair proposed that the Board proceed through the reports on the agenda with members indicating those reports, by number, on which they wish to speak; that the Board then proceed with the adoption of the remaining reports; and then give consideration to those reports held for discussion at the request of the members, not necessarily in the order that they appear on the agenda.

The Board concurred with the following proposal.

2. ACCOUNTS PAYABLE FOR ~~JANUARY & FEBRUARY~~ ^{March & April} 2000

Upon the question of the adoption of Report No. 2 dated May 8, 2000, and Report No. 2 (a) dated May 23, 2000, which was distributed at the meeting, from the Director of Finance entitled "Accounts Payable for March and April 2000", they were RECEIVED.

3. AUDITED FINANCIAL STATEMENTS – DECEMBER 31, 1999

Upon the question of the adoption of Report No. 4 dated May 9, 2000 from the Director of Finance entitled "Audited Financial Statements for the Year Ended December 31, 1999", it was APPROVED, as recommended by the Finance & Audit Committee.

4. 2000 CAPITAL WORKS PROGRAM PROGRESS REPORT

Upon the question of the adoption of Report No. 7 dated May 12, 2000 from the Manager/Capital Works entitled "2000 Capital Works Program Progress Report", it was RECEIVED.

5. CAPITAL TENDER AWARDS

(a) Upon the question of the adoption of Report No. 8 (a) dated May 12, 2000 from the Manager/Capital Works entitled "Automotive Building – Replace Remaining Pitch Roof & Repair Flat Roof", it was APPROVED.

(b) Upon the question of the adoption of Report No. 8 (b) dated May 12, 2000 from the Manager/Capital Works entitled "Food Building – Repair & Refurbish Existing Concrete Floor", it was APPROVED.

(c) Upon the question of the adoption of Report No. 8 (c) dated May 12, 2000 from the Manager/Capital Works entitled "Parks, Lots, Roads – Road Realignment for Hall of Fame East & Princess Margaret Fountain Court, and Lot J Partial Overlay", it was APPROVED.

6. 2000 CNE – VOLUNTEERS'/ASSOCIATES'/GUESTS' PRIVILEGES

Upon the question of the adoption of Report No. 10 dated May 1, 2000 from the Corporate Secretary entitled "2000 CNE – Volunteers'/Associates'/Guests' Privileges", it was RECEIVED.

7. CNEA FOUNDATION FUNDS & APPLICATION FORM

Upon the question of the adoption of Report No. 11 dated May 1, 2000 from the Corporate Secretary entitled "CNEA Foundation Funds & Application Form", it was RECEIVED.

8. **CANADIAN EXHIBITION AIR SHOWS INC. AGREEMENT**

Upon the question of the adoption of Report No. 12 dated May 1, 2000 from the Corporate Secretary entitled "**Canadian Exhibition Air Shows Inc. Agreement**", it was **APPROVED**.

9. **CNEA SPONSORSHIP AGREEMENTS**

Upon the question of the adoption of Report No. 14 dated May 11, 2000 from the Corporate Secretary entitled "**CNEA Sponsorship Agreements**", it was **APPROVED**.

10. **EXHIBIT WALL SYSTEMS & AISLE CARPETING**

Upon the question of the adoption of Report No. 15 dated May 18, 2000 from the Corporate Secretary entitled "**Exhibit Wall Systems & Aisle Carpeting**", it was **APPROVED**.

11. **MONTHLY MANAGEMENT REPORTS FOR THE NTC**

Upon the question of the adoption of Report No. 17 (a) and Report No. 17 (b) from the Managing Director, O&Y/SMG Canada, and the General Manager/NTC entitled "**Management Report for March 31, 2000 and Management Report for April 30, 2000**", they were **RECEIVED**.

12. **REQUEST TO ASSIGN GALLOP AND GALLOP AGREEMENT**

Upon the question of the adoption of Report No. 18 dated May 15, 2000 from the General Manager & CEO entitled "**Request to Assign Gallop and Gallop Agreement**", it was **APPROVED**.

