

**MEMORANDUM OF UNDERSTANDING  
BETWEEN  
THE SUBURBAN HENNEPIN REGIONAL PARK DISTRICT AND  
THE TEAM GILBOA SKI CLUB OF MINNESOTA  
REGARDING THE TERMS FOR THE PROPOSED CONSTRUCTION AND  
USE OF A TEAM COMPETITION FACILITY**

WHEREAS, the Team Gilboa Ski Club of Minnesota, a nonprofit corporation organized and existing under the laws of the State of Minnesota, ("Team Gilboa"), is a nationally recognized winter sports program dedicated to the development and training of young men and women in alpine ski racing and snowboard competition; and;

WHEREAS, for over twenty-seven years the Suburban Hennepin Regional Park District ("Park District") has provided the Hyland Ski and Snowboard Area ("Hyland") as the venue for the alpine and winter sports program and as a result the program has substantially contributed to the Park District's program objectives and both short-term and long-range goals; and;

WHEREAS, it is in the mutual interests of both Team Gilboa and the Park District to continue to cooperatively make available to the public alpine and winter sport competition programs operated in a professional, safe, and skilled manner; and;

WHEREAS, Team Gilboa has undertaken a study of its existing facility and of its future program needs and after consultation with the Park District has concluded that it is necessary and appropriate to replace the facility with one of approximately 1,000 sq. ft. on the existing site; and;

WHEREAS, pursuant to Minn. Stat. Sec. 398.09 (g), the Park District has the statutory authority to cooperate with private organizations engaged in recreational activities; and;

WHEREAS, it is necessary for Team Gilboa to obtain certain agreements with the Park District and the Park District has expressed certain concerns regarding the design, ownership, maintenance, and operation of the facility; and;

WHEREAS, Team Gilboa and the Park District have reached a preliminary understanding of how the various concerns could be cooperatively addressed within the framework of maximizing the effectiveness of the Team Gilboa program and integrating the facility into other Hyland activities;

NOW THEREFORE, as a resolution to the objectives, issues, and concerns raised, Team Gilboa and the Park District agree that the following elements describe the understandings of each of the parties:

A. Team Gilboa agrees to:

1. Continue to undertake the design of and fund raising for the construction a new Alpine and Winter Sports Facility as presently described in Exhibit A.
2. Establish and maintain a temporary Facility Construction Staging Area described as follows:

The building site and an area adjacent to the building site approximately 30 feet to the North, 30 feet to the South, East to the property line, and 30 feet to the West leaving the road access open. Further, on the North end of the parking lot an area of approximately 1800 sq. ft., approximately 60 feet from North to South and 30 feet East to West, leaving approximately 20 feet on the West side for access to the entrance gate.
3. Undertake at its cost the demolition and removal of the existing facility, obtaining such permits as are required.
4. Upon receiving from the Park District a construction right of entry, construct an off-street, single level facility of approximately 1,000 square feet to accommodate program use for alpine and winter sports.
  - (a) Team Gilboa has provided and will continue to provide the Park District opportunity to review and comment on the design of the facility and shall respond to such comments by presenting design options, within budget, for further consideration by the Park District.
  - (b) Team Gilboa shall submit final drawings and specifications to the Park District for its approval, which approval shall not be unreasonably withheld.
  - (c) Team Gilboa shall obtain approval of the Park District for exterior signage, including donor recognition.
  - (d) Team Gilboa shall obtain approval of the Park District of its construction schedule and its finance plan prior to commencing construction.
  - (e) Team Gilboa shall restore only such landscaping as is presently on the premises.
  - (f) Team Gilboa shall at its cost obtain all necessary permits and inspections and observe all City of Bloomington ordinances, including construction noise restrictions.
5. Upon obtaining a certificate of occupancy convey to the Park District all its rights and interest to the facility, except described personal property .
6. Simultaneous with the conveyance described in paragraph 5, take and receive a twenty-year leasehold interest to the facility (Exhibit B).
7. Upon completion of the facility make any necessary restorations to the Facility Construction Staging Area.

B. Lease/Operating Agreement. Team Gilboa and the Park District shall enter into an Lease/Operating Agreement providing for the operation and maintenance of the facility in such a manner and at such standards as is provided in Exhibit B.

