

**COBBLE HILL IMPROVEMENT DISTRICT  
BYLAW No. 79**


A bylaw to authorize the execution of a Licence Agreement.

The trustees of the Cobble Hill Improvement District ENACT AS FOLLOWS:

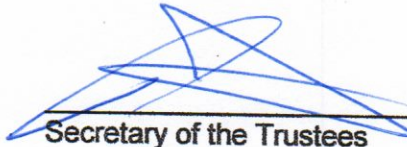
1. That Robert Reid, Chair of the Trustees, and Darrin McCormack, Corporate and Financial Administrator, are hereby authorized to execute on behalf of the improvement district a licence agreement with Mill Bay Fire Protection District in the terms of the draft agreement hereto attached.
2. That Robert Reid, Chair of the Trustees, and Darrin McCormack, Corporate and Financial Administrator are hereby authorized to execute on behalf of the improvement district all necessary instruments to give effect to the said agreement.
3. This bylaw may be cited as the "Licence Agreement Bylaw No. 79."

INTRODUCED and given first reading by the Trustees on the 14th day of December, 2006.

RECONSIDERED and finally passed by the Trustees on the 14th day of December, 2006.



\_\_\_\_\_  
Chairman of the Trustees



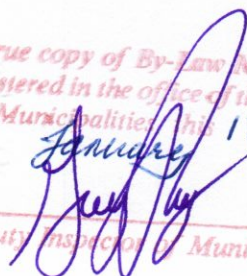
\_\_\_\_\_  
Secretary of the Trustees

I hereby certify under the seal of Cobble Hill Improvement District that this is a true copy of Bylaw No. 79 passed by the Trustees on the 14th day of December, 2006.



\_\_\_\_\_  
Secretary of the Trustees



A true copy of By-Law No. 79  
registered in the office of the Inspector  
of Municipalities, this 17th day of  
*January* 2007  
  
\_\_\_\_\_  
Deputy Inspector of Municipalities



## LICENCE AGREEMENT

THIS AGREEMENT dated as of the \_\_\_\_ day of \_\_\_\_\_, 2006

BETWEEN:

**MILL BAY FIRE PROTECTION DISTRICT**

an improvement district under the  
*Local Government Act* of British Columbia  
2745 Lashburn Road  
Mill Bay British Columbia V0R 2P0

(hereafter referred to as the "FIRE DISTRICT")

AND:

**COBBLE HILL IMPROVEMENT DISTRICT**

an improvement district under the  
*Local Government Act* of British Columbia  
1486 Fisher Road  
PO Box 137  
Cobble Hill British Columbia V0R 1L0

(hereinafter referred to as the "WATER DISTRICT")

WHEREAS:

A. The Fire District is the registered owner of lands and premises located in Cobble Hill, British Columbia, more particularly known and described as:

Parcel Identifier: 016-144-911  
Lot 1, Section 12, Range 7, Shawnigan District, Plan 50647.

(hereinafter referred to as the "Property"),

upon which is located Fire Hall #2 of the Fire District.

B. A well has been installed on the Property by the Fire District and is presently used by the Fire District to supply water to the Property (hereinafter referred to as the "Well").

C. The Water District wishes to connect the Well to its system in order to enhance the delivery of water to the customers of the Water District.

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D. The Fire District has agreed to grant a licence to the Water District to enable the Water District to gain access to the Well and to use the Well for the purposes set forth above upon the terms and conditions hereinafter set forth.

NOW THEREFORE THIS AGREEMENT WITNESSES THAT in consideration of the mutual covenants and undertakings herein, the Fire District and the Water District agree as follows:

**1. Grant of Licence**

1.1 The Fire District hereby grants to the Water District a licence of occupation (the "Licence") on the terms set forth in this Agreement, to enter on the Property and to use the Well and the water located in the Well and to have access and egress to the Well over that portion of the Property cross hatched and shown on the Plan attached hereto as Schedule "A" (the "Licence Area").