13. **MEMORANDUM OF UNDERSTANDING WITH 2008 TORONTO OLYMPIC BID CORPORATION ("TO-Bid")**

Upon the question of the adoption of Report No. 24 dated May 15, 2000 from the General Manager & CEO entitled "**Memorandum of Understanding with 2008 Toronto Olympic Bid Corporation**", it was **APPROVED**.

14. **OFFICIAL NEWSPAPER OF THE NATIONAL TRADE CENTRE**

Upon the question of the adoption of Report No. 26 dated May 24, 2000, which was distributed at the meeting, from the General Manager & CEO entitled "**Official Newspaper of the National Trade Centre**", it was **APPROVED**.

The Chair proposed that the Board give consideration to those reports held for discussion at the request of the members.

The Board concurred with the following proposal.

15. **ACCOUNTS RECEIVABLE – APRIL 2000**

On motion duly made by Sean Webster, seconded by David Miller, and **CARRIED**, it was **RESOLVED** that Report No. 3 dated May 9, 2000 from the Director of Finance with respect the Accounts Receivable for April 2000 be **RECEIVED**.

16. **1999 AUDITOR'S MANAGEMENT LETTER**

On motion duly made by Jim Melvin, seconded by Robert Bowman and **CARRIED**, it was **RESOLVED** that Report No. 5 dated March 22, 2000 from the Director of Finance with respect the 1999 Auditor's Management Letter, be **amended**, thereby changing the Auditor's Recommendation No. 2 to read as follows:

"It is recommended that credit card reconciliation be prepared within 8 weeks after the CNE closes. Management may want to consider staffing in the area to cover the busy period after the exhibition."

and that the report, as amended, be **RECEIVED**.

17. **VARIANCE REPORT – PERIOD ENDING APRIL 30, 2000**

On motion duly made by Mario Giansante, seconded by Carole Kerbel, and **CARRIED**, it was **RESOLVED** that Report No. 6 dated May 9, 2000 from the Director of Finance with respect to the Variance Report for the Period Ending April 30, 2000, be **RECEIVED**.

18. **EMERGENCY CAPITAL WORKS – HORSE PALACE COLUMN REPAIR**

(a) On motion duly made by Mario Giansante, seconded by Rob Davis and **CARRIED**, it was **RESOLVED** that Report No. 9 dated May 17, 2000 from the Manager/Capital Works be **APPROVED**, thereby authorizing the funding of \$47,000 from the surplus of Food Building – Repair and Refurbish Existing Concrete Floor Project in the Year 2000 Capital Works Program to pay for the emergency repairs of the columns of the Horse Palace, as outlined in subject report.

(b) On motion duly made by Mario Giansante, seconded by Rob Davis and **CARRIED**, it was **RESOLVED** that Report No. 9 (a) dated May 25, 2000, which was distributed at the meeting, from the Manager/Capital Works be **APPROVED**, thereby authorizing the funding of \$35,000 from the surplus of Food Building – Roof Replacement Project in the Year 2000 Capital Works Program to pay for additional emergency repairs of the columns of the Horse Palace, as outlined in subject report.

19. **B. J. GAMES AGREEMENT**

The Chair reported that the CNEA Board of Directors amended Report No. 13 entitled B. J. Games Agreement at its meeting of May 25, 2000 as follows:

"That the Board of Governors concur with the amended recommendation of the CNEA Board with respect to entering into a two-year (2000 & 2001) lease agreement with B.J. Games for Casino tables and equipment at a cost of \$100,000 in four payments of \$25,000, with an option to buy the equipment at the end of the two-year lease for the sum of \$1.00."

On motion duly made by Robert Bowman, seconded by Sean Webster, and **CARRIED**, it was **RESOLVED** that Report No. 13 dated May 11, 2000 from the Corporate Secretary with respect to the B. J. Games Agreement, as **amended** with the above motion, be **APPROVED**.

20. **UPDATE ON IN-HOUSE ELECTRICAL SERVICES, MAY 2000**

On motion duly made by Robert Bowman, seconded by Jim Melvin, and **CARRIED**, it was **RESOLVED** that Report No. 16 dated May 15, 2000 from the Interim Director of Operations with respect to an Update on In-House Electrical Services, May 2000 be **RECEIVED**; and **FURTHER** that the staff request to submit updates to the Board on In-House Electrical Services on a quarterly basis rather than a monthly basis, be **APPROVED**.