C. The Park District agrees to:

1. Lease to Team Gilboa for twenty years, with five year options at the Park District's reasonable discretion, for the consideration of one dollar the Facility.
2. Provide to Team Gilboa a right of entry and/or temporary construction easements necessary for Team Gilboa to demolish the existing structure and construct the above described facility as more fully described in Exhibit A.
3. Grant and maintain such permits or licenses as are reasonably necessary for continuous ingress and egress through the existing parking lot, roadway, or other designated access to the Facility.
4. Provide to Team Gilboa utility easements as are reasonably deemed necessary by the architect and contractor.
5. Prepare, at its expense, necessary right of entry and sale conveyance documents.
6. Continue to provide from year to year necessary permits or authorization for the use of hill space in a manner and time consistent with past practice and the ongoing scope of the Team Gilboa program.

D. Definitions.

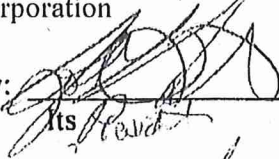
1. "Team Gilboa" shall mean the Team Gilboa Alpine Ski Club, a nonprofit corporation, its successors and assigns.
2. "Park District" shall mean the Suburban Hennepin Regional Park District, an independent special Park District created pursuant to Minnesota Statutes Chapter 398, its successors and assigns.
3. "Alpine and winter sports facility" shall mean the building as described in Exhibits A and B.

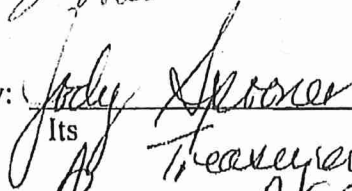
E. Termination. Either party, upon sixty days written notice, may terminate this Memorandum of Understanding if, on June 1, 2001, Team Gilboa has not commenced to undertake its obligations hereunder. This right of termination shall not apply if either Team Gilboa or the Park District, or both, are prevented from undertaking action hereunder by order of any court or other public authority having jurisdiction resulting from the actions of third parties.

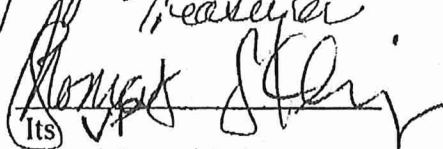
F. Exhibits. The parties agree that since all of the legal descriptions and survey work has not been completed, the drawings and legal descriptions attached as exhibits show the general conceptual agreement of the parties. Prior to lease of the Facility or easements the Park District will provide a survey of the entire affected property with certified legal descriptions for all easements to be created.

IN WITN ESS WHEREOF, Team Gilboa and the Park District have caused this Agreement to be executed in their respective names, and their respective seals to be hereunto affixed and attested by their duly authorized officers, all as of the date first written above.

TEAM GILBOA SKI CLUB  
OF MINNESOTA, a non-profit  
Corporation

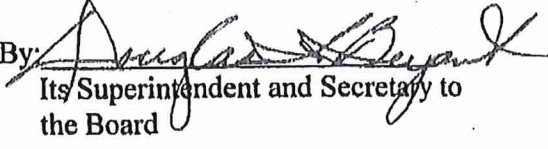
By:  \_\_\_\_\_  
Its Paul Revere

By:  \_\_\_\_\_  
Its Judy Spencer  
Treasurer

And  \_\_\_\_\_  
Its Ronald Stein

Date 9/1--/00

SUBURBAN HENNEPIN  
REGIONAL PARK DISTRICT

By:  \_\_\_\_\_  
Its Douglas K. Bryant  
Superintendent and Secretary to  
the Board

Date \_\_\_\_\_

**EXHIBITS**

EXHIBIT A. Thorbeck Auxiliary Building Site Plan, Floor Plan (AS) dated 3-4-99.  
As modified by Ryan Companies US, Inc. dated Feb. 9, 2000  
(Preliminary).

EXHIBIT B. Proposed Lease/Use Agreement dated \_\_\_\_\_

Exhibit B  
RJA 5-23-00

### LEASE/USE AGREEMENT

THIS LEASE/USE AGREEMENT, made and entered into this 8<sup>th</sup> day of ~~August~~, 2000, by and between the SUBURBAN HENNEPIN REGIONAL PARK DISTRICT, a body politic and corporate under the laws of the State of Minnesota, hereinafter referred to as the "Park District", and TEAM GILBOA SKI CLUB OF MINNESOTA, a non-profit corporation organized and existing under the laws of the State of Minnesota, hereinafter referred as "Team Gilboa".