1.2 The Fire District, at its sole discretion, shall allow the Water District to use portions of the Property in common with the Fire District, subject to appropriate arrangements being made between the Fire District and the Water District. The terms and conditions of the common use of the Property will be at the sole discretion of the Fire District.

**2. Purpose**

2.1 The Water District shall use the Licence Area for the purposes of maintaining, testing, connecting, improving, or modifying the Well and the appurtenances located in the Well including pumps and electrical connections in order to draw water from the Well to service the customers of the Water District and in order to gain access to and egress from the Well with equipment, if necessary, for the purposes associated with this Licence.

**3. Term**

3.1 The term of this Licence shall be for a period of Ten (10) years commencing August 1, 2006 and terminating July 31, 2016.

3.2 The term of this Licence may be extended by the Water District giving the Fire District at least Six (6) months written notice prior to July 31, 2016 of its intention to do so, provided that satisfactory arrangements are made between the Fire District and the Water District for the extended term.

**4. Licence Fee**

4.1 No fee shall be payable by the Water District to the Fire District for this Licence.

4.2 The Property shall be connected to the Water District at no cost to the Fire District.

4.3 After the Property is connected to the Water District, no water user fees or other charges will be payable by the Fire District to the Water District.

**5. Rights and Obligations of the Fire District**

5.1 The Fire District shall allow the Water District access and egress to the Well on the Property in accordance with this Licence.

5.2 The Fire District shall not place any permanent structures on the Licence Area which would interfere with the use of the Property or the Well by the Water District as contemplated by this Licence.

5.3 The Fire District shall notify the Water District of any damage to or malfunction of the Well and its appurtenances.

**6. Rights and Obligations of the Water District**

6.1 The Water District shall not interfere with any of the activities of the Fire District on the Property or the use of water by the Fire District on the Property, whether from the Well or otherwise. In particular, the Water District shall not interfere with the washing of equipment, the use of foam or other fire suppression and/or training activities of the Fire District.

6.2 During the process of maintaining, upgrading, or connecting the Well to the water distribution system maintained by the Water District, the Water District shall take all reasonable steps to ensure that the Fire District shall not be without water for a period of greater than twelve hours.

6.3 The Water District shall not perform any work on the Property until that work, including all necessary plans and specifications, have been approved by the Fire Chief of the Fire District, and by the Board of Trustees of the Fire District.

6.4 Any work performed on the Property by the Water District shall not interfere with the fire and rescue services provided by the Fire District.

6.5 The Water District shall pay all costs associated with the repair, replacement and maintenance of the Well and all pumps, electrical and mechanical expenses associated with the installation and operation of the Well and related appurtenances.

6.6 If the Water District fails to comply with its obligations in this Agreement, the Water District, at no cost to the Fire District, shall reconnect the building known as Fire Hall #2 to the Well in accordance with current standards for Well and pump

systems. Thereafter, the Water District shall remove all connections and equipment belonging to the Water District from the Property and shall have no further claim against the Fire District.

**7. Indemnity**

7.1 The Water District shall and does hereby release, indemnify and save harmless the Fire District and its elected officials, employees, agents, contractors and fire and rescue personnel from and against all claims, actions, suits, damages, costs, demands, expenses and other loss, whether arising from death, bodily injury, property damage, property loss or other loss or damage of any kind whatsoever suffered by any person which is in any way related to the granting of this Licence, the use or occupation of the Licence Area or the Well on the Property by the Water District, its agents, contractors, clients, customers and others for whom it is responsible.

7.2 The release and indemnity granted in the foregoing section shall survive the expiry or other termination of this Licence.

**8. Non-Liability**

8.1 The Water District acknowledges that the Fire District shall not be liable or responsible in any way to the Water District or any other person for any injury, loss, death or damage resulting from or arising from any occurrence in, upon, or relating to the Licence Area, the Well, or the Property, unless caused by the wilful conduct or gross negligence of the Fire District.

**9. Insurance**

9.1 The Water District shall maintain at its sole cost and expense, comprehensive general liability insurance in the amount of Five Million (\$5,000,000.00) Dollars against claims for death, bodily injury, property damage and property loss and all other potential liability under this Agreement and the Fire District shall be an additional named insured under that policy.

