



AGENDA

Special Meeting of the Council of the Village of Chase held
virtually
on Tuesday, March 2, 2021 at 5:00 p.m.

1. CALL TO ORDER

2. ADOPTION OF AGENDA

Resolution:

“THAT the March 2, 2021 Village of Chase Special Council meeting agenda be adopted as presented.”

3. ADOPTION OF MINUTES

3.1 Minutes of the Special meeting of Council held February 11, 2021 Pages 1-4

Resolution:

“THAT the minutes of the Special meeting of February 11, 2021 be adopted as presented.”

4. PUBLIC HEARINGS

None

5. PUBLIC INPUT ON CURRENT AGENDA ITEMS

This opportunity is for members of the gallery to provide input on items on this Agenda

6. DELEGATIONS

None

7. REPORTS

No reports

8. UNFINISHED BUSINESS

8.1 Art Holding Arena Operating Agreement Pages 5-24
Background Information provided including:

1. Partnering Agreement currently in place until a new agreement is ratified by both parties
2. Lease Agreement currently in place until a new lease agreement is ratified by both parties
3. Recreation Centre Society “Wish List” organized into Village responsibilities and Society responsibilities based on the existing agreements

Council to continue discussing the partnering agreement.

Chief Financial Officer to provide additional information regarding costs relating to agreement and ‘Wish List’.

Below are 2 previous resolutions to inform the discussion.

August 11, 2020

Moved by Councillor Lauzon

Seconded by Mayor Crowe

“THAT the Village enter into a 27-month operating contract with the Chase and District Recreation Centre Society starting October 1, 2020 and ending December 31, 2022, with a provision to renew the operating contract prior to its termination; AND,

THAT Administration draft an operating agreement and bring back such agreement to Council for ratification; AND,

THAT the Village support the Arena operations with \$150,000 annually in both the years 2021 and 2022; AND,

THAT if additional funds are required, that the Recreation Centre Society approach Council if and when that need arises to explain and justify the need for additional funds.”

CARRIED

October 27, 2020

Moved by Councillor Torbohm

Seconded by Mayor Crowe

“THAT the 2021 operational budget levels be maintained at 2020 levels for all departments.”

CARRIED

9. NEW BUSINESS

None

10. NOTICE OF MOTION

11. IN CAMERA

No in camera

12. RELEASE OF IN CAMERA ITEMS

None

13. ADJOURNMENT

Resolution:

“THAT the March 2, 2021 Village of Chase Special Council meeting be adjourned.”



Minutes of the Special Meeting of the Council of the Village of Chase held
Virtually on Wednesday, February 11, 2021 at 6:30 p.m.

PRESENT: Mayor Rod Crowe
Councillor Alison (Ali) Lauzon
Councillor Steve Scott
Councillor Fred Torbohm

Regrets: Councillor Ali Maki

In Attendance: Joni Heinrich, Chief Administrative Officer
Sean O'Flaherty, Corporate Officer
Joanne Molnar, Chief Financial Officer

Also in Attendance: Board of Directors of the Chase & District Recreation Society

Public Participants: 0

1. CALL TO ORDER

Mayor Crowe called the meeting to order at 6:30 p.m.

2. ADOPTION OF AGENDA

Moved by Councillor Scott

Seconded by Councillor Lauzon

“THAT the February 11, 2021 Village of Chase Special Council agenda be adopted as presented.”

CARRIED

#2021/02/11_001

3. ADOPTION OF MINUTES

None

4. PUBLIC HEARING

None

5. PUBLIC INPUT ON CURRENT AGENDA ITEMS

None

6. DELEGATIONS

6.1 Chase and District Chamber of Commerce Board (10) members in attendance

Brooke Kynoch along with other members of the Board spoke to each section of the draft partnering agreement:

- The Board believes there is an error in the civic address of the Arena – they have always known the address to be 320 Shepherd Road not 221 Shepherd Road

The address will be clarified.

Mr. Kynoch continued:

- Under Society's obligations, (a) (i) the Society would like the Village to handle the lease with the Zipline people rather than the Society dealing with it
- Under (a) (ii) the Society is unable to provide all equipment, supplies and operating personnel necessary to provide the Recreation Service and asked that this clause be clarified by being more specific as to what the Society's obligations are with regard to the provision of equipment etc.
- The Society is okay with (a) (iii)
- The Society would like more clarification of (a) (iv) as there are a large number of issues that need to be addressed at the Arena - Mr. Kynoch referred to the Arena manager Doug Copeland's 'wish list' which was circulated to all of Council
- The Society is okay with (a) (v)
- Regarding (a) (vi) the Society are not fundraisers, and as this is a 'management contract' the Society does not feel that fundraising is their obligation
- The Society is okay with (a) (vii) which requires the Society to obtain written permission from the Village to construct additional improvements on the premises
- The Society requests that (a) (viii) be reworded as they are not general contractors and do not feel comfortable with the wording of this clause
- The Society is okay with (b)
- The Society requests that (c), (d) and (e) be reworded or removed – these clauses speak to the "Service Area" and non-residents
- The Society is okay with (f) and (g)
- The Society requests that (h) be removed, as they do not feel comfortable having funds from other Society run entities be transferred to the Arena
- The Society is concerned that the Seniors housing project referred to in (i) will have a negative impact on parking for the Arena
- The Society is of the opinion that a Joint Operations and Management Committee is not necessary – and is concerned that if such a committee exists and no resolution can be found to an issue, how will the issue be resolved – they are of the opinion that quarterly meetings with Council would be a better way to provide for more communication between the two parties or another option would be a Council liaison appointment
- The Society is okay with (k) and (l)
- The Society will provide the financial information referred to in (m) (i) as soon as it is available after the accountant prepares
- The Society would like the title "Grants of Assistance" to be changed to "Operating Agreement", under (m) (ii) the Village has agreed to pay \$150,000 annually to the Society and are requesting an additional \$50,000 for a total of \$200,000, with payments being made when they are requested
- The Society is okay with (m) (iii) and (iv) (although they do refer to a Joint Management Committee
- The Society will not be able to afford for finances to be audited – a statement of review is what the Society receives now-if at some point the Village requested an audit the Society would expect the Village to pay for the audit
- The Society is okay with (n) and (o)
- The Society does not feel they should have to prepare an application annually for a tax exemption as outlined in (p) – a multi-year exemption can be applied