21. **ELEVATOR & ESCALATOR MAINTENANCE CONTRACT FOR NTC**

On motion duly made by Robert Bowman seconded by Sean Webster, and **CARRIED**, it was **RESOLVED** that Report No. 18 dated May 15, 2000 from the General Manager & CEO be **APPROVED**, thereby authorizing an agreement with CEE Elevator Services Ltd. for Elevator and Escalator Maintenance for the new elevating devices in the NTC, this being the overall lowest bid that meets all requirements.

22. **SECURITY SERVICES FOR THE NTC**

On motion duly made by Robert Bowman, seconded by Jim Melvin, and **CARRIED**, it was **RESOLVED** that Report No. 19 dated May 15, 2000 from the General Manager & CEO be **APPROVED**, thereby authorizing that the agreement for Security Services for the NTC between the Board and Trillium Security Services, be extended for an additional year in accordance with the terms of the original Request for Quotation submitted in 1999; and **FURTHER** that, staff issue a Request for Quotation in the year 2001 for security services within the NTC.

23. **RENTAL RATES AT NTC/EXHIBITION PLACE**

On motion duly made by Carole Kerbel, seconded by Mario Giansante, and **CARRIED**, it was **RESOLVED** that Report No. 20 dated May 15, 2000 from the General Manager & CEO with respect to Rental Rates at NTC/Exhibition Place, be **DEFERRED** to the June meeting of the Board to allow staff the possibility of including a clause within the rental agreement whereby the Board has the option to discuss with its clients greater-than-normal increases in utilities.

24. SCREAMERS INC. - DEPUTATION

The Chair welcomed and introduced Roseanne Tilford and Ardo Gidaro who gave a deputation with respect to Report No. 22 dated May 13, 2000 from the Director/Business Development regarding the Screemers Agreement. A request from the Ms. Tilford to amend the proposed agreement was distributed to the Board members, and a copy is appended to the official minutes of this meeting.

Following the deputation, the Board entered into a question/answer session. Ms. Tilford and Mr. Gidaro were advised that the Board would discuss their proposal in the closed session and excused them from the meeting.

25. CHIN PICNIC 2000

On motion duly made by Carol Kerbel, seconded by Robert Bowman, and **CARRIED**, it was **RESOLVED** that recommendations 1 and 2 of Report No. 21 dated May 13, 2000 from the Chair of the Board with respect to CHIN Picnic 2000, be **amended** as follows:

- (a) The Board enter into a one-year agreement, with an option to renew in 2001, with CHIN Radio-TV International ("CHIN") for the CHIN Picnic 2000;
- (b) In recognition of the CHIN Picnic as a important community festival in the City, the Board amend the terms and conditions of the lease as outlined in subject report; and

that the report, as amended, with the inclusion of recommendation no. 3 in that, following the 2000 CHIN Picnic, the Chair of the Board and Mr. Sniderman, member of the Board, work with CHIN on developing a financial strategy and plan for the 2001 CHIN Picnic, be **APPROVED**.

26. HOTEL DEVELOPMENT OPPORTUNITY

- (a) On motion duly made by Rob Davis, seconded by Mario Giansante, and **CARRIED**, it was **RESOLVED** that Report No. 25 (a) dated May 11, 2000 from the Director/Business Development with respect to the Hotel Marketing Package be **APPROVED**, as recommended by the Business Development Committee, thereby endorsing the Hotel Development Opportunity Package attached to subject report to be used in any future hotel marketing strategy.
- (b) On motion duly made by Mario Giansante, seconded by Chris Korwin-Kucyznski, and **CARRIED**, it was **RESOLVED** that Report No. 25 (b) dated May 16, 2000 from the Director/Business Development with respect to the Hotel Development Implementation Strategy be **APPROVED**, as recommended by the Business Development Committee, thereby authorizing that:
 - (i) staff in consultation with the Chair of the Board and the Chair of the Business Development Committee undertake a competitive process for retaining a development consultant to assist staff in a targeted marketing strategy to prospective hotel developers; and

(ii) staff continue on a "no-prejudice basis" the discussions with Mr. Fred Braida or any other interested party with respect to a hotel development proposal and report back to the Board no later than July 2000.