9.2 The Water District shall provide the Fire District with copies of the Fire District's insurance policy or policies.

**10. No Interest In Land**

10.1 This agreement constitutes a licence to occupy and use only, and conveys no interest in land to the Water District.

**11. No Other Warranties or Representations**

11.1 This Licence Agreement constitutes the full agreement between the parties and no amendment or addition hereto shall be valid unless set out in writing and executed on behalf of the parties.

**12. Interpretation**

12.1 In this Agreement, unless the context otherwise requires, the singular includes the plural and the masculine includes the feminine gender and a corporation.

**13. Severability**

13.1 If any part of this Agreement is held to be invalid, illegal or unenforceable by a court of competent jurisdiction, that part is to be considered to have been severed from the remainder of this Agreement, which will continue in force unaffected by the severance.

**14. No Joint Venture**

14.1 Nothing in this Agreement shall constitute the Water District, the agent, joint venturer or partner of the Fire District or give the Water District any authority or power to bind the Fire District in any way.

**15. No Obligation to Supply Water**

15.1 This Licence shall not be construed as creating any obligation on the Fire District to be a supplier of water.

**16. Notice**

16.1 Any notice, document or communication required or permitted to be given hereunder shall be in writing and shall be deemed to be satisfactory if and deemed to have occurred when:

- a) sent by facsimile transmission or when personally delivered, on the date of service; or
- b) mailed by prepaid registered mail, on the date received or on the sixth day after receipt of mailing by any Canada post office, whichever is the earlier, so long as the notice is mailed to the party at the address provided herein or to whatever address the parties from time to time advise in writing.

PROVIDED that notice to the Fire District shall be directed to the attention of the Chair of the Fire District.

**17. Powers Preserved**

17.1 Nothing in this Agreement affects the right of the Fire District to exercise its statutory powers within its jurisdiction.

**18. Enurement**

18.1 This Agreement shall enure to the benefit of and be binding on the parties hereto and their respective successors and permitted assigns.

**19. Waiver**

19.1 Waiver of any default by either party shall not be deemed to be a waiver of any subsequent default.

**20. Costs of Licence Agreement**

20.1 The Water District shall pay to the Fire District all the costs associated with this Licence, including legal costs and any Goods and Services Tax which may be payable.

**21. Assignment**

21.1 This Licence benefits only the Water District and may not be assigned except with the prior written consent of the Fire District, which consent shall be at the sole discretion of the Fire District and may be arbitrarily withheld.

21.2 The Licence Area may not be sublet by the Water District.

**22. Opinion**

22.1 Where, under this Agreement, the Fire District is entitled to form an opinion, give an approval or otherwise exercise a discretion, the Chair of the Fire District may exercise that power on behalf of the Fire District.

**23. Disputes**

23.1 If there is any dispute regarding this Agreement which cannot be resolved by the parties, the dispute will be referred to a single arbitrator under the *Commercial Arbitration Act* of British Columbia.

**24. Authority**

24.1 The Fire District represents and warrants that it has the authority and capacity to enter into this Agreement.

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24.2 The Water District represents and warrants to the Fire District that it has the authority and capacity to enter into this Agreement and perform its obligations under this Agreement and that all necessary corporate steps and proceedings to do so have been properly taken.

**25. Force Majeure**

25.1 Neither party shall be liable in damages or have the right to terminate this Agreement for any delay or default in performing hereunder if such delay or default is caused by conditions beyond its control including, but not limited to Acts of God, Government restrictions, wars, insurrections and/or any other cause beyond the reasonable control of the party whose performance is affected.

**26. Condition Precedent**

26.1 This Licence Agreement is subject to the approval of this document by the respective Boards of the Fire District and Water District by bylaw in accordance with the provisions of the *Local Government Act*.

MILL BAY FIRE PROTECTION DISTRICT  
by its authorized signatories

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Per.

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Per.

COBBLE HILL IMPROVEMENT DISTRICT  
by its authorized signatories

\_\_\_\_\_  
Per.

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