- The Society is okay with (q), the second (p), and the second (q) and (r)
- The Society requests that (s) be reworded to be more clear as well as (t) and (u)
- The Society is okay with (v) through (y)

Mr. Kynoch then suggested that the Village of Chase approach the other entities that use the Arena as much as the Village of Chase residents (such as Adams Lake Indian Band, North Shuswap area, Pritchard) and ask for funding contributions.

Other comments were made:

- The TNRD contributes money to the Clearwater Arena
- Electors would have to be taxed in Electoral Areas through a taxation service agreement
- Some municipalities that operate Arenas charge higher user fees for users that live outside the municipality

The issue of the Arena Manager was raised. Mr. Kynoch stated that the Manager has indicated he will be leaving when his contract expires at the end of July 2021 and the Society is wondering how they will replace the Manager

- A job description is needed for the position
- The position may need to be split into 2 or more positions
- Perhaps Mr. Copeland could be placed on a one year retainer to provide some advice for the new manager/operators

Mr. Kynoch also raised the issue of the Zamboni which now has over 400,000 km and stated that a new Zamboni is definitely needed and soon.

The CAO will assist Jane Herman in obtaining job descriptions for Arena managers/operators.

7. REPORTS

None

8. UNFINISHED BUSINESS

None

9. NEW BUSINESS

None

10. NOTICE OF MOTION

None

11. IN CAMERA

None

12. RELEASE OF IN CAMERA ITEMS

None

13. ADJOURNMENT

Moved by Councillor Scott

Seconded by Councillor Lauzon

“THAT the February 11, 2021 Village of Chase Special Council meeting be adjourned.”

CARRIED

#2021/02/11_002

The meeting concluded at 7:41 p.m.

Rod Crowe, Mayor

Sean O'Flaherty, Corporate Officer

Schedule "A" to Bylaw No. 772, 2011

PARTNERING AGREEMENT

THIS AGREEMENT dated for reference November 8, 2011.

BETWEEN:

VILLAGE OF CHASE

PO BOX 440
Chase, BC V0E 1M0

(the "Village")

OF THE FIRST PART

AND:

CHASE AND DISTRICT RECREATION CENTRE

SOCIETY, a Society incorporated within the Province of
British Columbia (Incorporation No.: S-0029734)
PO Box 1239, Chase, BC V0E 1M0

(the "Society")

OF THE SECOND PART

WHEREAS:

- A. As of the date of this Agreement, the following are located upon Lot 1 (as hereinafter defined): the Art Holding Memorial Arena; a large parking lot storage shed(s); sidewalks; the sales office and zipline practice tower of Chase Canyon Eco-Adventures Ltd.; a recycling facility and large grassy vacant areas.
- B. The Landlord and the Tenant desire to enter into this Partnering Agreement, pursuant to which the Tenant will operate the Art Holding Memorial Arena and recreational activities on Lot 1.
- C. The Landlord and the Tenant have or will enter into a Lease Agreement to govern the Society's use of Lot 1 during the term of this Agreement.
- D. The Village is authorized to enter into partnering agreements pursuant to section 21 of the *Community Charter*.

NOW THEREFORE THIS INDENTURE WITNESSETH that in consideration of the promises and the covenants, agreements, representations, warranties and payments hereinafter contained, the parties hereto covenant and agree as follows:

DEFINITIONS

- (a) In this agreement:
 - (i) “Board” means the Recreation Board of Management appointed under Part 0 of this Agreement;
 - (ii) “Lot 1” means that parcel of land legally described as PID: 007-819-750, Lot 1, DL 517, KDYD, Plan 20201, except plan KAP49449;
 - (iii) “Recreation Centre” means the Art Holding Memorial Arena which is located on Lot 1 as of the date of this Agreement;
 - (iv) “Recreation Service” means the use of Lot 1 for public recreational activities.
 - (v) “Service Area” means the Village of Chase and Electoral Areas L and P of the Thompson-Nicola Regional District;

TERM:

- (b) This Partnering Agreement will take effect and all the terms and conditions contained herein will be enforceable on the date that the Arena Partnering Agreement No. 585-1999 bylaw is repealed, and until such time this Partnering Agreement will be of no force and effect. This Partnering Agreement will terminate on May 31, 2019.

SOCIETY’S OBLIGATIONS

- (c) In the event that the Society desires to construct further improvements upon Lot 1, the Society shall:
 - (i) obtain the Village’s permission in writing, which may be withheld at the Village’s sole discretion;
 - (ii) diligently seek a source or source of funding for the construction and development of the improvements, which may include contributions, donations and loans;
 - (iii) carry out all planning and retain consultants as appropriate, and submit drawings and full construction program to the Village for its approval;
 - (iv) obtain all permits, authorizations and inspections and pay all fees, charges and levies; and
 - (v) carry out all construction and development of the improvements.

