

THIS AGREEMENT dated the 1st day of January, 2026.

BETWEEN

COUNTY OF GRANDE PRAIRIE NO. 1

(the “County”)

OF THE FIRST PART

-and-

TOWN OF SEXSMITH

(the “Town”)

OF THE SECOND PART

COMMUNITY SERVICES AGREEMENT

WHEREAS the County and the Town are municipal corporations pursuant to the *Municipal Government Act* (Alberta);

AND WHEREAS the County and the Town have common boundaries and are required to create an intermunicipal collaboration framework pursuant to Part 17.2 of the *Municipal Government Act* which must address, amongst other things, services relating to recreation;

AND WHEREAS the County and the Town recognize the value of community facilities and their contribution to the quality of life for residents;

NOW THEREFORE pursuant to Part 17.2 of the *Municipal Government Act* and in consideration of the covenants and agreements contained herein, the receipt of sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

1. DEFINITIONS AND SCHEDULES

1.1. In this Agreement, the following terms shall have the following meanings:

- a. **“Agreement”** means this Agreement, and includes any Schedules hereto.
- b. **“County”** means the County of Grande Prairie No. 1.
- c. **“County Council”** means the Council of the County of Grande Prairie No. 1 as elected from time to time during the Term of this Agreement.
- d. **“Community Services Funding”** means the funding payable by the County pursuant to this Agreement for Community Services.

- e. **“Community Services”** means community facilities owned or operated by the Town which are open and available to County residents and funded, in whole or in part, by Community Services Funding paid by the County pursuant to this Agreement.
- f. **“Town”** means the Town of Sexsmith.
- g. **“Town Council”** means the Council of the Town of Sexsmith as elected from time to time during the Term of this Agreement.
- h. **“Term”** has the meaning set forth in Section 3 of this Agreement.

2. PURPOSE AND INTENT OF AGREEMENT

- 2.1. The purpose and intent of this Agreement is to set out the basis and terms and conditions on which the County will provide Community Services Funding to the Town with respect to community facilities owned or operated by the Town which are open and available to County residents.

3. TERM OF AGREEMENT

- 3.1. The term of this Agreement shall be five (5) years commencing on the 1st day of January, 2026 (the “Term”).
- 3.2. The parties may, by mutual agreement in writing made no later than six (6) months prior to the expiry of the Term, extend the Term for a period of up to two (2) additional years.

4. COMMUNITY SERVICES FUNDING

- 4.1. Subject to the terms and conditions of this Agreement, the County will provide Community Services Funding for each calendar year during the term of the Agreement as set out herein, commencing in the 2026 calendar year.
- 4.2. The Community Services Funding payable by the County to the Town during the 2026 calendar year and subsequent years during the Term of this Agreement shall be as follows:
 - a. \$26,627 to be used by the Town for the sole purpose of maintaining greenspace and public parks made available for the use of residents of both the Town and the County, and;

The amount payable by the County to the Town for greenspace and public parks for subsequent years of the Agreement shall be calculated by increasing the amount payable in the immediately preceding year by two and a half (2.5) percent.

- b. \$5,000 to be used by the Town for the sole purpose of operating the Community Centre which is open to and available to residents of both the Town and the County and;

The amount payable by the County to the Town for operating the Community Centre for subsequent years of the Agreement shall be calculated by increasing the amount payable in the immediately preceding year by two and a half (2.5) percent.

- c. \$5,513 to be used by the Town for the sole purpose of operating the Civic Centre which is open to and available to residents of both the Town and County and;

The amount payable by the County to the Town for operating the Civic Centre for subsequent years of the Agreement shall be calculated by increasing the amount payable in the preceding year by two and a half (2.5) percent.

- d. \$87,414 to be used by the Town for the sole purpose of operating the ice arena which is open to and available to residents of both the Town and the County.

The amount payable by the County to the Town for operating the Arena for subsequent years of the Agreement shall be calculated by increasing the amount payable in the preceding year by two and a half (2.5) percent.

- e. \$23,148 to be used by the Town for the sole purpose of operating the Curling Rink, which is open and available to residents of both the Town and the County and;

The amount payable by the County to the Town for operating the Curling Rink for subsequent years of the Agreement shall be calculated by increasing the amount payable in the immediately preceding year by two and a half (2.5) percent.

