

**MEMORANDUM OF UNDERSTANDING/ TERM SHEET**

THIS MEMORANDUM OF UNDERSTANDING is dated for reference the        day of  
January, 2018.

BETWEEN:

**COLUMBIA SHUSWAP REGIONAL DISTRICT**

555 Harbourfront Drive NE, Box 978  
Salmon Arm, BC  
V1E 4P1

(hereinafter called the "Regional District")

AND:

**CITY OF REVELSTOKE**

216 Mackenzie Avenue,  
P.O. Box 170  
Revelstoke, BC  
VOE 2S0

(hereinafter called the "City")

WHEREAS the Regional District and the City entered into an agreement dated March 26, 1980 on a year to year basis for the provision of fire protection in Area B of the Regional District by the City (the "Agreement");

AND WHEREAS the City provided notice of termination of the fire protection services as of December 31, 2017, the effect of which notice is disputed by the Regional District;

AND WHEREAS the Regional District has commenced a Supreme Court of British Columbia action against the City under No. S1711357 (the "Action") with respect to the said termination notice;

AND WHEREAS the British Columbia Supreme Court has issued an injunction on December 29, 2017 (the "Order") requiring the City to continue to provide fire protection services until June 1, 2018;

AND WHEREAS the Regional District and the City wish to enter into negotiations to seek to conclude a renewed fire protection services agreement for Electoral Area B;

And WHEREAS the Regional District and the City agree that negotiations can be enhanced by establishing certain procedural rules or protocols governing the process;

NOW THEREFORE the parties hereto in consideration of the performance of the covenants hereinafter contained and for other valuable consideration, the sufficiency and receipt of which is hereby acknowledged, covenant and agree with the other as follows:

### **1.0 Negotiating Target Date**

1. The Regional District and the City each agree that they will act in good faith and use all reasonable efforts to compete a new Contract to replace the Agreement on or before May 31, 2018, provided the parties shall act reasonably with respect to any need to extend such date.

### **2.0 Negotiation Process**

2. The parties agree that the negotiations will be conducted on a confidential basis with each party naming a two person negotiating committee, which committee shall meet at regular intervals and subject to the following:
  - a) The negotiating committees representing the Regional District and the City must each have the authority to negotiate a tentative agreement and to recommend its approval; and
  - b) there shall be a media blackout, provided that the parties shall cooperate with each other in service update announcements in recognition of the impact on residents in Area "B".

## **Negotiation Topics**

- 3.1 The parties agree that the business items which include, but are not limited to the following, are to be discussed and resolved prior to establishing an agreement in principle, which after ratification, shall be reduced to a written agreement to be approved of by the Board of the Regional District and Council of the City, respectively:
- a) Scope of Service
  - b) Level of Service
  - c) Risk management issues, including insurance and indemnification
  - d) Service Area
  - e) Lifespan of Service/term of agreement
  - f) Service Cost and method of cost allocation (i.e., converted assessment, per capita, population, fee for call out)
  - g) Capital investments to be made by CSRD and access to previous capital contributions made by the CSRD
  - h) Cost containment
  - i) Dispute resolution process
  - j) Review and exit provisions.
- 3.2 The parties shall exchange proposals and discuss alternatives at the committee level in an open and transparent manner, with a view to achieving a mutually acceptable replacement for the Agreement.
- 3.3 The parties each acknowledge and agree that an agreement on all issues is required in order to replace the Agreement and they will each act in good faith to find consensus on the items referred to in section 3.1, but no contract shall be formed unless and until approved by the Regional District's Board and the City's Council, respectively.
- 4.0 Termination or Amendment**
- 4.1 The parties agree that either party may at any time terminate this MOU by providing notice to the other party and neither party shall at that point be responsible for any further obligations hereunder to the other, provided that the parties may not terminate this MOU without providing 30 days notice.

4.2 The Regional District may request that the City consent to an extension of the Order to allow negotiations to continue if necessary, which the City shall not unreasonably refuse if in the City’s reasonable opinion progress towards a new contract is being made and more time is required.

**5. Waiver/Amendment and Binding Nature**

5.1 The parties agree that this MOU may only be amended in writing, signed by both parties and that any waiver of any right or obligation hereunder shall not constitute a waiver of any other or further contravention. This memorandum of understanding shall enure to the benefit of and be binding upon the parties hereto and their successors.

6.1 The headings in this memorandum of understanding are inserted for convenience and reference only and in no way define, limit or enlarge the scope or meaning of this memorandum of understanding or any provision of it.

IN WITNESS WHEREOF the parties hereto have hereunto affixed their seals on the day and year first above written.

The Corporate Seal of the )  
COLUMBIA SHUSWAP REGIONAL DISTRICT )  
was affixed hereto in the )  
presence of: )  
 )  
 )  
 )

\_\_\_\_\_  
Chair

\_\_\_\_\_  
CAO

The Corporate Seal of the )  
City of Revelstoke )  
was hereunto affixed in the )  
presence of: )

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Mayor

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CAO