- (d) The Society, through the Board, shall:
 - (i) manage the use of Lot 1 for the purpose of providing the Recreation Service;
 - (ii) operate the Recreation Centre until May 31, 2019; and
 - (iii) provide all equipment, supplies and operating personnel necessary to provide the Recreation Service which may include entering into contracts for management, maintenance and the provision of food or other services in the Recreation Centre and on Lot 1”.
- (e) No member of the Society or the Board shall be a party to any contract entered into by the Society as per this Agreement.
- (f) The Society shall provide the Recreation Service on behalf of the Village to the residents of the Service Area. The Recreation Centre shall not be committed to use by any group made up primarily of non-residents of the Service Area without the prior written consent of the Village.
- (g) All residents of the Service Area shall have an equal opportunity to participate in the recreational services provided by the Society, in accordance with the programs and policies established by the Board.
- (h) No distinction shall be made between residents of the Service Area in the establishment of user fees and other charges.
- (i) The Society shall provide the Recreation Service as an independent contractor under this Agreement. The Society shall not represent to any person that it is the agent or partner of the Village in respect of any matter.

OTHER USES OF LOT 1

- (j) Notwithstanding the foregoing, the Society may, with the Village’s permission, either at no charge or at a fee set by the Society, use or permit the whole or any part of Lot 1 to be used by any group or person for any purpose which is ancillary to or supportive of the Recreation Service and the business of the Society, including without limitation commercial, public or private uses.
- (k) For clarity, generating revenue for the Society from any source is considered a purpose ancillary to or supportive of the Recreation Service and the business of the Society.

RECREATION BOARD OF MANAGEMENT

- (l) The Board shall consist of four representatives appointed by the Society and three representatives appointed by the Council of the Village. No alternate members shall be appointed.
- (m) The Board shall meet regularly.

- (n) The members of the Board shall serve for a term of two years, ending on June 30 in each odd-numbered year. A member may be reappointed for one or more subsequent terms.
- (o) The Board shall be responsible for establishing policies for the operation of the Recreation Centre, the provision of the Recreation Service, and for approving recreational programs and other public, private or commercial activities taking place on Lot 1. Without limitation, the Board shall establish policies for hours of operation, admission fees, rental charges, licence fees, booking priorities and special events. The Board shall obtain the Village's permission before permitting the whole or any part of Lot 1, including the Recreation Centre, to be used by a third-party for commercial, private or public activities.
- (p) The Board shall make recommendations to the Society concerning the form, contents and renewal of all contracts and licences related to the operation of the Recreation Centre and other activities occurring on Lot 1, including management, concession, maintenance and repair contracts.

LOAN GUARANTEE

- (q) The Village shall continue to guarantee the repayment of the principal and interest of the loan obtained by the Society from the Royal Bank of Canada, pursuant to the Guarantee and Postponement of Claim signed by the Village of Chase on August 26, 1999.

GRANTS OF ASSISTANCE

- (r) The Village will continue to provide grants of assistance to the Society on the following terms:
 - (i) On an annual basis and no later than two (2) months following the end of the Society's fiscal period, the Society shall provide to the Village financial statements for that fiscal period, as well as a budget for the upcoming fiscal period.
 - (ii) The Village, upon being satisfied with the Society's financial reporting and on-going budget, shall provide the Society with a grant of up to \$75,000 on or before every August 1 during the term of this Agreement, to be used for the purpose of meeting the Society's obligations to operate the Recreation Centre and provide Recreation Services.
 - (iii) The grants provided under this section shall be used only to balance any deficiency in the net operating and maintenance costs of providing the Recreation Service, after taking into consideration all revenue derived from operations. In the event that the entire \$75,000 amount of annual grant monies is not required for that purpose, the balance shall be accounted for in the budget for such following year and where any budget shortfall is less than \$75,000.00 then the grant provided pursuant to this section 7.1(c) shall be reduced accordingly.

- (iv) The Village will provide the Society with an additional annual grant of up to \$132,000 to be paid on or before August 1 of each year during the term of this Agreement. This grant will be used only for the repayment of the principal and interest of the loan obtained by the Society. If the annual principal and interest payment is less than \$132,000, the grant provided shall be reduced to the actual amount required.
- (v) If the revenue from the Recreation Centre and Recreation Service exceeds the operating costs, any balance shall be paid by the Society towards the repayment of any loan obtained by the Society towards the capital costs of the construction and development of the Recreation Centre and the cost of providing the Recreation Service.
- (vi) In the event that the Society defaults upon any required payment under its loan agreement, no further grants shall be payable by the Village under this section (r).
- (vii) The Village may, at its sole discretion, require the Society to undertake an independent audit of its financial reports, and to provide a copy of the audit to the Village.

TAX EXEMPTION

- (s) Provided that the Society continues to provide the Recreation Service in accordance with this Agreement, the Village shall, by bylaw, exempt the buildings and improvements on Lot 1 from the municipal portion of property taxes during the term of this Agreement.

TERMINATION

- (t) Despite section (b), this Agreement may be terminated by the Village upon 14 days notice to the Society if:
 - (i) the Arena Lands remain vacant or not used for a period of Ninety (90) without the written consent of the Landlord;
 - (ii) the Village is required to make any payment on any loan guarantee agreement entered into by the Village under this Agreement.

