

OPERATING AGREEMENT

THIS AGREEMENT made the _____ day of _____, 2019.

BETWEEN:

CARIBOO REGIONAL DISTRICT

a statutory corporation having
its offices at Suite D, 180 North Third Avenue,
Williams Lake, B.C. V2G 2A4

(Hereinafter called the "Region")

OF THE FIRST PART

AND:

THE 100 MILE HOUSE CURLING CLUB

a society incorporated under the
Societies Act of the Province of
British Columbia under certificate
No. 13719 whose postal address is
Box 924, 100 Mile House, B.C.
V0K 2E0

(Hereinafter called the "Club")

OF THE SECOND PART.

WHEREAS the Region is the registered owner of those lands and premises situate, lying and being in the Region and more particularly known and described as:

Lot 1
District Lot 2139
Lillooet District
Plan 32659

(hereinafter called the "Land")

AND WHEREAS the Region has, through Bylaw 4837 (2013) the South Cariboo Recreation Service, the authority to acquire a site for and construct, equip, operate and maintain a curling rink

within the District of 100 Mile House, as shown on Schedule "A" which is attached to and forms part of this Agreement;

AND WHEREAS the Region has constructed upon the said Land a curling rink facility (hereinafter called the "Premises");

AND WHEREAS the Club has agreed to operate the curling rink facility constructed and owned by the Region under the terms herein contained and for the considerations herein set forth;

NOW THIS AGREEMENT WITNESSETH that in consideration of the premises and the covenants hereinafter contained the parties hereto covenant and agree, each with the other, as follows:

Term

1. The Club shall be the primary user of the curling rink portion of the building for a period of approximately six months each year commencing on or about the 20th day of September, 2019 to and including the 31st day of March, 2024.

This Agreement will remain in effect after its expiration date to facilitate negotiations for renewal of the Agreement. This succession will be considered a temporary, month-to-month arrangement and continue to be subject to all terms of this Agreement. If attempts to renew the Agreement are unsuccessful, it may be terminated upon ten (10) days Notice to the other parties by the Region or the Club.

Lounge

2. During the term hereof, and unless this agreement is otherwise terminated, the Club shall have the exclusive use of the second floor lounge portion of the building under the terms and conditions of an occupancy agreement of even date herewith.

Use of Premises by Region

3. During the period of each year from the first day of April to and including the 20th day of September, the lower viewing area, kitchens and washrooms adjacent thereto and the first floor of the premises may be used by the Region or such persons as the Region may so designate and during such period of use by the Region or the person it designates, the Region shall be fully responsible for the maintenance and operating costs and for all liability arising out of such use, and the Region doth indemnify and save harmless the Club with respect to same. The Region shall repair, at the Region's expense, any damage done to that part of the premises so used during such period of use.

Use

4. (a) The Club shall use the premises for the purposes of curling and all ancillary uses in connection therewith and what shall be deemed to be an ancillary use shall be for the Club to decide at its sole discretion.
- (b) Where such ancillary uses include the rental of any portion of the Premises, the Club shall utilize and ensure compliance with the standard Facility Rental Agreement provided by the Region, as shown on Schedule “B” which is attached as an example document for reference.

5. Recreation Passes

The curling rink and premises are funded through the sub-regional recreation function of the Region in partnership with the District of 100 Mile House. As such, all registered participants using the rink must hold a valid Recreation Pass as required by Cariboo Regional District Fees and Charges Bylaw No. 5602 and subsequent amendments thereto.

This requirement does not apply to drop-in curling and bonspiels.

6. Public Curling Hours

The Club shall, as a condition of this Agreement, offer public curling hours on at least a weekly basis and at such additional times as the Club may determine to be suitable and shall provide all necessary advertising and access for persons to reasonably be aware of public curling times and to book times and shall operate the facility during such periods of time.

Utilities

7. For the term of this agreement, the Region shall pay all water, sewer, garbage, electric, and natural gas charges levied against the Premises.

License

8. The Club shall pay any business or other license charged by any municipal, provincial or federal agency for the operation of the Club or Lounge facilities in the premises.

Fees

9. The Club shall pay to the Region:

- (a) On the 31st day of October, in each year of the term, the sum of Six Thousand (\$6,000.00) Dollars + GST.
- (b) On the 31st day of March, in each year of the term, the sum of Six Thousand (\$6,000.00) Dollars + GST.

Repair

- 10. The Club shall, during the term of the Agreement, keep the Premises in good repair and shall repair, at the cost of the Club, according to notice given to it by the Region. The Region shall repair all major structural deficiencies of the Premises as required.

Improvements

- 11. At the termination of this Agreement any improvements to the Premises shall become the property of the Region and shall remain part of the Premises following the termination of this agreement.

Renewal

- 12. At the expiration of the said term, this Agreement may be renewed upon agreement by the parties hereto.