(c) On motion duly made by Robert Bowman, seconded by Carol Kerbel, and **CARRIED**, it was **RESOLVED** that Report No. 25 (c) with respect to a Hotel Development Consultant, be **RECEIVED**; and **FURTHER** that the Request for Proposals for a Hotel Development Consultant be submitted to the Board prior to public issuance.

27. **RESOLUTION RE CLOSED SESSION**

On motion duly made by Carole Kerbel, seconded by Mario Giansante, and **CARRIED**, it was **RESOLVED** that the Board of Governors go into closed session for the purposes of dealing with items of a proprietary, personnel, and of a contractual nature.

The members of the Board (Joe Pantalone, Chair, Robert Bowman, Rob Davis, John Downing, Mario Giansante, Carole Kerbel, Chris Korwin-Kuczynski, Jim Melvin, David Miller, Sean Webster) reconvened in public session at 11:10 a.m. and concurred with the following proposal.

28. **SPONSORSHIP PLAN**

On motion duly made by Robert Bowman, seconded by John Downing, and **CARRIED**, it was **RESOLVED** that In-Camera Report No. 29 dated May 16, 2000 from the Vice-Chair of the Sponsorship Committee with respect to an update on the Sponsorship Plan, be **RECEIVED**.

29. **RAVES AT EXHIBITION PLACE**

On motion duly made by John Downing, seconded by Jim Melvin, and **CARRIED**, it was **RESOLVED** that In-Camera Report No. 30 with respect to Raves at Exhibition Place be **RECEIVED**; and **FURTHER** that:

- (a) The Board of Governors of Exhibition Place recommend to City Council that Raves continue to be held at Exhibition Place after concerns about security and paid duty policing have been worked out to the satisfaction of Exhibition Place and City Council; and
- (b) Appendix "A" attached to subject report, with the financial data removed, be submitted to the August 2000 City Council meeting with an additional column stating the hours of operation.

30. **AGREEMENT WITH SCREAMERS INC.**

On motion duly made by Robert Bowman, seconded by Carole Kerbel, and **CARRIED**, it was **RESOLVED** that the recommendations contained in Report No. 22 dated May 13, 2000 from the Director/Business Development with respect to an Agreement with Screemers Inc, be **amended** as follows:

- (a) the Board enter into a one-year agreement with Screemers for the operation of a Haunted House entertainment venue in the Horticulture Building that reflect the terms and conditions set out in subject report and such other terms of the Board's standard licence agreement;
- (b) for the year 2000, the Board regain 15% on the rental items supplied to Screemers Inc. rather than at no charge; and
- (c) that staff report back to the Board on the financial picture of Screemers Inc.

31. **DATE OF NEXT MEETING**

The next meeting of the Board is scheduled to be held on **Friday, June 23, 2000** at 8:30 a.m.

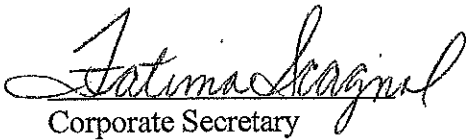
32. **RESOLUTION RE ABSENTEESIM**

On motion duly made by Sean Webster, seconded by Chris Korwin-Kuczynski, and **CARRIED**, it was **RESOLVED** that Fernando Do Rio, Sam Sniderman and Deborah Woodman having informed the office of the Corporate Secretariat of their unavailability to attend this meeting of the Board, be **EXCUSED**.

ADJOURNMENT

There being no further business, the Board adjourned the meeting at 11:15 a.m.

(Copies of the communications, reports and other documents referred to in the minutes of this meeting have been distributed to the members and copies thereof inserted as schedules to the official minutes of the proceedings of this meeting of the Board.)


Corporate Secretary

Chair

VERIFIED at a meeting of the Board of Governors of Exhibition Place held on the ____ day of _____, 2000.

Chair