TERMINATION FOR NON-COMPLIANCE

- (u) If the Society is not in compliance with any terms of this Agreement, the Village may deliver written notice of non-compliance to the Society, setting out the particulars of the Society's violation of this Agreement.
- (v) Upon receiving notice of non-compliance under section (u), the Society shall have 14 days to fully remedy the non-compliance. If the Society does not completely correct the non-compliance within 14 days then despite section (b) this Agreement

may be terminated without further notice upon written notification from the Village to the Society.

MISCELLANEOUS

- (w) No waiver of any default under this Agreement by either party shall be effective unless expressed in writing by the party waiving default, and no condoning, overlooking or excusing by either party of a previous default shall be taken to operate as a waiver of any subsequent default or continuing default, or to in any way defeat or affect the rights and remedies of the non-defaulting party.
- (x) Upon not less than 24 hours notice to the Society, the Village shall have unrestricted access to the records of the Society relating to the development and operation of the Recreation Centre. The Village shall also have the right to inspect any portion of the Recreation Centre or other improvements constructed or controlled by the Society which are located upon Lot 1.
- (y) Any notice to be given pursuant to this Agreement shall be in writing, and may be delivered personally or sent by registered mail.
- (z) Any approvals given by the Village under this Agreement shall only be effective if authorized by a resolution adopted by Council of the Village.
- (aa) The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision and any such invalid or unenforceable provision shall be deemed to be severed.
- (bb) This Agreement may be executed in any number of counterparts, each of which when delivered, whether by facsimile copy or otherwise, shall be deemed to be an original and all of which together shall constitute one and the same document.

(cc) No amendment to this Agreement shall be valid unless in writing and executed by the parties.

IN WITNESS WHEREOF the parties hereto have executed this Agreement as of the day and year first above written.

SIGNED, SEALED AND DELIVERED)
in the presence of:)

Name)

Address)

Occupation)

originals signed _____
VILLAGE OF CHASE

SIGNED, SEALED AND DELIVERED)
in the presence of:)

Name)

Address)

Occupation)

Originals Signed _____
CHASE AND DISTRICT RECREATION
CENTRE SOCIETY

THIS LEASE dated for reference to 8th day of November, 2011.

BETWEEN:

VILLAGE OF CHASE

PO BOX 440
Chase, BC V0E 1M0

(the "Landlord")

AND:

CHASE AND DISTRICT RECREATION CENTRE

SOCIETY, a Society incorporated within the Province of British Columbia (Incorporation No.: S- S-0029734) of PO BOX 1239, Chase, BC V0E 1M0

(the "Tenant")

WHEREAS:

- A. The Landlord owns certain lands and improvements located in the Village of Chase, in the Province of British Columbia, which are commonly referred to as the Art Holding Memorial Arena, and which land and improvements are more particularly described as:

PID 007-891-750
Lot 1, District Lot 517 KDYD Plan 20201, Except plan KAP49449

(the "Arena Lands");

- B. Upon the Arena Lands are located the Art Holding Memorial Arena (the "Recreation Centre"), a parking lot, storage shed(s), sidewalks, other improvements and vacant areas.
- C. The Landlord and the Tenant have or intend to enter into a Partnering Agreement, pursuant to which the Tenant will operate the Recreation Centre.
- D. The Landlord and the Tenant desire to enter into this Lease Agreement to govern the Society's use of the Arena Lands during the term of the Partnering Agreement.

NOW THEREFORE THIS AGREEMENT WITNESSETH that in consideration of the mutual covenants and agreements herein contained, the parties covenant and agree with one another as follows:

1 GRANT OF LEASE, TERM AND RENT

- 1.1 **Grant of Lease** - In consideration of the rents received and the covenants and provisos herein contained on the part of the Tenant, the Landlord hereby leases the Arena Lands to the Tenant; provided that the Tenant's use of the Arena Lands is subject always to the terms and conditions of this Lease.

- 1.2 **Term** – The term of this Lease shall commence on the date the 1999 Arena Bylaw is repealed by the Landlord, (the “Commencement Date”) and end on the 31st day of May, 2019 (the “Term”).
- 1.3 **Base Rent** – The rent for the Term is one (\$1.00) dollar, and the Landlord acknowledges receipt of payment of rent in full.
- 1.4 **Additional Rent** – The Tenant shall pay, as additional rent, the moneys and other charges, costs and expenses herein provided to be paid by the Tenant.

2 USE

- 2.1 **Use** – The Tenant may have exclusive use and occupation of, and may operate and maintain any part of or the whole of the Recreation Centre, the Arena Lands and any present or future improvements located thereon.

The Tenant may, either at no charge or at a fee set by the Society, use or permit the whole or any part of Lot 1 to be used by any group or person for any purpose which is ancillary to or supportive of the use of Lot 1 for public recreation activities and the business of the Society, including without limitation commercial, public or private uses. For clarity, generating revenue for the Society from any source is considered a purpose ancillary to or supportive of the use of Lot 1 for public recreation activities and the business of the Society.

