

REGIONAL DISTRICT OF EAST KOOTENAY

Vault Binder: _____
File: Shh 066 001
Term: February 1, 2009 – January 31, 2016

THIS AGREEMENT dated for reference the _____ day of _____, 2009.

BETWEEN:

REGIONAL DISTRICT OF EAST KOOTENAY, a Regional District pursuant to the *Local Government Act*, RSBC 1996, Chapter 323 and incorporated pursuant to the laws of the Province of British Columbia with a place of business at 19 – 24th Avenue South, Cranbrook, BC V1C 3H8 (facsimile 250-489-3498);
("RDEK")

OF THE FIRST PART

AND:

DISTRICT OF INVERMERE, a Municipality incorporated pursuant to the laws of the Province of British Columbia, and having a place of business at 914 - 8 Avenue, Box 339, Invermere BC V0A 1K0.
(facsimile 250-342-2934).
("Invermere")

OF THE SECOND PART

WHEREAS:

- A. Under Order-in-Council No. 913, the Additional Tax Regulation (the "Regulation") for the RDEK authorizes the imposition of an additional tax payable under the *Hotel Room Tax Act* for accommodation purchased in the District of Invermere and a portion of Electoral Area F as established by Bylaw No. 2111 cited as "Regional District of East Kootenay - Additional Hotel Room Tax Bylaw No. 2111, 2008 (Invermere Area)" (the "Service Area") for the term February 1, 2009 to January 31, 2014;
- B. The Regulation authorizes the RDEK to spend the revenue collected from additional tax on tourism marketing, programs and projects;
- C. Invermere has agreed to provide for tourism marketing, programs and projects in the Service Area;

NOW THEREFORE, in consideration of the premises and the terms, conditions, consideration, warranties, and representations contained herein, the parties hereto covenant and agree with each other as follows:

1. TERM

- 1.1 This Agreement shall commence on February 1, 2009 and expire on January 31, 2016.

2. RESPONSIBILITIES

- 2.1 Invermere agrees to receive the hotel room tax funds (the "Funds") from the Province of British Columbia (the "Province"), on behalf of the RDEK.

3. FUNDING CONDITIONS

- 3.1 Invermere shall use the Funds provided by the Province for the purpose of providing tourism marketing, programs and projects in the Service Area.

- 3.2 Invermere shall keep adequate accounting records each year of all Funds related expenditures and maintain those records for seven years. These records shall be made available to the RDEK upon request.
- 3.3 Invermere shall spend all Funds by January 31, 2016. Any Funds unspent at that time shall be remitted to the RDEK.

4. REPORTING

- 4.1 Invermere shall provide to the RDEK an annual report on or before May 31st of each year and a final report by February 29, 2016 detailing the manner in which the Funds were spent in regards to tourism marketing, programs and projects in the Service Area and including audited financial statements of such revenue and expenditures.

5. ACCESS

- 5.1 A representative of the RDEK may, upon notice to Invermere, inspect the books of account and records during normal business hours to review, copy or audit the same and such representative shall be provided with access to all accounts and records related to this Agreement.

6. INSURANCE AND INDEMNITY

- 6.1 Invermere covenants to obtain and keep in force during the term of this Agreement at its sole expense, insurance satisfactory to the RDEK protecting the RDEK and Invermere (without any rights of cross-claim or subrogation against the RDEK) against claims for personal injury, death, property damage or third party or public liability claims arising out of, in connection with, or in any way related to works undertaken pursuant to this Agreement, in an amount not less than \$5,000,000 and with the RDEK named as additional insured.
- 6.2 Invermere shall indemnify and save harmless the RDEK from and against all claims, demands, losses, costs, damages, actions, suits or proceedings by whomever made, brought or prosecuted and in any manner based upon, arising out of, related to, occasioned by or attributed to any breach of any provision of this Agreement to be performed by Invermere and the officials, servants, employees, members, agents, and contractors of Invermere.

7. DEFAULT AND TERMINATION

- 7.1 The parties hereto agree that either party may terminate this Agreement by giving the other party 90 days written notice of its intention to do so.
- 7.2 The RDEK may terminate this Agreement unilaterally if at any time, in the opinion of the RDEK Board, Invermere has used or dispersed Funds in a manner contrary to the Regulation.

8. NOTICES

- 8.1 Any notice or other writing required or permitted to any of the parties shall be sufficiently given if delivered personally, by courier or if transmitted by facsimile to the addresses or facsimile numbers specified on the first page of this Agreement. Such addresses and facsimile numbers may be changed from time to time by either party giving notice as above provided.

9. ASSIGNMENT

- 9.1 This Agreement shall not be assigned by either party without the prior written approval of the other.


10. ENTIRE AGREEMENT

10.1 This Agreement shall be deemed to constitute the entire Agreement between the RDEK and Invermere hereto with respect to the subject matter hereof and shall supersede all previous negotiations, representations, and documents in relation hereto made by any party to this Agreement.

11. SEVERANCE


11.1 If any portion of this Agreement is held to be illegal or invalid by a court of competent jurisdiction, the illegal or invalid portion must be severed and the decision that it is illegal or invalid does not affect the validity of the remainder of this Agreement.

The Corporate Seal of **REGIONAL DISTRICT OF EAST KOOTENAY** was hereunto affixed in the presence of:



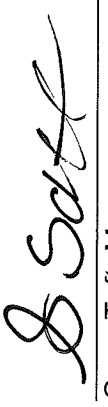
Norman Walter, Chair

C/S



Lee-Ann Crane, Chief Administrative Officer

The Corporate Seal of **DISTRICT OF INVERMERE** was hereunto affixed in the presence of:



Gerry Taft, Mayor

C/S



Chris Prosser, Chief Administrative Officer