

**OPERATING AGREEMENT
BETWEEN
THREE RIVERS PARK DISTRICT
AND
TEAM GILBOA ALPINE SKI CLUB, INC.**

AGREEMENT made this 7th day of December, 2010 by and between the THREE RIVERS PARK DISTRICT (hereinafter referred to as PARK DISTRICT), a political sub-division of the State of Minnesota and TEAM GILBOA ALPINE SKI CLUB, INC. (hereinafter referred to as TEAM GILBOA).

IT IS AGREED:

1. Purpose.

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 it is in the mutual interests of both Team Gilboa and the Park District to continue to cooperatively make available to the public alpine winter sport competition programs operated in a professional, safe, and skilled manner. The purpose of this Agreement between the PARK DISTRICT and TEAM GILBOA is to authorize TEAM GILBOA to continue operating as one of Hyland Ski and Snowboard Area's (HSSA) home teams. The missions of both TEAM GILBOA and HSSA are compatible and bring substantial benefits to each other and the community, and desire for their relationship to continue.

2. Conditions.

a. Facility Ownership and Operation.

PARK DISTRICT intends to continue to own and operate the ski, snowboard and other recreational facility known as Hyland Ski and Snowboard (HSSA) which has served as a home base for TEAM GILBOA since 1985.

b. Quality Control.

The TEAM GILBOA intends to continue to provide to the public high quality alpine and winter sport competition programs through coaching, programmatic and scheduling of events at HSSA.

c. Use of Facility.

The PARK DISTRICT shall serve as TEAM GILBOA'S home base which includes serving as a year round facility for TEAM GILBOA'S on and off hill training, competition and other events.

The PARK DISTRICT will provide space and support services for competitions and on hill training as scheduling, space and operating conditions allow in a manner and time consistent with past practice and the ongoing scope of the TEAM GILBOA program. All scheduled programs, practices, competitions and hill usage must be scheduled and approved by the PARK DISTRICT prior to the beginning of the operating season.

The PARK DISTRICT agrees to provide space at reasonable cost in its chalet for TEAM GILBOA events as scheduling permits, consistent with HSSA policies.

d. Competitions.

TEAM GILBOA will continue to provide ongoing support and recruitment of United States Ski and Snowboard Association (USSA), United States of America

Snowboard Association (USASA) or other alpine competitions to HSSA during each winter season to support the mission and expand the activity of HSSA.

e. Equipment.

TEAM GILBOA agrees to use only equipment that meets safety regulations established by appropriate Federal, State or local agencies. Equipment shall be maintained in good condition and stored in a location determined by the PARK DISTRICT.

f. Season Ski Pass.

PARK DISTRICT shall offer each TEAM GILBOA member and coach a season ski pass. The price for the ski passes is in accordance with the pricing structure approved by the Board of Commissioners as part of the HSSA annual operating budget. The pricing structure for the 2010-2011 ski passes is as follows:

Adult Race, unlimited pass (12 years old and older)	\$299 plus tax
Youth Race, unlimited pass (11 years and younger)	\$199 plus tax
Team Coaches	Complimentary

PARK DISTRICT may adjust the price annually and give notice to TEAM GILBOA of any proposed change in price prior to the ski season. TEAM GILBOA may accept any such price change or may terminate the agreement in accordance with its terms.

g. Additional Fees.

TEAM GILBOA agrees that additional fees may be charged by the PARK DISTRICT for additional services consistent with HSSA Competition Team price structure and policies.

h. Promotion.

TEAM GILBOA agrees to have all advertising involving the PARK DISTRICT approved by the PARK DISTRICT prior to publication. Any banners, signs or onsite advertisements must be consistent with PARK DISTRICT policies.

TEAM GILBOA will indicate on its recruiting and informational materials, including electronic media, that it operates "in association with HSSA" or a similar reference. The parties will provide links on their respective websites to the other's website, prominently display and distribute other's written pamphlets and other marketing materials (including HSSA pass sales) and meet on an annual or other appropriately agreed basis to develop a cross-marketing plan and promotional materials.

i. Program and Schedules.

The PARK DISTRICT shall annually review and approve all alpine and winter sport programs and schedules offered by TEAM GILBOA to insure compatibility with the PARK DISTRICT'S programs and facilities.

j. TEAM GILBOA Annual Fundraiser.