- 4.3. All annual operating contributions by the County to the Town will be payable no later than July 31 in the year they are owed in the following amounts:

Year Facility	2026	2027	2028	2029	2030
Greenspace	\$26,627	\$27,292	\$27,974	\$28,674	\$29,391
Community Centre	\$5,000	\$5,125	\$5,253	\$5,384	\$5,519
Civic Centre	\$5,513	\$5,650	\$5,792	\$5,936	\$6,085

Curling Rink	23,148	\$23,726	\$24,319	\$24,927	\$25,551
Arena	\$87,414	\$89,599	\$91,839	\$94,135	\$96,488
TOTAL	\$147,702	\$151,392	\$155,177	\$159,056	\$163,034

4.4. The County will contribute to the maintenance required for each of the above noted facilities in the following amounts:

- a. Arena - The County will contribute half the municipal cost annually to a maximum of \$49,500.00 to maintain the ice arena as per the items listed in but not limited to attached Schedule “A”, subject to the Town contributing an equal amount to the project(s),

The Town will provide the County an invoice accounting for the work completed annually and the County will provide payment no later than 180 days after receipt of said invoice,

Should the full amount of \$49,500.00 not be expended annually the balance will be carried forward and be made available to the Town in the subsequent year(s) of the Agreement,

For clarity, the County is making available a total of \$247,500.00 to the Town to be spent maintaining the Arena by the end of year 2030 subject to the Town contributing an equal amount to the project(s). Or, a different amount mutually agreed upon by both Councils and negotiated by the Intermunicipal Collaboration Committee subject to the Town contributing an equal amount to the project(s)

Furthermore funds not spent through 2030 in an amount up to \$49,500 will be carried forward up to December 31, 2031 and be available for the Town to draw on in 2031.

2026	2027	2028	2029	2030
\$49,500	\$49,500	\$49,500	\$49,500	\$49,500

- b. Community Center - The County will contribute a third of the municipal cost to a maximum of \$14,000 to be used to replace the Community Center shingles in the year the work is completed (shingle replacement estimated to be completed in 2034),

The Town will invoice the County for the work and the County will make payment no later than 180 days after receipt of the invoice.

- c. Civic Center - The County will contribute half the cost to a maximum of \$20,000.00 to replace the siding and paint the interior of the Sexsmith Civic Centre in the year in which each of the projects is complete,

The Town will invoice the County for the work and the County will make payment no later than 180 days after receipt of the invoice.

All invoices required to be provided by the Town to the County pursuant to this Section 4.4 shall be provided no later than 180 days from completion of the work.

- 4.5. In all cases above the County's contribution will be a percentage of the required municipal contribution net of project specific Provincial or Federal Grants and Community fundraising.
- 4.6. In all cases above the Town will endeavor to make the County aware of the need for contribution by September 30 the year prior to the anticipated expenditure.

5. LIMITATION ON COUNTY'S OBLIGATIONS

- 5.1. The Town acknowledges and agrees that the Community Services Funding provided by the County pursuant to this Agreement is the only funding that is required to be provided by the County with respect to the subject matter herein, and the provision of community facilities by or on behalf of Town generally, and that the County will not be required to provide any other contributions or Community Services Funding to the Town during the Term of this Agreement for these purposes.

6. RESPONSIBILITY FOR CONTRIBUTIONS

- 6.1. The County and the Town shall each be solely responsible for securing their respective contributions to capital and operating costs and expenses for the Community Services, and may secure and obtain funding in a form and on terms and conditions determined to be reasonable and appropriate by the securing party in its sole discretion.

7. USE OF FUNDING AND REPORTING REQUIREMENTS

- 7.1. The Town shall use the Community Services Funding received pursuant to this Agreement solely for the purpose for which it is intended and designated pursuant to this Agreement, taking into account the purpose and intent of this Agreement.

- 7.2. Without limitation to any other provision of this Agreement, the Town shall provide the County with an accounting and supporting documentation regarding the use of the Community Services Funding, which shall include:
- a. an annual budget approved by Town Council which identifies the cost of community services funded by the Town.

8. TOWN'S OBLIGATIONS

- 8.1. The Town agrees to allow residents of the County to access its Community Services on the same terms granted to its own residents, without discriminatory or preferential pricing and without discounts available only to its own residents, unless otherwise agreed to by the parties.
- 8.2. The Town shall provide, or cause to be provided, the Community Services in accordance with all applicable federal and provincial legislation and regulations and with the degree of skill, prudence and foresight which would reasonably and ordinarily be expected from a skilled and experienced provider of such services.

9. CHANGES TO FEDERAL AND/OR PROVINCIAL LEGISLATION AND COLLECTION OF LINEAR PROPERTY TAXES

- 9.1. In the event that a change in Federal or Provincial Legislation has significant impact on the County's ability to fulfill its obligations under this Agreement, the Town and the County hereby agree to open this Agreement for review and negotiations upon the County's request, including reviewing the cost-sharing formula described in Section 4. For the purposes of this provision "significant impact" means a 10% decrease in the County's assessment base from the immediately preceding assessment year, or inability to collect in excess of 40% of municipal taxes from designated industrial (linear) properties in any year during the term of this Agreement by December 31 in the year of the tax levy.
- 9.2. In the event that a change in Federal or Provincial Legislation has significant impact on the Town's ability to fulfill its obligations under this Agreement, the Town and the County hereby agree to open this Agreement for review and negotiations upon the Town's request, including reviewing the cost-sharing formula described in Section 4. For the purposes of this provision "significant impact" means a 10% decrease in the Town's assessment base from the immediately preceding assessment year.

