



Exhibition Place

ACTION REQUIRED

Item No. 26

April 3, 2012

To: The Board of Governors of Exhibition Place

From: Dianne Young
Chief Executive Officer

Subject: **CNEA Agreement – Audio, Video, Lighting & Staging Equipment**

Summary:

This report recommends the Board approve of the CNEA entering into an agreement with PRG Canada Ltd. commencing with the 2012 Canadian National Exhibition (CNE), with an option to renew for an additional three one-year periods, for the rental of audio, video, lighting and staging equipment for seven (7) stages for the CNE.

A Request for Quotation (RFQ) process was issued through the City of Toronto, Finance Department, Purchasing and Material Management Division (PMMD) for the provision of the above rentals.

Recommendation:

Subject to the approval of the CNEA Board, it is recommended that the Board authorize a one year agreement for the 2012 CNE (with the option to extend for an additional three one-year periods) with PRG Canada Ltd., based on the terms and conditions outlined in this report and any such other terms and conditions satisfactory to the CEO and City Solicitor.

Financial Impact:

Funding for this agreement is provided for in the 2012 CNEA Operating Budget, and will be provided for in the 2013, 2014, and 2015 CNEA Operating Budgets.

Decision History:

The Exhibition Place 2009-2012 had a Financial Goal to *seek additional revenue opportunities* and as a Strategy to support this Goal we will *foster long-term partnerships and alliances with public and private sector organizations*.

This report will be considered by the CNEA Board of Directors at its meeting being held on April 4, 2012, and the recommendation of the CNEA Board will be reported to the Board at its meeting of April 5, 2012.

Issue Background:

On February 28, 2012, Exhibition Place through the services of PMMD issued a Request for Quotation to establish a new agreement commencing with the 2012 CNE.

Comments:

The RFQ was structured in a manner that detailed the equipment requirements for each of the seven entertainment venues, and where possible the equipment requirements stated acceptable equivalents to what was specified. Bidders were required to submit complete package pricing for each venue.

The bids closed on March 14, 2012 with two quotations received. The results were as follows:

Bidder	2012 CNE	Option Year 1 2013 CNE	Option Year 2 2014 CNE	Option Year 3 2015 CNE
Westbury National Show Systems Ltd.	\$206,423.00	\$210,551.00	\$214,762.00	\$219,058.00
PRG Canada Ltd.	\$220,990.00	\$227,619.70	\$232,039.50	\$236,459.30

Staff evaluated both bids in accordance with the minimum specifications called for and noted that the bid from the lowest bidder included several major components not in compliance with these specifications. Accordingly staff recommend award in favour of PRG Canada Ltd. being the overall lowest acceptable bid received in compliance with the requirements of the RFQ.

PRG Ltd. has provided past services to the satisfaction of the CNEA and references include Fashion Design Council of Canada/Fashion Week, City of Toronto/Nuit Blanche and Toronto Festival of Arts & Creativity/Luminato.

The City of Toronto Fair Wage and Labour Trades Office confirms that PRG Ltd. is in compliance with the Fair Wage and Labour Trades requirements.

The CNEA is sole party to this agreement and given the direction for the CNEA to become independent as of April 1, 2013, the terms provided below allows the CNEA to withdraw from an extension of the agreement in Year 2.

The agreement with PRG Ltd. is based on the following terms and conditions:

- (a) Term: One year commencing with the 2012 CNE, on an as required basis, with the option to extend for three additional one-year periods subject to satisfactory performance review, budget availability and the rights of the CNEA, as one party to the agreement, to not proceed with the option to extend.
- (b) Pricing: Pricing is to be fixed during the term of the Agreement in accordance with the terms of the RFQ
- (c) Assignment: The agreement shall not be assigned by PRG Ltd. without written consent of the Board.
- (d) Indemnity/Insurance: PRG Ltd. shall provide proof of insurance in a form and amount satisfactory to the Board and containing provisions including the Board and the City of Toronto as additional insured with a cross liability/severability of interest clause of standard wording.
- (e) Union Obligations: PRG Ltd. shall comply with all trade union/association agreements affecting work done on the grounds.

- (f) Other Commercial Terms: The agreement shall include other standard commercial terms respecting termination and other matters in a form satisfactory to the City Solicitor and the CEO.

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Submitted by:

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