

THIS MEMORANDUM OF UNDERSTANDING made this 25th day of February 2026

Between:

THE MUNICIPALITY OF THE COUNTY OF KINGS (Kings)

-and-

THE TOWN OF WOLFVILLE (Wolfville)

-and-

THE TOWN OF KENTVILLE (Kentville)

Collectively the Municipal Parties

-and-

KINGS COUNTY RECREATION FORWARD ASSOCIATION (the Association)

The Association together with the Municipal Parties referred to as the Parties

WHEREAS the Parties affirm a mutual desire to construct a Regional Recreation Facility;

AND WHEREAS the Parties agree that there are preconditions that need to be met prior to formalizing ownership and governance structures;

AND WHEREAS the Parties agree to include a Town of Kentville Arena attached to the Regional Recreation Facility forming one physical structure;

AND WHEREAS the Parties wish to engage the public and corporate community for the purpose of funding a portion of the Capital Costs of the Regional Recreation Facility including a replacement of the Kentville Arena.

NOW THEREFORE THIS AGREEMENT WITNESSES THAT the Parties agree as follows:

1. LOCATION, CONTENT AND OWNERSHIP

The Municipal Parties agree that the Regional Recreation Facility (the Facility) be:

- a. Located on a sub-divided portion of land described as PID 55151492 which is intended to be accessed off Harrington Drive and Trunk 1 in Coldbrook.
- b. Comprised of an aquatic centre, gymnasium, walking track, with related amenities and meeting rooms (see King's County Regional Recreational Centre Feasibility Study) in addition to the Kentville Arena; and
- c. Owned by a body corporate created under s.60 of the *Municipal Government Act* hereinafter referred to as the Intermunicipal Services Corporation (IMSA).

1.1 The Parties agree that the ultimate design of the Facility and the Kentville Area may be refined by the Municipal Parties through progressive design steps, e.g., a predesign report followed by a series of professional drawings issued for review. The Parties further agree that the Municipal Parties will have ongoing conversation with the Association.

2. PRECONDITIONS TO CONSTRUCTION AND INCORPORATION OF THE IMSA

The Municipal Parties agree to the following preconditions:

- a. Provincial and Federal Cost Sharing: being obtained in the minimum amount of fifty percent (50%) of eligible capital costs of the Facility.
- b. The Municipal Share of Capital Costs (costs remaining after grants and fundraising): to be paid by the Municipal Parties based on the following formula:
 - i. 30% equal shares;
 - ii. 70% being allocated to each Municipal Party's pro rata share of the totals of Uniform Assessment and Population (50:50)
 - iii. The sharing formula being more fully described in Schedule C of this Agreement
- c. The Municipal Parties contribute their portion of the Municipal Share of shareable and non-shareable costs (Capital Costs) either:
 - i. At the time of substantial completion of the Facility (an upfront contribution); or
 - ii. For those Municipal Parties not contributing fully to their share upfront, the payment of their share of annual principal and interest payments associated with debenture financing arranged through the IMSA.
- d. In addition to capital contributions the Municipal Parties further commit to an annual financial contribution to a Replacement Reserve to be held by the IMSA. Municipal Party contributions to the Replacement Reserve will be calculated pursuant to 2 b. of this Agreement.
- e. *A pro forma* of the above Capital Costs and funding structure being included as Schedule A to this Agreement¹; and
- f. To engage the services of a professional Project Manager or Owners' Engineer to represent the interests of the Municipal Parties.

¹ Schedule A is intended to approximate outcomes. There may be material differences in these estimates contingent on the refinement of costing of the elements included in provisions 1 b. and 3 of this Agreement.

The Association and the Municipal Parties agree that:

- g. Twenty-five percent (25%) of the Municipal Share of Capital Costs be paid by the Association through public and corporate community fundraising.