Termination

- 13. At the termination of this Agreement the Club shall have thirty (30) days from the date of such termination to remove any personal property of the Club from the premises and any property that then remains on the Premises shall become the property of the Region.
- 14. Either party may terminate this Agreement at any time by providing the other party with one year's written notice of its intent to so terminate.

Maintenance

- 15. The Club shall, during the term of the Agreement, maintain and preserve the premises in good order and shall operate and maintain the same in a diligent and workmanlike manner and shall keep the accesses to the Premises free and clear of snow and ice.

Assignment

16. The Club shall not assign this Agreement except with the written consent of the Region.

Insurance

17. The Region shall insure and maintain insurance against liability in its interest, damage or loss to the premises resulting from theft, fire or other similar causes.

Should the Premises or any part thereof at anytime during the term thereof, be burned down or damaged by fire, lightning, explosion or tempest so as to render the same unfit for the purpose of a curling rink this agreement may be terminated by either of the parties hereto and in that event:

- (a) insurance monies to be made payable in case of loss shall be payable to the Region;
 - (b) if the building shall be destroyed by fire, the reconstruction of the building shall be entirely at the option of the Region.
18. The Club shall insure in its own name, the contents of the premises owned by the Club and all monies and benefits from such insurance shall be the absolute property of the Club.

Liability Insurance

19. The Club shall, during the term of the Agreement, carry public liability insurance in a form acceptable to the Chief Financial Officer of the Region and in an amount of not less than Five Million (\$5,000,000.00) Dollars covering each individual occurrence or accident. The policy will name the Region as an additional insured party. A copy of proof of insurance shall be provided to the Region at the execution of the Agreement and annually thereafter.

Compliance

20. The Club shall, in the operation and maintenance of the facility, comply with all local government, provincial and federal legislation relating thereto. Failure to do so will be considered a breach of this agreement.

Arena Ice Plant

21. The Region shall provide and maintain for the use of the Club the ice making apparatus and/or machinery as is required by the Club to provide, make or place ice in the premises for the purpose of curling.

22. No liability shall rest with the Region for failure to provide ice for use by the Club if such failure is caused by mechanical failure, labour disputes or other matters beyond the direct control of the Region. In the event of such failure, fees will be pro-rated on the basis of the time the service was provided and the Club shall be entitled to a refund of any fees paid for periods during which the failure prohibited their use of the facility. In addition, the Club shall be entitled to terminate this Agreement if the Region fails to resolve the situation in a timely manner.

Budget

23. The Club shall provide the Region in each year, on or before the 31st day of October, a budget for the following year's operation. Any improvements to the facility contained within the Club's budget shall be subject to approval by the Region prior to any work being undertaken.

The Club shall further provide the Region in each year, on or before the 30th day of September, any proposed capital works or improvements to the facility which it requests be undertaken by the Region, for consideration by the Region in its annual budgeting process.

The Region shall advise the Club of any works approved for inclusion within the budget following the adoption of the final budget by the Cariboo Regional District Board.

The Club shall further provide the Region in each year, on or before the 31st day of March, an Annual Report which shall include financial statements.

Default

24. Should the Club default in any of the covenants herein contained to be performed by the Club then and in that event the Region may terminate this Agreement immediately should the Club fail to rectify such default within thirty (30) days of being given notice so to do.

Indemnity

25. During the term of the Agreement, the Club covenants and agrees to indemnify and save harmless the Region and all of its employees, servants, representatives and agents, from and against all claims, demands, causes of action, suits, losses, damages and costs, liabilities, expenses and judgments (including all actual legal costs) which the Region or its employees, servants, representatives or agents incur, suffer or are put to arising out of or in connection with any failure, breach or non-performance by the Club of any obligation of this agreement, or any wrongful or negligent act of the Club or any employee or agent of the Club.

The indemnity will survive the termination or completion of this agreement and, notwithstanding such termination or completion, will continue in full force and effect for the benefit of the Region.

Cessation of Club

26. Should the Club at any time during the term hereof, cease to exist as a Club, then and in that event their right of occupancy and any other rights hereunder shall be forthwith terminated but nevertheless the assets of the Club shall be chargeable for any liability remaining unpaid at such time to the Region.

Insolvency

27. Should the Club at any time become insolvent or bankrupt or make an assignment for the benefit of creditors, or should proceedings be taken to wind-up the Society or in case of the non-payment of fees at any times herein provided for or in case the Club fails to maintain, operate and occupy the Premises for a period of sixty (60) days during the term of the Agreement or should the Premises be used for any purpose other than that provided for herein without the written consent of the Region then this Agreement shall cease and be at an end at the option of the Region subject to the Club and its assets being charged with any liability then outstanding to the Region. Under such circumstances the Region may reenter and take possession of all portions of the Premises whether during a period of exclusive possession or otherwise.

