



Recreation Governance Committee

Subject:	Bow Valley Agricultural Society – Three Year Operational Funding Agreement
Date:	February 7, 2024
Presenter:	Tanzeela Naji, Community Services Coordinator
Department:	Recreation, Parks & Community Support

REPORT SUMMARY

This report includes the background information and key items noted in the new three-year operational recreation and culture funding agreement with Bow Valley Agricultural Society (BVAS).

ADMINISTRATION’S RECOMMENDATION

THAT the Recreation Governance Committee approve the operational recreation and culture funding agreement, as per Attachment A.

BACKGROUND

The 2021 Recreation and Parks Master plan noted a recommendation that Administration should explore the option of three-year funding agreements with the larger County facilities that have a history of operational assistance requests. The plan notes that providing the three-year agreements to these facilities can provide a better sense of financial security when planning their operational budget. Additionally, the agreements allow Administration to adequately anticipate all the total amounts of operational funding that may be requested from all the recreation and culture service providers.

DISCUSSION

The agreement presented in this report mirrors the principles that are currently reflected in the inter-municipal recreation cost sharing agreements and is consistent with the three-year agreement with Springbank Park For All Seasons, which was recently approved by the Recreation Governance Committee (RGC) in December.

Within the agreement, it is noted that both parties have worked collaboratively for many years to deliver quality recreational services to County residents and that this agreement serves to formalize that relationship.

The initial draft of the agreement was created in collaboration between Administration and the BVAS board. Pending approval from the RGC, the agreement will be signed by both parties with the first annual operational payment being released in the summer of 2024.

The agreement has a term of three years commencing in 2024 and ending or renewing December 31, 2026, and only reflects operational funding assistance. The facility may still apply for capital grants in accordance with policy C-317. The agreement also features accountabilities for the facility to encourage further financial sustainability such as fundraising plans, capital and lifecycle plans, audited financials and three-year budgets as identified in Schedule “A” of the attached agreement.

Bow Valley Agricultural Society – Three Year Operational Funding Agreement

The new three-year agreement model for large recreation facilities will provide a consistent funding framework for stable budgeting purposes and also streamline the administrative process for both the non-profit organization, and for the County.

ALTERNATE DIRECTION

Administration does not have an alternate direction for RGC's consideration.

ATTACHMENTS

Attachment A: Bow Valley Agricultural Society – Operational Recreation and Culture Funding Agreement

OPERATIONAL RECREATION AND CULTURE FUNDING AGREEMENT

THIS AGREEMENT made effective as of the 1st day of January 2024

BETWEEN:

ROCKY VIEW COUNTY
(herein called the "County")

and

BOW VALLEY AGRICULTURAL SOCIETY
(herein called the "Facility")

WHEREAS:

- (a) Pursuant to the Municipal Government Act, R.S.A. 2000, Chapter M-26, and amendments thereto, a municipality may provide any service that it provides within its own boundaries in another municipality with the agreement of that other municipality;
- (b) The Parties wish to provide suitable terms and conditions for the provision of recreation and cultural facilities and services;
- (c) The Facility provides access and services to the residents of the County to unique recreation and cultural amenities;
- (d) three-year operational funding agreements allow facilities and municipalities to better plan their operations and allocation of funds.

1.0 In This Agreement, the following terms shall mean:

- 1.1 **"Agreement"** shall mean this Operational Recreation and Culture Funding Agreement together with the following schedules:

Schedule "A" **Required Facility Reporting Documents**
Schedule "B" **Dispute Resolution Process**

- 1.2 **"Annual Recreation and Culture Contribution"** shall mean the County's share in providing operational funding to support existing recreation and cultural services.
- 1.3 **"Capital Funding"** shall mean the cost of capital projects. For the purposes of this Agreement, Capital Costs applies to the capital projects related to recreation and cultural infrastructure assets over \$10,000 with a life span of five years or greater.
- 1.4 **"Dissolution Agreement"** is an agreement as defined in the Municipal Government Act of Alberta.
- 1.5 **"Operational Funding"** means funds for the ongoing cost of running a facility, which may include planned life cycle maintenance costs.
- 1.6 **"Parties"** shall mean the County and the Facility collectively.
- 1.7 **"Recreation and Parks Master Plan"** is a document created in 2021 to guide the development, delivery and continuous improvements of Recreation and cultural products, services, and facilities.

