

то:	CHAIR AND MEMBERS INVESTMENT AND ECONOMIC PROSPERITY COMMITTEE MEETING ON MARCH 31, 2014
FROM:	MIKE TURNER DEPUTY CITY TREASURER
SUBJECT:	BUDWEISER GARDENS CONTRACT EXTENSIONS

## **RECOMMENDATION**

That on the recommendation of the Deputy City Treasurer, the following actions **BE TAKEN:** 

- a) This report BE RECEIVED for information; and
- b) Civic Administration **BE DIRECTED** to confirm concurrence in writing for the contract extensions with New Era Tickets and Ovations Food Services.

## PREVIOUS REPORTS PERTINENT TO THIS MATTER

Board of Control, August 24, 2005 - John Labatt Centre Ticketing Solutions

## **BACKGROUND**

Under the terms of the City's agreement with the London Civic Centre Corporation, the City has the right to review all contracts which are over five years in length and where a contract is let to a non-arm's length related company. These contracts are between Global Spectrum and the third parties.

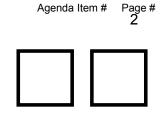
Comcast-Spectator is the parent company of Global Spectrum, New Era Tickets and Ovations Food Services.

In 2002, Council provided concurrence with Global Spectrum, as the Manager of the facility, in contracting with Ovations Food Services to September 30, 2022. This agreement was deemed to be at market value and was deemed to be the best proposal received. Ovations are proposing contributing \$500,000 towards capital improvements to the food and beverage portion of the facility, which will all contribute to additional revenues for the facility.

Improvements include a replacement of the original POS system; food and beverage stand improvements; additional equipment for food production and new concepts; a major facelift to the Talbot Bar and Grille, including new flooring, new bar, new tables and chairs and new technology; new Shawarma cart; new grill cart and new snack cart to help alleviate line-ups and offer new options.

Ovations are proposing a five year extension of the contract to September 30, 2027, which would continue with the existing terms of the current agreement. The terms of the agreement have been reviewed and are still market competitive.

In 2005, Council provided concurrence with Global Spectrum, as the Manager of the facility, in contracting with New Era Tickets to July 31, 2015. New Era was selected in an open RFP process by the Global Spectrum staff, providing the best value and service for the facility. New Era is proposing contributing \$80,000 towards capital improvements in hardware investments for the facility, along with some changes to services fees that will all contribute to additional revenues for the facility.



New Era would purchase 20 handheld scanners to take advantage of mobile ticket delivery, 32 PC's and credit card swipes and 13 ticket printers.

They would also have some slight inflationary increases in some fees, but are also eliminating print-at-home delivery and ticket forwarding fees, a value in excess of \$80,000 over the term. These fees net out to a positive bottom line for the facility.

New Era is proposing a seven year extension of the contract to July 31, 2022. The terms of the agreement have been reviewed and are still market competitive.