3. KENTVILLE ARENA

The Municipal Parties Agree that a separate Agreement will be executed between the IMSA and Kentville that at a minimum includes provisions having:

- a. Kentville owning and operating the Arena.
- b. One combined (Facility and Arena) capital application being submitted for Provincial and Federal cost-sharing.
- c. Public and corporate community fundraising as described in 2 g. of this Agreement also applying to the Arena.
- d. Kings providing Kentville a \$500,000 capital contribution in a similar manner as provided to other larger recreation facilities in the County (see Schedule A).
- e. Kentville being solely responsible for paying all remaining Capital Costs associated with the Arena.
- f. Wolfville not being involved in either the capital or operating components of the Arena.
- g. Kings not being involved in the operations of the Arena beyond the level of participation associated with the other similar arenas operating in Kings County; and
- h. Design, operational, and financial planning for both the Facility and the Arena consider areas of mutual benefit.

4. WOLFVILLE PARTICIPATION

The Municipal Parties agree that:

- a. Wolfville's participation will involve financial contributions of their pro rata share of the capital cost and related replacement reserve of the Facility and not the operation of the Facility or the capital, replacement reserve, or operations of the Kentville Arena; and
- b. Wolfville's participation will further be defined by IMSA provisions that enable their participation through a finance agreement executed between Wolfville and the IMSA. Additional IMSA provisions will define Wolfville's participation on the IMSA's Board of Directors.

5. KINGS PARTICIPATION

The Municipal Parties agree that:

- a. Kings will attend to the closing conditions associated with a parcel of land described in 1a. and a road to access the property intended to house the Facility and Arena, and upon commissioning of these facilities, transfer title of the lot to the IMSA.
- b. Prepare draft agreements referenced in this Agreement for review, comment and execution by the Municipal Parties.
- c. Administer procurement events related to project management.
- d. Provide capital accounting services (not audit) related to the Facility on behalf of the IMSA during the planning and construction phases of the Facility.
- e. Prepare public communications related to the Facility for review and approval by the Municipal Parties with subsequent release and monitoring.

6. THE ASSOCIATION

The Association agrees to:

- a. Follow the provisions of the Nova Scotia *Procurement Act* relative to the acquisition of goods and services including the thresholds set out in Canada Free Trade Agreement and the Atlantic Procurement Agreement for municipalities.
- b. Obtain approval from the Steering Committee of the Association's Fundraising Plan prior to commencement of fundraising activities which may include the services of a professional fundraiser.
- c. To include in the aforementioned Fundraising Plan provisions requiring the Association to:
 - i. Seek and obtain supplemental approval from the IMSA or the Steering Committee prior to implementing any fundraising activities outside of the approved plan.
 - ii. Acknowledge that naming rights require approval of the Steering Committee or IMSA, and to seek and obtain prior approval from the IMSA or Steering Committee prior to engaging with potential donors seeking naming rights; and
 - iii. Inform the Municipal Parties on how the Association intends to administer donation receipts under the Federal Income Tax Act, which in the event the Association wishes to

have the Municipal Parties issue, the Municipal Parties will assign a municipal staff person to resource the Association.

- d. Prepare annual financial statements in accordance with Canadian GAAP. Such financial statements shall be audited by an independent licensed auditor.
- e. Provide the audited financial statements to the Municipal Parties on or before September 30 of each year and allow the Municipal Parties full access to all relevant books, records, and supporting documentation upon request.
- f. Allow the Municipal Parties, at their own expense, to conduct such additional audit procedures, reviews, or examinations as considered necessary at their sole discretion.
- g. Fundraise ~\$9.4 million by late 2028 early 2029.
- h. Allow a member of the Steering Committee or IMSA to participate in Association meetings in a non-voting capacity in matters related to this MOU.
- i. Consider appointing a limited number of individuals to the membership of the Association or its sub-committees as may be suggested by the Municipal Parties.

7. MUNICIPAL PARTIES

The Municipal Parties agree:

- a. Prior to the incorporation of the IMSA, to establish a Steering Committee comprising the Mayors, Deputy Mayors, and CAOs.
- b. To consider input and have ongoing conversations with and from the Association with respect to matters that relate to fundraising.
- c. That in the event of a fundraising:
 - i. shortfall to absorb same on the proportional basis of the fundraising targets between the Facility and the Arena; or
 - ii. surplus to first reduce each of the Party's contributions to the Municipal Share of the Capital Costs of the Facility and Arena projects, and second to contribute to the Replacement Reserves of the Facility and Arena on the same proportional fundraising targets.