**OPERATIONAL RECREATION AND CULTURE FUNDING AGREEMENT BETWEEN BOW VALLEY AGRICULTURAL
SOCIETY & ROCKY VIEW COUNTY**

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2.0 Purpose:

- 2.1 The Parties agree that recreation and culture are essential to quality of life and are a proactive means for enhancing individual and community vitality. Participation in recreation and cultural pursuits builds family unity and social capital, strengthens volunteerism and community capacity development, enhances social interaction, and promotes sensitivity and understanding of cultural diversity.
- 2.2 The Facility and the County have a long standing, respectful relationship, encouraging mutual cooperation and efficient delivery of recreation and cultural services.
- 2.3 This agreement is designed to formalize the historical commitment toward recreation and cultural amenities that have already been established. The objective of this agreement is to support recreation and cultural facilities and services in the best interest of the Facility and County residents.

3.0 Term of Agreement:

- 3.1 The Term of this Agreement shall be for a period of three (3) years and will commence January 1, 2024, (the "Effective Date") and continue to December 31, 2026 (the "Termination Date") with the understanding that this Agreement is to be reviewed six (6) months prior to the termination date, no later than July 1, 2026 (the "Review Date").
- 3.2 Either Party may terminate this Agreement but only upon ninety (90) days written notification.
- 3.3 This Agreement may be renewed or amended upon the mutual written consent of the Parties.
- 3.4 If the annual budget provided fluctuates $\pm 20\%$ of the previous years audited financials. A comprehensive review of the County funding commitment may occur and additional documents may be required.

4.0 Services and Fees:

- 4.1 Based on the framework outlined in the 2021 Recreation and Parks Master Plan, the County shall be responsible for providing the Facility, by August 1st of each year, annual operating funding for the term of this agreement;

2024	\$95,000
2025	\$98,000
2026	\$101,000

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- 4.2 The Facility must demonstrate a financial need for the operating funding (e.g., operating at a financial deficit or up to a 10% surplus without funding assistance provided).
- 4.3 Facility operators must demonstrate that initiatives are being undertaken to access (or attempts to access) funding from other unearned revenue sources such as fund raising, other grants, advertising, sponsorships, etc.
- 4.4 Funding must be used for facility operational needs and not capital projects.
- 4.5 A 10-year capital project and estimated lifecycle plan must be provided to the County to show accountability for large transfers into reserve accounts.
- 4.6 It is further understood and agreed that nonprofit registered organizations that operate in the Facility and support County residents are eligible to apply for operational funding to support their programs.
- 4.7 This agreement does not take into account any Capital Funding contributions that would be requested of the County if additional recreation or cultural facilities are to be constructed by the Facility for the use and enjoyment of County residents.
- 4.8 New or the expansions of existing recreation facilities shall be in consultation and agreement with the County if Capital Funding or future Operational Funding support is anticipated.
- 4.9 A Dissolution Agreement, favouring the County when the County's name is not on the title or does not own the land, must be executed by the applicable jurisdiction and/or organization when capital funding support is anticipated.
- 5.0 Delivery of Services:**
- 5.1 Delivery of services shall be the responsibility of the Facility and their respective boards or community organizations approved by the County.
- 5.2 This agreement works in conjunction with the current License of Occupation the Facility may hold with the County.
- 6.0 Dispute Resolution:**
- 6.1 The Parties will meet to attempt to resolve any disputes that may arise under this Agreement.
- 6.2 In the event the Parties are unable to resolve a dispute, the Parties will follow the process outlined in "Schedule B – Dispute Resolution Process."

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7.0 General:

7.1 Cooperation is essential in developing a collaborative approach in supporting recreation and cultural opportunities for the collective community. This agreement is intended to, through partnership; assist in developing priorities in the delivery of recreation and cultural services for the community.

7.3 No interest in this Agreement may be assigned without the prior written consent of the Parties hereto. No Party may be added as a Party to this Agreement without the prior written consent of the Parties hereto.

7.4 If any Party desires to give notice to any other Party under or in connection with this Agreement, such notice is to be given as follows:

(a) by the Facility to the County by delivery to or by postage prepaid mail addressed to:

Rocky View County

262075 Rocky View Point

Rocky View County, Alberta, T4A 0X2

Attention: Chief Administrative Office or Executive Director, Community
Services

or by email to the County at recreation@rockyview.ca

(b) by the County to the Facility by delivery to or by postage prepaid mail addressed as follows:

BOW VALLEY AGRICULTURAL SOCIETY

2255155A RR281 A

Attention: President of the Board

or by email to admin@indusrec.ca

7.5 A waiver by any Party hereto of the strict performance of the other of any covenant or provision of this Agreement will not of itself constitute a waiver of any subsequent breach of such covenant or provision, or of any other covenant, provision, or term of this Agreement.