- 2.2 **Liquor License** – The Tenant is permitted by the Landlord to obtain liquor licenses for use at the Arena Lands (the “Tenant’s Liquor Licenses”). If the Tenant does obtain the Tenant’s Liquor Licenses, it covenants and agrees to:
- (a) obtain and maintain all necessary approvals from the Liquor Control and Licensing Branch (“LCLB”);
 - (b) keep the Tenant’s Liquor License in good standing;
 - (c) comply with the *Liquor Control and Licensing Act* and Regulations, and all applicable policies and directives issued by the LCLB or other regulatory authorities from time to time; and
 - (d) appropriately and immediately at its own cost and expense deal with and advise the Landlord of any enforcement or other action taken by any agency with respect to the Tenant’s Liquor Licences or the usage of the same.

3 TENANTS COVENANTS

- 3.1 **Covenants** - The Tenant covenants with the Landlord as follows:

- (a) **To Pay Rent** – to pay base rent and all additional rents and costs payable by the Tenant hereunder. Base rent and additional rent are hereby referred to as “rent”, and all rent in arrears shall bear interest at the rate of twelve (12%) percent per annum.;

- 3.2 **Fees and Taxes** – subject to this agreement, and as additional rent in each year during the Term, to pay and discharge as they become due all applicable fees, rates, taxes,

charges, assessments and levies of every nature and kind whatsoever, payable with respect to the Tenant's use and occupation of the Arena Lands, including, but not limited to: business licences fees, sales tax, whether payable now or in the future, and whether payable as a result of any change in tax status. The Tenant agrees to pay as they become due all charges for public utilities, including water, gas, electrical power and solid waste and recycling collection, used at the Arena Lands and for fittings, machines, apparatus, meters or other things leased in respect of them, and for all work or services performed by any corporation or commission in connection with the public utilities;

3.3 **Maintenance and Repairs** – at the Tenant's expense, to operate and maintain the Arena Lands in good order and condition and promptly make all needed repairs and replacements (reasonable wear and tear excepted) and to keep the Arena Lands, including all improvements constructed thereon, well painted, clean and in good condition; the repairs and replacements to be in all respects of high quality and workmanship, and to meet the requirements of municipal and government authorities and fire insurance underwriters. Furthermore, the Tenant will keep and maintain all pathways, roadways, sidewalks and parking areas clean and in good condition and free of ice and snow, rubbish and other debris;

(a) **Tenant's Improvements** – the Tenant shall:

- (i) be solely responsible for all necessary improvements, fixtures and furnishings in connection with its use of the Arena Lands;
- (ii) not erect, install, or alter any buildings, fixtures or other improvements in or upon the Arena Lands, or permit to be erected, installed, or altered any buildings, fixtures or other improvements in or upon the Arena Lands without having requested and obtained the Landlord's prior written approval, which shall not be unreasonably withheld;
- (iii) obtain and pay for all permits and licences required to complete all such permitted work;
- (iv) ensure that all such permitted work is performed by competent contractors and subcontractors; and
- (v) ensure that all such permitted work is performed in accordance with any reasonable conditions or regulations and completed in a good and workmanlike manner in accordance with the description of the work;

(b) **Title** – all improvements and fixtures in or upon the Arena Lands shall, immediately upon affixation, be and become the Landlord's property without compensation therefore. Upon termination of this agreement, all personal property of the Tenant relating to the operation of the Arena Lands and the Recreation Centre, including maintenance equipment, consumable supplies, keys, operating manuals and documents relating to the Tenant's activities on the Arena Lands, will become the Landlord's property. For clarity this does not include property of the Tenant which relates to the recreational activities run by the Tenant.

- (c) **Restoration of Arena Lands**– if the Arena Lands, any improvements or any property kept therein is damaged by the Tenant, its licensees, agents, employees, contractors, invitees, patrons or any other person admitted to the Arena Lands by the Tenant, the Tenant shall restore the Arena Lands to their condition prior to the damage;
- (d) **Safety** – not to permit anything to be done in, on or about the Arena Lands which is likely to endanger persons or property, and to promptly take all steps which may reasonably be required by the Landlord to protect persons or property;
- (e) **Capacity** – not admit to the Arena Lands a larger number of persons than the occupancy capacity thereof will accommodate;
- (f) **No Obstructions** – not to permit any portion of the sidewalks, entries or passages of the Arena Lands, including any improvements, to be or remain obstructed or used for any purpose other than for ingress and egress from the Arena Lands;
- (g) **Compliance With Laws** – to comply with and conform to the requirements of every applicable statute, law, bylaw, regulation, requirement and order from time to time in force during the Term affecting the condition, maintenance, use or occupation of the Arena Lands, and not do or suffer to be done anything in, on or about the Arena Lands during the term of this Lease in violation of any such laws, bylaws, rules or requirements, and if the attention of the said Tenant is called to any such violation on the part of the Tenant or any person employed by or admitted to the Arena Lands by the Tenant, the Tenant will immediately desist from and correct such violation;
- (h) **Inspection** – to permit the Landlord, its agents and servants, upon reasonable notice, to enter upon the Arena Lands for the purpose of viewing and inspecting the same, and the Tenant shall comply with and abide with all lawful, reasonable and proper directions given by the Landlord, its manager, agents and servants in respect of the use and occupation aforesaid;
- (i) **Surrender** – at the expiry of the Term or other sooner termination, to quit the Arena Lands and surrender the Arena Lands, including all improvements, and all the right, title and interest therein of the Tenant ceases and vests in the Landlord; provided, however, that no surrender of the Lease by the Tenant is valid unless accepted in writing by the Landlord;
- (j) **Storage Fees** – to pay storage rental for all property of the Tenant remaining on the Arena Lands after the expiry or sooner termination of this Lease unless left with the consent of the Landlord, together with any loss or damages sustained by the Landlord as a result of such storage;
- (k) **Removal Fees** – to pay the Landlord all expenses incurred by the Landlord in the removal from the Arena Lands of any property left thereon by the Tenant after the expiry or sooner termination of this Lease;
- (l) **Waste** – not to suffer any waste or injury to the Arena Lands or any part thereof, and not to use or occupy the Arena Lands or any part thereof or permit them to be used or occupied for an unlawful purpose; and

- (m) **Nuisance** - not to do or omit to do or permit to be done or omitted anything on or in respect of the Arena Lands the doing or omission of which (as the case may be) shall be or result in a nuisance.

