

# CITY OF HAMILTON

## NOTICE OF MOTION

Council: April 24, 2019

**MOVED BY MAYOR F. EISENBERGER.....**

**Amendments to the Management Agreement between the City of Hamilton and Global Spectrum Facility Management, L.P.(Global Spectrum) and to the Facility Operating Agreement between the City of Hamilton, the Hospitality Centre Corporation and Mercanti Banquet & Convention Centre Ltd. (Carmen’s Group).**

WHEREAS, the City of Hamilton underwent the “External Audit Review of HECFI Operations” with the assistance of KPMG in 2011;

WHEREAS, upon completing the “External Audit Review of HECFI Operations” in 2013, Council directed and authorized staff to enter into a Management Agreement between the City of Hamilton and Global Spectrum Facility Management, L.P. (Global Spectrum) and into a Facility Operating Agreement between the City of Hamilton, the Hospitality Centre Corporation and Carmen’s Group;

WHEREAS, the initial 5-year terms of the Management Agreement between the City of Hamilton and Global Spectrum and the Facility Operating Agreement between the City of Hamilton, the Hospitality Centre Corporation and Carmen’s Group were set to expire on December 31, 2018;

WHEREAS, at the July 13, 2018 Council Meeting, Council approved a report titled “Downtown Entertainment Assets Operating Agreements CM19013 (City Wide)”, which authorized 6-month extensions of both the Management Agreement between the City of Hamilton and Global Spectrum and the Facility Operating Agreement between the City of Hamilton, the Hospitality Centre Corporation and Carmen’s Group, while staff initiated a competitive renewal process;

WHEREAS, at the January 23, 2019 Council Meeting, and with the consent of Global Spectrum and Carmen’s Group, Council approved a motion directing staff to forgo the competitive renewal process and negotiate 5-year extensions of the existing Management Agreement between the City of Hamilton and Global Spectrum and the existing Facility Operating Agreement between the City of Hamilton, the Hospitality Centre Corporation and Carmen’s Group and report back to General Issues Committee;

WHEREAS, staff are currently in the process of finalizing their negotiation of 5-year extensions with Global Spectrum and Carmen’s Group;

WHEREAS, both the Management Agreement between the City of Hamilton and Global Spectrum and the Facility Operating Agreement between the City of Hamilton, the Hospitality Centre Corporation and Carmen's Group contain a right of extension in favour of the City, which right must be exercised at least 60 days prior to expiry of the term;

THEREFORE BE IT RESOLVED

- (a) That the Mayor and City Clerk be authorized and directed to execute an amendment to the existing Management Agreement between the City of Hamilton and Global Spectrum Facility Management, L.P. (Global Spectrum) as amended by Extension Agreement dated as of August 3, 2018, to reduce the notice period by which the City of Hamilton must exercise its right to extend the Management Agreement from 60 days to any time prior to expiry of the Management Agreement;
- (b) That the Mayor and City Clerk be authorized and directed to execute an amendment to the existing Facility Operating Agreement between the City of Hamilton, the Hospitality Centre Corporation and Mercanti Banquet & Convention Centre Ltd. (Carmen's Group) as amended by Extension Agreement dated as of August 3, 2018, to reduce the notice period by which the City of Hamilton must exercise its right to extend the Facility Operating Agreement from 60 days to any time prior to expiry of the Facility Operating Agreement.