Entire Agreement

28. This Agreement constitutes the entire Agreement between the parties hereto and there are no representations or warranties, express or implied, statutory or otherwise, and no agreement collateral hereto other than as expressly set forth or referred to herein.

Interpretation

29. Wherever the singular or masculine is used herein the same shall be construed as meaning the plural or the feminine or body corporate or politic where the context or the parties so require.

Captions

30. The captions or headings appearing in this Agreement are inserted for the convenience of reference only and shall not affect the interpretation of this Agreement.

IN WITNESS WHEREOF the said parties hereto have hereunto have signed on the day and year first above written.

CARIBOO REGIONAL DISTRICT

Chair

Corporate Officer

Signed by Officers of the
100 MILE HOUSE
CURLING CLUB
in the presence of:

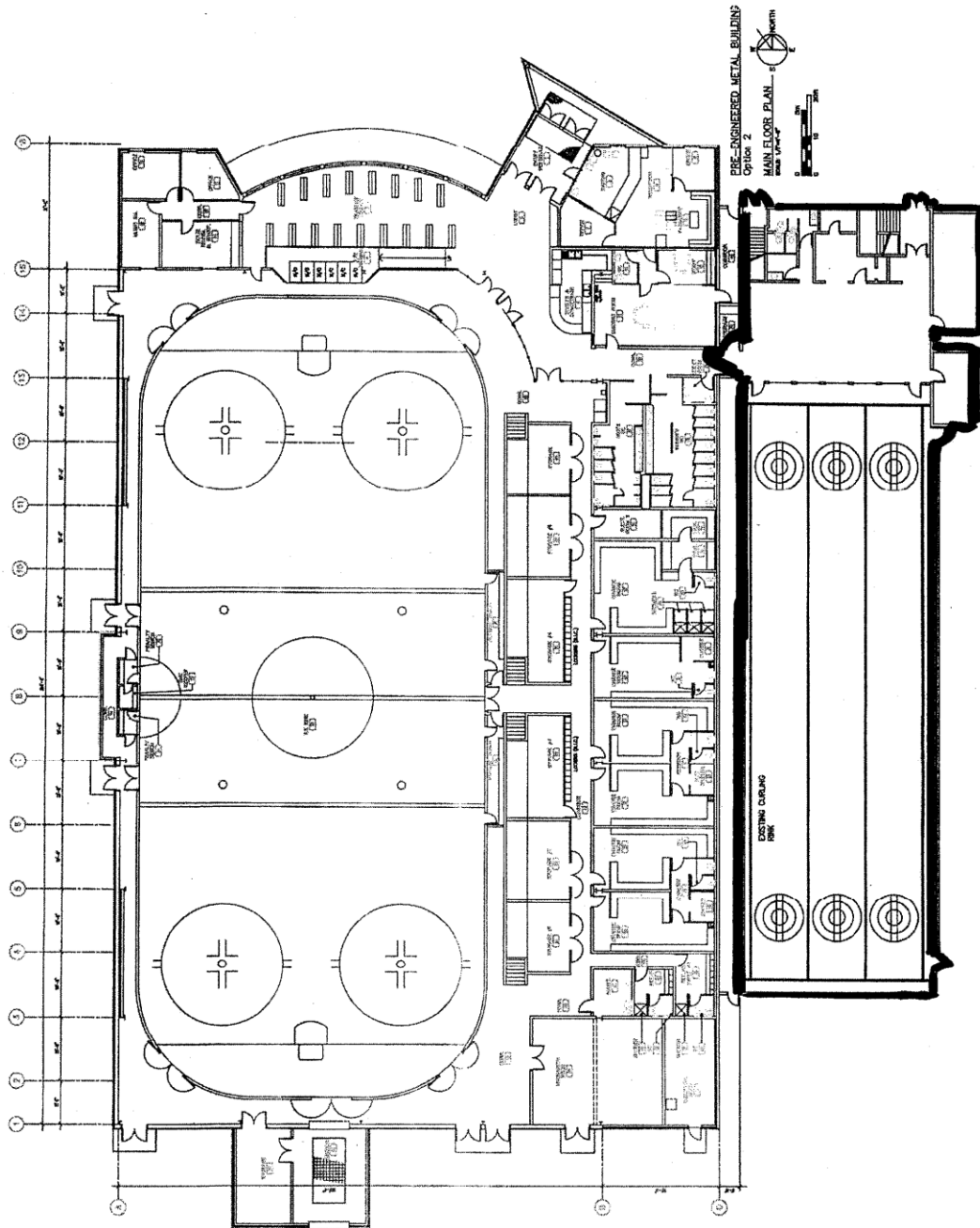
Signature of Witness

Signing Officer

Name of Witness

Name of Signing Officer

Schedule “A”



Schedule “B”