8. IMSA FINANCIAL AND GOVERNANCE STRUCTURING

It is understood and agreed that:

- a. Pursuant to provision 2 b. of this Agreement the Municipal Parties will each contribute their pro rata amount of the Municipal Share of the Capital Costs and annual contributions to the IMSA Replacement Reserve.

- b. The Association agrees to provisions and amounts set out in provisions 2 g., 6 d., and Schedule A of this Agreement.
- c. Kentville and Kings agree to fund net operating costs of the Facility based on the same sharing arrangement as described in provision 2 b. and Schedule C of this Agreement.
- d. The Municipal Parties agree to include provisions within the IMSA incorporation documents that address how the Facility will be operated.
- e. Schedules A through C are attached to this Agreement for information purposes only.

9. NEXT STEPS

Upon execution of this Agreement the Chief Administrative Officers of the Municipal Parties will:

- a. Develop and seek approvals from their Councils to create an IMSA pursuant to sections 60 (1), (2) and (3) of the *Municipal Government Act*. Without limitation, the CAOs will make recommendations and seek instructions on:
 - i. When the IMSA is registered as a body corporate pursuant to section 60 (4) of the *Municipal Government Act*;
 - ii. The voting rights of Council appointments; and
 - iii. The powers delegated to the Directors.
- b. Engagement of a Project Manager or Owners Engineer for the Planning and Construction phases.
- c. Determine and if required arrange for refinement of Capital Cost estimates to enable the filing of more refined Capital Cost projections within funding applications to the Provincial and Federal Governments.
- d. Include project bridge financing requirements within either the IMSA or separate cost-sharing Agreements.
- e. Work with the Association to operationalize fundraising efforts under the terms set out in this Agreement.
- f. Manage procurement events associated with project management and design services.

10. EXECUTION

This Memorandum of Understanding (MOU) may be modified by mutual consent of authorized officials from the Parties. This MOU shall become effective upon signature by the authorized officials from the Parties and will remain in effect until modified or terminated by any one of the Parties by mutual consent.

This Agreement may be executed in counterparts. A copy of a signed counterpart may be delivered by fax, PDF or other electronic means which shows a reproduction of the signature.

This Agreement may be subject to Part XX (Freedom of Information and Protection of Privacy) of the *Municipal Government Act*.

IN WITNESS WHEREOF the Parties hereto have executed this Agreement by their respective officials, duly authorized on that behalf, on the day and year first above written.

[Remainder of page left intentionally blank, signature page follows]

SIGNED, SEALED AND DELIVERED

IN THE PRESENCE OF

[Signature]

WITNESS

[Signature]
WITNESS

) MUNICIPALITY OF THE COUNTY OF KINGS

) [Signature]

) David L. Corkum, Mayor

) [Signature]

) Scott Conrod, Chief Administrative Officer

SIGNED, SEALED AND DELIVERED

IN THE PRESENCE OF

[Signature]

WITNESS

[Signature]
WITNESS

) TOWN OF WOLFVILLE

) [Signature]
Jodi MacKay, Mayor

) [Signature]

) Glenn Horne, Chief Administrative Officer

SIGNED, SEALED AND DELIVERED

IN THE PRESENCE OF

[Signature]

WITNESS

[Signature]
WITNESS

) TOWN OF KENTVILLE

) [Signature]

) Andrew Zebian, Mayor

) [Signature]

) Chris McNeill, Chief Administrative Officer

SIGNED, SEALED AND DELIVERED

IN THE PRESENCE OF

[Signature]

WITNESS

[Signature]
WITNESS

) KINGS COUNTY RECREATION FORWARD

) ASSOCIATION

) [Signature]
Mike Landry

) [Signature]
Paul Dixon