March 16, 2001

EXHIBITION PLACE

TO: The Board of Governors of Exhibition Place

FROM: Dianne Young
General Manager & CEO

SUBJECT: Agreement for Rental of Material Handling 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 equipment on a rental basis to Exhibition Place on such terms and conditions as contained in this report, the Request for Quotations or as required by the General Manager and the City Solicitor.

Background:

At its meeting of April 24, 1998, the Board approved of entering into an agreement with Podolinsky for the provision of various types of material handling equipment on a rental basis which agreement expired on March 31, 2001.

Discussion:

In February, 2001, Exhibition Place through the City of Toronto Purchasing Department issued an RFQ for rental of material handling equipment at Exhibition Place and the NTC. While the RFQ was sent to 24 firms, the only quotation submitted was by Podolinsky. The submission from Podolinsky, who is our current supplier, maintains the present rental rates paid by the Board with no increase for the duration of the proposed agreement.

Exhibition Place utilizes various types of material handling 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 including the CNE and RAWF. Levels of equipment required may vary depending on scheduled events. The approximate cost for this rental service is $60,000.00 per year, which is included in the 2001 Operation Budget.

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

(a) Term: Three-year term commencing April 1, 2001 and expiring March 31, 2004.
(b) Rental Fees: Fees will be paid by the Board as per the Schedule attached to this report.

(e) Pricing: Pricing be fixed during the term of the Agreement.

(d) Assignment: The agreement between the Board and Podolinsky shall not be assigned by Podolinsky without the consent of the Board.

(e) 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.

(f) 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.

(g) 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:

Dianne Young
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