#### RECITALS

WHEREAS, the Park District owns and maintains Hyland Lake Park Reserve, a regional park reserve located in Bloomington, Minnesota; and

WHEREAS, the Park District and Team Gilboa have entered in a Memorandum of Understanding dated 5/23, 2000, which contemplates the use of certain Park District property for the construction by Team Gilboa of an alpine and winter sport facility to replace its existing facility; and

WHEREAS, Team Gilboa will convey to the Park District and the Park District will lease back said facility to Team Gilboa and that thereafter Team Gilboa will be responsible for the operation and maintenance of the facility on the subject premises in furtherance of the Park District's governmental program as described in Minnesota Statute 398.08 to acquire and establish parks and to operate, maintain, protect, improve and preserve a park system and to conduct a recreational program in its parks.

NOW, THEREFORE, IT IS AGREED, in consideration of the covenants and releases hereinafter contained, the Park District leases to Team Gilboa the facility described in the attached Exhibit "A" ("the Facility").

This Agreement is subject to the following terms and conditions:

1. Payment, Term, Default, Time to Cure. The Team Gilboa hereby pays to the Park District one Dollar (\$1.00) as rental for the entire Agreement term. The Agreement shall remain in effect for twenty years commencing on September 1, 2000, and expiring September 1, 2020 unless terminated as herein provided. Upon receipt of documentation confirming that Team Gilboa will continue to carry out its program, the Park District may, at its reasonable discretion, elect to renew the lease for subsequent five (5) year terms, provided such renewal shall not unreasonably be withheld. The Park District shall provide written notice to Team Gilboa of any alleged default and Team Gilboa shall have ninety (90) days to cure such default. Where a failure to comply with a provision of this Agreement creates an emergency condition which threatens the health, safety or welfare of the public, as determined by any state, county or municipal agency

charged with regulating responsibility for the public health, safety or welfare, Team Gilboa shall have ten (10) days to cure the default.

2. Permitted Operation and Maintenance. The Facility shall be used for the operation and maintenance of an alpine and winter sports training program on a year-round basis and only those uses. Any additional and other use of the Facility shall require the prior written consent of the Park District. Team Gilboa shall cause the Facility to be maintained consistent with Park District standards and in a neat, clean, safe and sanitary condition throughout the term of the Agreement and shall perform, at its cost, all necessary maintenance and repair to the facility and may, at its option, restore any damage or casualty to the facility covered by insurance.

3. Utilities and Taxes. Team Gilboa shall be responsible for the cost of maintenance and consumption of any utilities, including water, sewer, gas, electricity and telephone. The Park District shall be responsible for any real property taxes, use fees, assessments or other charges imposed by itself or other governmental entities.

4. Security. The Park District shall provide security to the facility in the same manner it provides to other buildings at Hyland provided the provision of such service shall place no additional duty upon the Park District than it would have absent this section. Team Gilboa shall provide Hennepin Parks Public Safety officials a key to the facility.

5. Liens. Team Gilboa shall not allow liens to be filed, asserted or to accrue against the premises.

6. Assignment. Team Gilboa shall not assign this Lease or encumber the premises, without prior written approval by the Park District which may be withheld at the sole discretion of the Park District.

7. Indemnification, Insurance. Team Gilboa hereby agrees to indemnify and hold harmless the Park District, its employees, officers and agents, from any loss, cost or damage arising in connection with Team Gilboa's operation and maintenance of the Facility; provided, however, that this indemnity by Team Gilboa to the Park District does not include or extend to any claim, demand, action or cause of action arising out of or resulting from any act or omission of the Park District, its officers, employees or agents, nor does it extend beyond the amount of insurance required to be provided herein.

Team Gilboa, shall obtain and provide to the Park District, Certificates of Insurance evidencing comprehensive policies of bodily injury liability and property damage liability, each with bodily injury limits of liability of not less than \$300,000 when the claim is one for death by wrongful act or omission, not less than \$1,000,000 for any number of claims arising out a single occurrence, and not less than \$50,000 for all damages arising out of injury to or destruction of property. In addition, if applicable, Team Gilboa shall also obtain and provide to the Park District Certificates of Insurance evidencing automobile insurance in the sum of \$300/\$750/\$1,000,000. Team Gilboa shall also maintain renters insurance in such amount as it may deem appropriate. The Park District shall also be furnished with copies of the policies and shall be furnished with Certificates of

Insurance which shall provide for notice of cancellation at least 30 days prior to such cancellation. No policy required by this paragraph shall have a deductible in excess of \$2,500. Should the limits of municipal tort liability specified in Minnesota Statutes, Chapter 466 be changed, the limits of bodily injury coverages shall be increased to the same extent. Should the Chapter 466 limits be abrogated by statute or court ruling, these coverages shall be subject to immediate review and further approval by the Park District. These policies shall designate the Park District as an additional insured. The Facility shall not be operated unless the insurance required under this Agreement is in effect.