A request for review by either party pursuant to this Section 8 shall not relieve either party of their obligations, including payment obligations, pursuant this Agreement during the period of the review and negotiations. If the parties are unable to reach an agreement following a review of the Agreement and negotiations pursuant to this Section 8, either party may refer the matter to dispute resolution in accordance with Section 11 of this Agreement.

10. INSURANCE AND INDEMNITY

- 10.1. The Town shall provide and keep in force during the Term of this Agreement insurance policies acceptable to and approved by the County with respect to the Community Services.
- 10.2. The insurance policies required to be maintained by the Town pursuant to Section 10.1 herein shall include comprehensive general public liability insurance (covering personal and bodily injury, death, and property damage) on an occurrence basis of no less than FIVE MILLION (\$5,000,000.00) DOLLARS. Such insurance shall not be capable of cancellation or modification without THIRTY (30) DAYS prior written notice to the County.
- 10.3. The Town shall at all times indemnify and save harmless the County, its officers, elected officials, employees and agents from and against any and all liabilities, claims, demands, losses, costs, charges, expenses (including without limiting the generality of the foregoing, all legal fees and disbursements on a solicitor and own client basis and any amount paid to settle any actions or satisfy any judgments), actions and other proceedings made, brought against, suffered by or imposed on the County, its officers, elected officials, employees and agents in respect of anything arising from the provision of the Community Services or for any reason whatsoever, or in respect of any loss, damage or injury (including injury resulting in death) to any person or property (including, without restricting the generality of the foregoing, employees, invitees, contractors, agents and property of the County) directly or indirectly arising out of, resulting from or sustained by reason of the Town's provision of the Community Services.
- 10.4. In no circumstances whatsoever shall either party be liable to the other for any consequential, indirect or special damages arising for or in any way related to this Agreement.
- 10.5. Sections 10.3 and 10.4 herein shall survive the expiry or termination of this Agreement, howsoever it occurs.

11. DISPUTE RESOLUTION

- 11.1. In the event of any dispute between the parties with respect to the interpretation or application of this Agreement, the parties shall follow the dispute resolution process set out in the ICF.

12. GENERAL PROVISIONS

- 12.1. All notices required or permitted under this Agreement shall be in writing and (a) delivered personally, (b) sent by recognized express mail or courier service, with delivery receipt requested, (c) sent by facsimile transmission with telephonic confirmation, or (d) sent by e-mail to the parties to this Agreement as follows:

Attention: Chief Administrative Officer
10001 - 84 Avenue
Clairmont, AB T0H 0W0
Facsimile: 780-539-9880
Email: _____

Town of Sexsmith

Attention: Chief Administrative Officer
Box 420
Sexsmith, AB T0H 3S0
Facsimile: 780-568-2200
Email: admin@sexsmith.ca

- 12.2. This Agreement constitutes the entire Agreement between the parties hereto with respect to the matters provided for herein and cancels and supersedes any prior understandings, agreements, negotiations and discussions between the parties except as stated in this Agreement. There are no representations, warranties, terms, conditions, undertakings or collateral agreements or understandings, express or implied, between the parties hereto other than is expressly set forth in this Agreement. This Agreement may not be amended or modified in any respect except by written instrument executed by each of the parties hereto.
- 12.3. Each provision of this Agreement is hereby declared to be separate, severable and distinct. If any provision of this Agreement is determined by a court of competent jurisdiction to be invalid, illegal or unenforceable in any respect, the remainder of this Agreement shall not be affected thereby and shall be applied and construed as if such invalid, illegal or unenforceable provision had been omitted unless such provision or provisions are so material that its or their invalidity, illegality or unenforceability would materially change the terms and conditions contemplated hereby so as to make them unreasonable and contrary to the intentions of the parties.
- 12.4. This Agreement may be executed in two or more counterparts, each of which shall be deemed to be an original and all of which together shall constitute one and the same agreement.
- 12.5. This Agreement may not be assigned by any of the parties hereto without the prior written consent of the other parties hereto, which may be withheld by either party in its sole and unfettered discretion.
- 12.6. This Agreement shall ensure to the benefit of and be binding upon the parties hereto and their respective heirs, executors, successors, including any successor by reason of amalgamation of any party, administrators and permitted assigns.

IN WITNESS WHEREOF the parties have executed this Agreement as of the date hereinabove written.

**COUNTY OF GRANDE PRAIRIE
NO. 1**

Per: *David M. ...*

Per: *[Signature]*

TOWN OF SEXSMITH

Per: *[Signature]*

Per: *Rachel Wueschner*

Attachment: Schedule "A"