4 INSURANCE AND LIABILITY

- 4.1 **Insurance Requirements** – The Tenant shall not do or permit to be done anything in or upon any portion of the Arena Lands or bring to or keep anything therein or thereon which shall in any way conflict with the conditions of any insurance policy covering the Arena Lands or any part thereof.
- 4.2 **Property Insurance** – At all times during the Term hereof, the Tenant shall, at no expense to the Landlord, maintain to the Landlord's satisfaction:
- (a) property insurance covering the improvements located on the Arena Lands, the Tenant's chattels and fixtures and the leasehold improvements, against loss or damage by fire, flood, lightning, explosion, sprinkler leakage and standard supplementary perils; such property insurance to be carried in an amount of not less than the replacement value of the chattels, fixtures and leasehold improvements; and
 - (b) commercial general liability insurance against any and all third party claims for bodily injury, death, or property damage whatsoever; such insurance shall name the Landlord as an ADDITIONAL INSURED but not as an ADDITIONAL NAMED INSURED and shall cover for not less than Five Million Dollars (\$5,000,000).
- 4.3 **Certificate of Insurance** – On or before the Commencement Date of this Lease, the Tenant shall promptly forward a Certificate of Insurance including insuring agreements acceptable to the Landlord. The Landlord will supply a form of insurance certificate to be completed by the Tenant's insurer containing minimum insurance coverage required by the Landlord. During the Term hereof, the Landlord may obtain directly from the Tenant's insurer copies of all such Certificates of Insurance and all such insuring agreements required under this Lease.
- 4.4 **Expiry** – Should the insurance policies under which the insurance certificate is drawn expire during the term of this Lease, the Tenant shall forward a renewal insurance certificate to the Landlord thirty (30) days prior to the expiry of said insurance policies on a form satisfactory to the Landlord.
- 4.5 **Insurance Carrier** – All required policies of insurance must be issued by insurers duly authorized by law to do business in the Province of British Columbia and shall include a provision that coverage shall not be cancelled or any material changes made unless thirty (30) days written notice has been given to the Landlord.
- 4.6 **Termination** – Should the Tenant fail to supply the Certificate of Insurance required by this Lease, then such Lease may be terminated by the Landlord.
- 4.7 **Tenant's Indemnity** – The Tenant hereby agrees to unconditionally INDEMNIFY and SAVE HARMLESS the Landlord, its agents and employees, from and against all loss, liability, costs,

charges, claims, actions, damages, expenses (including all legal fees and disbursements in connection therewith) which may arise out of:

- (a) any breach, violation or non-performance of any covenant, regulation, condition, or term of this Lease to be fulfilled, kept, observed, or performed by the Tenant;
- (b) damage to the property of the Tenant, or a subtenant or licensee of the Tenant and persons claiming through the Tenant, or damage to other property; and
- (c) injury to or the death of a person or persons occurring on the Arena Lands,

provided, however, that this indemnification shall in no event extend to the direct, primary and proximate results of the negligent or wilful conduct of the Landlord, its agents, employees or representatives; and this indemnity shall survive the expiry or sooner termination of this Lease.

4.8 **Limitation of Liability** – Notwithstanding any other provision herein, the Landlord shall not be responsible for any loss, injury (including death) or damage to the Tenant, its licensees, agents, employees, contractors, invitees, patrons or any other person admitted to the Arena Lands by the Tenant, occurring in or about the Arena Lands from any cause whatsoever, and the Tenant expressly releases the Landlord from any and all liabilities, damages, costs, claims, suits or actions associated with such loss, injury or damage.

5 **REGISTRATION OF LEASE**

5.1 The Tenant shall not be entitled to register this Lease at the Land Title Office.

6 **LANDLORD'S COVENANTS**

6.1 **Covenants** - The Landlord covenants with the Tenant as follows:

- (a) **Quiet Enjoyment** – for quiet enjoyment;
- (b) **Alterations by Tenant** – upon written request by the Tenant, to permit the Tenant to make with the written consent of the Landlord, such consent not to be unreasonably withheld, alterations or additions to the improvements located on the Arena Lands at the expense of the Tenant that will, in the judgment of the Tenant, better adapt them to the purposes of its operations; provided, however, that the alterations or additions shall not impair the structural strength of any buildings or other structures.

