

MEMORANDUM OF AGREEMENT made this ____ day of ____ A.D. 2020.

BETWEEN:

YELLOWHEAD COUNTY

2716-1 st. Avenue, Edson, AB T7 IN9
(hereinafter referred to as "Yellowhead")

OF THE FIRST PART

AND

PARKLAND COUNTY

53109A SH779, Parkland County, T7Z IRI
(hereinafter referred to as "Parkland")

OF THE SECOND PART

WHEREAS both Yellowhead and Parkland own and operate facilities for the benefit of their residents;

AND WHEREAS each party desires to make use of some of the facilities owned and operated by the other party for the benefit of its residents;

AND WHEREAS Yellowhead and Parkland agree to provide for the continued cost sharing on the operation, maintenance, and capital improvement of those facilities specified;

NOW THEREFORE the Parties to this Agreement, in consideration of the promise's mutual terms, covenants and conditions to be observed and performed by each party, agree as follows:

1. TERMS OF AGREEMENT:

- a. The terms of this agreement shall be from January 1, 2021 to December 31st, 2030, and may be amended or extended by the written mutual consent of the parties hereto.
- b. This agreement may be terminated by either party by serving two (2) years notice in writing to the other party of the intention to terminate.

2. GENERAL:

- a. The parties recognize that they each have ownership and operational control of the facilities located within their own municipality.
- b. The parties agree that in consideration of the payment as outlined in clause (3.a), that their residents shall be permitted to utilize the programs and services of the facilities listed in 2c. on the same basis and under the same conditions and at the same costs, including user fees, as the residents of the other party.

- c. The parties agree that only the Entwistle Community Recreation Centre (ECRC) and the Pembina Rec-Plex will be considered for operational and capital cost-sharing under this agreement.
- d. The parties agree that the residents in the catchment areas in Schedule A will be considered as being the primary beneficiaries of the facilities that are part of this agreement.
- e. Yellowhead and Parkland administrations shall meet twice annually to review services, budget, operational, capital plans and strategic plans.
- f. An increase of 10% or more in the invoiced net operating deficit from one year to the next shall trigger an automatic review by the parties to evaluate operational/program efficiencies.

3. OPERATIONAL COST SHARING:

- a. The eligible annual operating costs for each facility will be paid by both parties, according to this schedule:
 - i Entwistle Community Recreation Centre: 25% of the operating costs for the facility less the Library Portion to be paid by Yellowhead
 - ii Pembina Arena: 50% of the facility operating costs to be paid by Parkland
- b. For purposes of this Agreement, eligible operating costs shall be defined as the upcoming year's net operational deficit of the facilities listed in 2c.
- c. Each party shall submit an upcoming year's budget by September 15th to assist in budget planning for the upcoming year.
- d. Each party, by April 30th of the current year, shall provide a report on the operations of their facility as well as the actual revenues, expenditures and net cost of operations for the previous year along with an invoice for the cost-sharing of the other party.
- e. The annual interest payment on any debenture for the facilities, where the parties have not already capital cost shared, may be included as a yearly operational expense with prior written approval.
- f. The parties shall make payment upon receipt of the invoice and adequate documentation within 30 days of receipt of the invoice.

4. CAPITAL COST SHARING - SHORT & LONG TERM

- a. Capital costs shall be defined as any improvement to the facility not part of regular or annual maintenance.
- b. The parties will cost share on an equal basis the net cost, less any revenues received, for all capital projects approved jointly for the facilities included under this agreement.
- c. The parties shall provide each other with a five (5) year capital plan for the facilities covered by this agreement. This plan will include a statement of need for any improvements.
- d. Capital cost sharing requests shall be submitted by September 1st of the current year for consideration in the upcoming year's budget of each party. Capital cost sharing requests for the upcoming budget year shall be approved or denied by December 15th of the current year.
- e. The parties may or may not cost share, at its sole discretion, on part or all of any capital request. Priority will be placed on necessary replacement of machinery and equipment, as well as necessary upgrading of existing facilities and will be considered on an individual basis.
- f. The parties shall invoice for approved capital projects following the completion of each project and will include a report on the project, all revenues and expenditures and the net cost of the project.
- g. The parties shall make payment upon receipt of the invoice and adequate documentation within 30 days of receipt of the invoice.
- h. This agreement does not apply to funding for new facility capital projects, which shall be considered separately for the potential of joint development and funding.
- i. Should agreement be reached on a new facility capital project between the parties (as per clause 2.c.), the operating costs associated with the new development shall be added to the facility list (as per clause 2.c.)

5. INDEMNITY:

- a. The parties shall indemnify and hold harmless each other, their employees and agents from any and all claims, actions and costs whatsoever that may arise directly or indirectly out of any act or omission of the parties, their employees or agents in the performance by of this Agreement.
- b. Such indemnification shall survive termination of this Agreement.
- c. The parties shall not be liable nor responsible for any bodily or personal injury or property damage of any nature whatsoever that may be suffered or

sustained by the other, their employees or agents in the Performance of this Agreement.

6. DISPUTE RESOLUTION:

- a. Any dispute arising out of the interpretation of any ambiguous clause(s) may be referred by either party for binding arbitration. The arbitrator selected shall be a registered member of the Association of the Arbitrators and Mediators of Alberta and shall not be a resident or taxpayer of the Town or County. The costs of the arbitrator, arbitration hearing and related items shall be shared equally by both parties to the agreement, unless otherwise determined appropriate by the arbitrator.

7. CORRESPONDENCE:

- a. For purposes of exchanging correspondence and giving notice under this Agreement the address of the Parties shall be:

For Yellowhead County:

Yellowhead County

2716 - 1st Avenue

Edson, Alberta, T7E 1N9

For Parkland County:

Parkland County

53109A SH 779

Parkland County, Alberta, T7Z 1R1

7. This Agreement constitutes the entire Agreement between the Parties; no other warranties or representations are given or implied.

IN WITNESS whereof the Parties hereto have affixed their signatures below on this____day of____A.D. 2020.

PARKLAND COUNTY

YELLOWHEAD COUNTY

WITNESS

WITNESS