8. **Workers' Compensation Insurance.** Team Gilboa shall also provide the Park District with a current Certificate of Insurance establishing that it, at such time as it may employ any person, has insurance coverage in accordance with Minnesota Workers' Compensation law with total coverage of at least \$500,000.

9. **Property Insurance.** The Park District agrees to insure the Facility against damage by fire or other casualty and waives all claims against Team Gilboa for any damage to the Facility arising from risks that would be covered by an all-risk casualty insurance policy. If after September 1, 2015, fifty percent or more of the Facility shall be destroyed or damaged from any cause, the Park District shall have the option to repair, replace or restore the damaged portion of the Facility to its former condition or to discontinue the operation of the Facility.

10. **Park District Ordinances, Etc.** Team Gilboa agrees to comply with all ordinances, rules, regulations and policies of the Park District.

11. **As Is Condition.** Team Gilboa accepts the premises in their present condition and agrees the Park District shall not be required to make any improvements or repairs upon the premises.

12. **Improvements and Alterations.** Any improvements or alterations, including exterior signage, to the premises shall require the prior written approval of the Park District.

13. **Entry and Inspection.** The Park District shall upon notice have reasonable access to the Facility.

14. **Ingress and Egress.** Team Gilboa shall have the right of ingress and egress to the premises from any roadway, parking lot, or other designated access.

15. **Independent Contractors.** Team Gilboa and its agents are independent contractors and are not to be construed for any reason whatsoever as employees or agents of the Park District.

16. **Compliance With Laws.** Team Gilboa shall comply with all applicable local, state and federal laws and ordinances in the operation and maintenance of the Facility including, but not limited to, all such laws governing employment.

17. **Amendment.** This Agreement may be amended but only in writing and only by mutual agreement of Team Gilboa and the Park District.

18. **Termination.** This Agreement may be terminated by the Park District at its sole option by written notice to Team Gilboa upon occurrence of the following events:

- A. Failure of the Team Gilboa to comply with any provisions of this Agreement and cure any default within the time allotted under this Agreement.
  - B. Upon the total cessation and abandonment of the operation of the facility for a period of 365 consecutive days at any time during the term of this Agreement. This paragraph in no way requires Team Gilboa to maintain the facility and to rebuild it after casualty or condemnation.
  - C. On and after July 1, 2015, and with twelve months notice, it may terminate this Agreement for any reason and the Park District shall pay to Team Gilboa such cost as represents the unamortized value of the construction costs of the facility, including improvements, amortized on a equal yearly basis over a twenty year useful life. This Agreement may be terminated by Team Gilboa at its sole option by written notice to the Park District upon occurrence of the following events:
    - D. On and after July 1, 2005, and with twelve months notice, it may terminate this Agreement and convey the remainder of its leasehold interest to the Park District.
    - E. On and after July 1, 2015, and with twelve months notice, it may terminate this Agreement and convey the remainder of its leasehold interest to the Park District at such cost as represents the unamortized value of the construction costs of the facility amortized on a equal yearly basis over a twenty year useful life.
    - F. Upon the Park District's failure to provide a yearly hill program use permit, and with thirty days notice, it may terminate this Agreement and convey the remainder of its leasehold interest to the Park District at such cost as represents the remainder value of the facility, including improvements, amortized over a twenty year useful life.
19. Notices. Any notices relating to the terms and conditions of this Agreement shall be sent by certified U.S. mail prepaid to: Douglas F. Bryant, Superintendent for the Suburban Hennepin Regional Park District, 12615 County Road 9, Plymouth, Minnesota, 55441-1248, or such other address provided to the other party in writing. Notices are deemed effective on mailing.



IN WITNESS WHEREOF, Team Gilboa and the Park District have caused this Agreement to be executed in their respective names, and their respective seals to be hereunto fixed and attested by their duly authorized officers, all as of the date first written above.