7.6 Each of the Parties at all times will do all such further acts and execute and deliver all such further documents and assurances as may be reasonably required in order to fully perform and carry out the terms of this Agreement.

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- 7.7 All documents submitted to the Parties will be subject to the protection and disclosure provisions of the Freedom of Information and Protection of Privacy Act, RSA 2000, Chapter F-25, and amendments thereto.
- 7.8 Except as set forth in this Agreement, the Parties do not guarantee or warranty that any facility or service will be open, available, or fit for service at any given time. The Parties acknowledge that there may be circumstances beyond the Parties' control that will result in facilities or services not being available for use by County residents. Should this occur, there will be no compensation or remedy due and payable to either Party.
- 7.9 Neither of the Parties or their delegates shall be liable for any loss or damage to the other Party or be deemed in breach of this Agreement to the extent that performance of its obligations or attempts to cure any breach under this Agreement are delayed or prevented as a result of any event or circumstance beyond its reasonable control, including with limitation, power or utility interruptions, or the inability to secure service or staff so long as it resumes performance as soon as practical if the reason for delaying the performance no longer exists.
- 7.10 The Parties agree that they have expressed herein their entire understanding and agreement concerning the subject matter of this Agreement.
- 7.11 The recitals set out at the beginning of this document and the schedules attached hereto are hereby made part of this Agreement.

IN WITNESS WHEREOF the Parties hereto have caused to be hereto affixed their respective corporate seals attested by the signatures of their respective duly authorized signing officers of the day and year first above written.

BOW VALLEY AGRICULTURAL SOCIETY

Per: _____
Signing Authority Title

Per: _____
Signature

ROCKY VIEW COUNTY

Per: _____
Signing Authority Title

Per: _____
Signature

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Schedule "A" -

Required Facility Reporting Documents

A comprehensive list of required documents is shown below. All items must be submitted prior to the start date of this agreement and updated annually prior to August 1 of each year.

1. Most Recent Audited Financials
2. Current 3 Year Operating Budget
3. 10 Year Capital Plan
4. 3 Year Fundraising Strategy
5. Bylaws
6. List of Board of Directors
7. Organizational Structure

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Schedule "B"

Dispute Resolution Process

A. Definitions

- 1) **"Initiating Party"** means a Party who gives notice under section B of this Schedule;
- 2) **"Mediation"** means a process involving a neutral person as a mediator who assists the Parties to a matter and any other person brought in with the agreement of the Parties to reach their own mutually acceptable settlement of the matter by structuring negotiations, facilitating communication, and identifying the issues and interests of the Parties;
- 3) **"Mediator"** means the mutually agreed upon person or persons appointed to facilitate by mediation the resolution of a dispute between the Parties.

B. Notice of dispute

- 1) When a Party believes there is a dispute under this Agreement and wishes to engage in dispute resolution, the Party must give written notice of the matters under dispute to the other Parties.

C. Negotiation

- 1) Within 14 days after the notice is given under section B of this Schedule, each Party must appoint a representative to participate in one or more meetings, in person or by electronic means, to attempt to negotiate a resolution of the dispute.

D. Mediation

- 1) If the dispute cannot be resolved through negotiations with 90 days of initial notice, the Parties must appoint a mediator to attempt to resolve the dispute by mediation.
- 2) The initiating Party must provide the mediator with an outline of the dispute and any agreed statement of facts.
- 3) The Parties must give the mediator access to all records, documents, and information that the mediator may reasonably request.
- 4) The Parties must meet with the mediator at such reasonable times as may be required and must, through the intervention of the mediator, negotiate in good faith to resolve their dispute.
- 5) All proceedings involving a mediator are without prejudice, and, unless the Parties agree otherwise, the cost of the mediator must be shared equally between the Parties.

E. Report

- 1) If the dispute has not been resolved within 6 months after the notice is given under section B of this Schedule, the initiating Party must, within 21 days, prepare and provide to the other Parties a report.
- 2) The report should contain a list of the matters agreed on and those on which there is no agreement between the Parties.

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- 3) Despite subsection (1), the initiating Party may prepare a report before the 6 months have elapsed if:
 - i. the Parties agree, or
 - ii. the Parties are not able to appoint a mediator under section D of this Schedule.

F. Appointment of arbitrator

- 1) Within 14 days of a report being provided under section E of this Schedule, the representatives must appoint a mutually agreed-upon arbitrator and the initiating Party must provide the arbitrator with a copy of the report.