7 **PROVISOS**

Provided always, and it is agreed between the parties:

7.1 **Default Provisions** – whenever:

- (a) the Arena Lands remain vacant or not used for a period of ninety (90) days without the written consent of the Landlord; or
- (b) the Tenant fails to perform or observe any of the covenants, agreements, provisions, conditions or provisos contained in this Lease on the part of the Tenant, and the failure

continues for, or is not remedied within thirty (30) days next after the giving of written notice by the Landlord to the Tenant of the nature of the failure;

- (c) the Term hereby granted is taken in execution or attachment; or
- (d) the Landlord is required to make any payment on any loan guarantee agreement entered into between the Landlord and the Tenant,

it is lawful for the Landlord to enter upon the Arena Lands or any part thereof in the name of the whole, and this Lease shall at the option of the Landlord, and with or without entry, terminate, and all the rights of the Tenant with respect to the Arena Lands shall be absolutely forfeited. If the condition complained of reasonably requires more time to cure than the thirty (30) day period and the Tenant, after notice, diligently completes the same, then the Landlord will withhold its default remedies to allow the Tenant time to cure the default;

- 7.2 **Holding Over** – if upon the termination of this Lease the Landlord permits the Tenant to remain in possession of the Arena Lands and accepts rent, a tenancy from year to year is not created by implication of law and the Tenant is deemed to be a monthly tenant only, subject to all the terms and conditions of this Lease, except as to duration;
- 7.3 **Evidence of Payments** – the Tenant shall from time to time at the request of the Landlord produce to the Landlord satisfactory evidence of the due payment of all amounts required to be paid by the Tenant under this Lease;
- 7.4 **Landlord's Right to Pay Tenant's Obligations** - if the Tenant fails to pay any taxes, rates, insurance premiums or charges which it has covenanted to pay in this Lease, the Landlord may pay them and charge the sums paid to the Tenant who shall pay them forthwith on demand; and the Landlord, in addition to other rights, shall have the same remedies and may take the same steps for the recovery of all such sums as if they were rent arrears. All arrears of rent and moneys paid by the Landlord under this Lease shall bear interest at the rate of twelve (12%) percent per annum from the time the sums become due until paid to the Landlord;
- 7.5 **Additions and Fixtures** – any building, erection or improvement placed or erected upon the Arena Lands shall become a part of them and shall not be removed and shall be subject to all the provisions of this Lease, but no building, erection or improvement shall be erected upon the Arena Lands without the prior written consent of the Landlord;
- 7.6 **Fully Net Lease** – it is the intention of the parties that the rent to be paid in this Lease shall be net to the Landlord and clear of all taxes, costs and charges arising from or relating to the Arena Lands and that the Tenant shall pay all charges, impositions and expenses of every kind relating to the Arena Lands, save for those specifically undertaken by the Landlord or those specifically exempted in this Agreement, and the Tenant covenants with the Landlord accordingly;
- 7.7 **Force Majeure** – in the event that the Arena Lands or any part thereof shall be destroyed or damaged by any cause whatsoever, or if any other eventuality or unforeseen occurrence such as a labour strike or employee lockout by management or any other labour disruption shall render the fulfilment of this Lease by the Landlord impossible, then and thereupon:

- (a) the Tenant shall be relieved of payments for any such period of time that the Arena Lands are unavailable for the various uses contemplated in this Lease; and
- (b) the Tenant hereby waives any claim for damages or compensation should the Arena Lands be so rendered unavailable.

- 7.8 **Damage or Destruction** - In the event the Recreation Centre is wholly or partially damaged or destroyed by any cause, the Tenant shall promptly repair, replace, restore or reconstruct the Recreation Centre;
- 7.9 **No Agency** – the Tenant acknowledges that its servants, agents and employees shall not be deemed to be agents, servants or employees of the Landlord;
- 7.10 **No Warranty** – the Tenant acknowledges that neither the Landlord nor anyone on its behalf has made any warranty or representation as to the state of repair, or to the fitness for the Tenant’s purposes of the Arena Lands;
- 7.11 **No Assignment** – notwithstanding anything else contained in this Agreement, the Tenant shall not be entitled to assign this Lease or any right or privilege hereunder, including the granting of a sub-lease, licence or any other interest in land, without the prior written consent of the Landlord, which consent may be arbitrarily withheld;
- 7.12 **Non-waiver** – any condoning, excusing or overlooking by the Landlord of any default, breach or non-observance by the Tenant of any covenant, proviso or condition herein contained does not operate as a waiver of the Landlord’s rights hereunder in respect of any continuing or subsequent default, breach or non-observance, nor defeat or affect in any way the rights of the Landlord hereunder in respect of any continuing or subsequent default, breach or non-observance, and all rights and remedies contained on the part of the Landlord are deemed to be cumulative and not alternative;
- 7.13 **Notices** – all notices given pursuant to this Lease are sufficiently given if mailed, prepaid and registered, to the address on the first page of this Lease and any notice may be personally delivered. The date of receipt of any mailed notice is deemed to be ten (10) days after mailing. Either of the parties may at any time give notice in writing to the other of any change of address and thereafter all notices shall be mailed to the new address so notified;
- 7.14 **Amendment** – this Lease may not be modified or amended except by an instrument in writing signed by the parties hereto or by their successors or assigns;
- 7.15 **Binding Effect** – the terms and provisions of this Lease extend to, are binding upon and enure to the benefit of the parties, their successors and assigns, subject to the consent of the Landlord being obtained, as provided in this Lease, to any assignment or sublease by the Tenant;
- 7.16 **Law** – this Lease shall be governed by, and construed in accordance with, the laws of the Province of British Columbia and the laws of Canada, as applicable, and each of the parties submits to the jurisdiction of the Courts of British Columbia with respect to this Lease;
- 7.17 **Time** – time shall be of the essence in this Lease, for all purposes; and

7.18 **Further Acts** – the Parties agree to do and to execute all such further acts and assurances as may be necessary to give more and full effect to the intent of this Lease.