TEAM GILBOA SKI CLUB  
OF MINNESOTA, a non-profit  
Corporation

By: [Signature]  
Its President

By: [Signature]  
Its Treasurer  
And [Signature]  
Its V.P.  
Date 8/2/00

SUBURBAN HENNEPIN  
REGIONAL PARK DISTRICT

By: [Signature]  
Its Superintendent and Secretary  
to the Board

Date \_\_\_\_\_

**AMENDMENT NO. 1  
TO THE LEASE/USE AGREEMENT**

This Amendment No. 1 to the Lease/Use Agreement (“Amendment”), dated as of April 10, 2014 (“Amendment Effective Date”), is entered into by and between **Three Rivers Park District f/k/a/ Suburban Hennepin Regional Park District**, a body politic and corporate under the laws of the State of Minnesota, hereinafter referred to as the “Park District”, and **Team Gilboa Ski Club of Minnesota**, a non-profit corporation organized and existing under the laws of the State of Minnesota, hereinafter referred to as “Team Gilboa” pursuant to the Lease/Use Agreement between the parties dated on or about September 1, 2000. All of the terms and conditions of the Lease/Use Agreement are hereby incorporated by reference, and any capitalized term that is not otherwise defined in this Amendment will have the meaning given in the Lease/Use Agreement.

**RECITALS**

**WHEREAS**, the parties agree to amend the Lease/Use Agreement to the extent provided herein.

**NOW, THEREFORE**, in consideration of the mutual covenants, promises and other good and valuable consideration, the receipt and sufficiency of which the parties hereby acknowledge, Park District and Team Gilboa agree as follows:

1. Subsections C and E of Section 18, Termination, of the Lease/Use Agreement are deleted in their entirety. The remaining Subsection D shall be modified to be “Subsection C” and the remaining Subsection F shall be modified to be “Subsection D”.
2. The second sentence in Section 1, Payment, Term, Default, Time To Cure, of the Lease/Use Agreement shall be deleted in its entirety and replaced with the following: “The Agreement shall remain in effect for thirty years commencing on September 1, 2000, and expiring September 1, 2030 unless terminated as herein provided.”
3. The second paragraph in Section 7, Indemnification, Insurance, of the Lease/Use Agreement shall be deleted in its entirety and replaced with the following: “Team Gilboa, shall obtain and provide to the Park District, Certificates of Insurance evidencing comprehensive policies of bodily injury liability and property damage liability, each with bodily injury limits of liability of not less than \$300,000 ~~when the claim is one for death by wrongful act or omission,~~ **\$500,000 per person**, not less than ~~\$1,000,000~~ **\$1,500,000** for any number of claims arising out of a single occurrence, and not less than \$50,000 for all damages arising out of injury to or destruction of property. In addition, if applicable, Team Gilboa shall also obtain and provide to the Park District Certificates of Insurance evidencing automobile **liability** insurance in the sum of ~~\$300/\$750/\$1,000,000~~ **\$500,000 per person / \$1,500,000 per occurrence**. Team Gilboa shall also maintain renters insurance in such amount as it may deem appropriate. The Park District shall also be furnished with copies of the policies and shall be furnished with Certificates of Insurance which shall provide for notice of cancellation at least 30 days prior to such cancellation. No policy required by this paragraph shall have a deductible in excess of \$2,500. Should the limits of municipal tort liability specified in Minnesota Statutes, Chapter 466 be changed, the limits of

bodily injury coverages shall be increased to the same extent. Should the Chapter 466 limits be abrogated by statute or court ruling, these coverages shall be subject to immediate review and further approval by the Park District. These policies shall designate the Park District as an additional insured. The Facility shall not be operated unless the insurance required under this Agreement is in effect.”

4. All other terms of the Lease/Use Agreement shall remain unchanged and unmodified and shall continue in full force and effect.

**IN WITNESS WHEREOF**, the parties have caused this Amendment to be executed by their duly authorized representatives as of the date first above written.

**THREE RIVERS PARK DISTRICT**

**TEAM GILBOA SKI CLUB  
OF MINNESOTA**

By: \_\_\_\_\_

By: \_\_\_\_\_

Title: \_\_\_\_\_

Title: Executive Director, Team Gilboa

Name: \_\_\_\_\_

Name: George W. Balch

Date: \_\_\_\_\_

Date: \_\_\_\_\_