IN WITNESS WHEREOF the Parties hereto have hereunto set their hands and seals by their proper officers duly authorized therefore on the day and year first above written.

VILLAGE OF CHASE by its authorized signatory(ies):

Per: _____ **originals signed** _____

Per: _____ **originals signed** _____

CHASE AND DISTRICT RECREATION CENTRE SOCIETY, by its authorized signatory(ies):

Per: _____ **originals signed** _____

Per: _____ **originals signed** _____

BETWEEN:

VILLAGE OF CHASE

OF THE FIRST PART

AND:

**CHASE AND DISTRICT RECREATION CENTRE
SOCIETY**

OF THE SECOND PART

LEASE

File No. 3044-69 LCC/

FULTON & COMPANY LLP
Lawyers & Trademark Agents
300 – 350 Lansdowne Street
Kamloops, BC
V2C 1Y1

Recreation Centre Society "Wish List"
February 26, 2021

Administration has reviewed the Recreation Centre Society's 'wish list' of things that need to be done at the Arena, based on the language of the partnering agreement and lease agreement *currently in effect* until new agreements come into effect.

As with other leases/agreements with other entities who are leasing a Village owned facility or operating a Village owned facility on behalf of the Village, the Village of Chase is responsible for the structural and mechanical operations of the building. For the Arena this would also include the ice making equipment.

Location	Item	Description
OutFront	1	Asphalt Repair
OutFront	2	Repair Gravel area
OutFront	3	Asphalt Repair behind Subway
OutFront	4	Exterior lights upgrade
OutFront	6	Window in corner office broke for 15 years
OutFront	7	Better snow plowing
OutFront	8	Line Painting – remove cement barriers
OutFront	11	Eavestrough repairs/replacement
Front Entrance	1	Front Doors
Bathrooms	3	External Door & Lock Replacement
Bathrooms	7	Plumbing Stack rebuild
Stands	2	Exhaust pipes on 5 heaters
Machine Room	1	Exhaust Fan
Machine Room	2	Dehumidifier
Machine Room	3	3 Pump Motors
Zamboni Garage	1	Zamboni
Zamboni Garage	2	Hot Water Tanks
Zamboni Garage	4	Snow Pit – need more information on what this is
Zamboni Garage	5	2 nd Zamboni Storage
Mezzanine	1	Plumbing Stack above wet bar

Partnering Agreement applicable sections:

Under Society's Obligations

- (g) The Society, through the Board, shall:
- (iii) provide all equipment, supplies and operating personnel necessary to provide the Recreation Service which may include entering into contracts for management, maintenance and the provision of food or other services in the Recreation Centre and on Lot 1.

Lease Agreement applicable sections:

3.3 Maintenance and Repairs – at the Tenant's expense, to operate and maintain the Arena Lands in good repair order and condition and promptly make all needed repairs and replacements (reasonable wear and tear excepted) and to keep the Arena Lands, including all improvements constructed thereon, well painted, clean and in good condition; the repairs and replacements to be in all respects of high quality and workmanship, and to meet the requirements of municipal and government authorities and fire insurance underwriters. Furthermore, the Tenant will keep and maintain all pathways, roadways, sidewalks and parking areas clean and in good condition and free of ice and snow, rubbish and other debris;

- (a) Tenants' Improvements – the Tenant shall:
- (i) be solely responsible for all necessary improvements, fixtures, and furnishing in connection with its use of the Arena Lands

Location	Item	Description
OutFront	5	Sign in front of Arena
OutFront	9	Parking signage
OutFront	10	Camera
OutFront	12	Parking Pylons
Front Entrance	2	Map of Building posted
Front Entrance	3	Painting
Front Entrance	4	Camera
Front Office	1	Cupboards and shelving
Front Office	2	Stereo Rack
Front Office	3	Amp in Penalty Box
Front Office	4	Alarm update
Front Office	5	First Aid Station-1 st aid bag 20 years old
Front Office	6	Painting
Front Foyer	1	Showcase need sprucing up
Front Foyer	2	Painting
Front Foyer	3	KIJHL stat Boards
Front Foyer	4	Painting

Front Foyer	5	Janitor Closet need shelving
Front Foyer	6	Camera
Bathrooms	1	Toilet Seats
Bathrooms	2	Men's Urinal dividers
Bathrooms	4	Ladies Counter Repair
Bathrooms	5	Bulletin Boards where the mirror keeps getting broke
Bathrooms	6	Painting
Change Rooms	1	Painting
Change Rooms	2	Doors & Door Locks
Change Rooms	3	Dry Erase Bords
Change Room	4	Stick Rack
Stands	1	Seat Replacement
Stands	3	Painting
Penalty Box	1	New Amp
Penalty Box	2	Glass
Zamboni Garage	3	Weatherstrip doors
Zamboni Garage	6	¾ 210 foot flood hose
Back of Arena	1	Paint Garage Door
Back of Arena	2	Paint Brick
Back of Arena	3	Fence lock up bad shape??
Back of Arena	4	Sean Can for Storage
Back of Arena	5	Maybe rebuild with roof wood from the mill?
Heat World	1	Door Panic Bar
Heat World	2	Door Stop
Heat World	3	Coat hooks in Ref Room
Benches & Ice	1	New flooring in benches
Benches & Ice	2	New Lexan 10 pieces
Benches & Ice	3	Back gate ledge lexan
Mezzanine	2	Ceiling Tiles
Mezzanine	3	Three bulb ballasts
Mezzanine	4	Lock up for Beer Cooler