TEAM GILBOA intends to conduct an annual ski swap (late September through early October), at HSSA on a regular basis throughout the term of this Agreement. Scheduling to be mutually determined, HSSA will provide traditional and adequate space at no cost for a four day period in its chalet for this swap. The PARK DISTRICT will be permitted to provide its own marketing and sales during this event. TEAM GILBOA will be the sole provider of a pre-season ski swap at HSSA not precluding the PARK DISTRICT from any equipment sales at any time. If TEAM GILBOA should decide to not operate a ski swap the PARK

DISTRICT reserves the right to operate the swap itself or assign those rights to another entity.

k. Communication and Discussion.

On an ongoing basis, TEAM GILBOA leadership will:

- i. Meet with Park District staff to discuss their relationship to ensure good communication and accommodate necessary changes in how the parties work together, including considering in good faith potential amendments to this Agreement as necessary and as may be agreed to. The leadership will make all reasonable efforts to communicate regularly and to inform each other of issues that might affect the other.

3. Term.

This Agreement will have a term of one year. It will annually renew each September 1, so as to be a rolling contract and is deemed to have commenced as of date of execution. Either party may terminate this agreement on seven days notice in the event of any failure to perform by the other party or in the event a change in ski pass price is not accepted. This agreement is deemed to have commenced as of date of execution.

4. Liability Insurance.

TEAM GILBOA must submit a comprehensive general liability certificate of insurance prior to the start of the alpine ski season naming Three Rivers Park District as additional insured. The insurance shall provide no less than a \$1,500,000 limit per occurrence and a general aggregate limit of no less than \$2,000,000. Any deductible shall be limited to no more than \$1,000 per occurrence. Insurance shall be provided by an insurer reasonably acceptable to PARK DISTRICT. Insurance shall provide for at least 30 days notice prior to cancellation.

5. Indemnify and Hold Harmless.

TEAM GILBOA agrees to notify the PARK DISTRICT of any injuries involving its members that occur at HSSA. TEAM GILBOA shall defend, indemnify and hold harmless the PARK DISTRICT, its affiliates, and their respective directors, officers, employees, contractors and agents from and against any liabilities, losses, investigations or inquiries, claims, suits, proceedings, damages, costs and expenses including reasonable attorney fees and expenses arising out of or otherwise relating to the operation of the programs provided by TEAM GILBOA during the term of this Agreement, TEAM GILBOA'S acts and omissions, TEAM GILBOA'S performance or failure to perform as required by this Agreement, or any of TEAM GILBOA'S representations or warranties contained in this Agreement.

TEAM GILBOA will provide language in all participant waivers that shall hold the Park District free from any and all claims, demands and causes of action arising out of or in any way related to any personal injury or property damage sustained by/to individuals participating in practices, programs and its activities at HSSA.

6. Workers Compensation Insurance.

If TEAM GILBOA hires employees, TEAM GILBOA shall purchase and maintain, during the term of the Agreement, Workers Compensation insurance covering all employees of TEAM GILBOA.

7. No Waste or Interference with Park District Uses.

TEAM GILBOA shall not commit or permit any of its employees or representatives to commit any waste upon parklands, buildings or structures or use or occupy the same

for any purpose which will unreasonably interfere with or adversely affect the PARK DISTRICT'S use of the property.

8. Security.

The PARK DISTRICT shall provide limited general security of TEAM GILBOA'S equipment as part of its routine patrol and surveillance by PARK DISTRICT personnel; provided, however, that the PARK DISTRICT shall not be liable to TEAM GILBOA for any damage to TEAM GILBOA'S property which occurs in spite of the PARK DISTRICT'S routine patrol and surveillance.

9. Use Subject to Park District Rights.

The PARK DISTRICT shall have a right to enter upon the parklands, buildings and structures used by TEAM GILBOA for any lawful purpose.

10. Park Management.

The PARK DISTRICT retains the authority to manage the HSSA property and facilities and enforce PARK DISTRICT ordinances, rules, and policies.

11. Government Rules and Regulations.

TEAM GILBOA agrees to observe, obey and comply with all Federal, State and local laws, rules, ordinances, regulations and policies.

12. Contract Termination.

This Agreement may be terminated by the PARK DISTRICT or TEAM GILBOA consistent with Lease/Use Agreement dated August 8, 2000.

13. Contract Enforcement.

This Agreement binds and benefits the parties and their successors and assigns.

This Agreement has been made under the laws of the State of Minnesota, and such laws will control its interpretation.

EXECUTED THIS 15th DAY OF December, 2010

THREE RIVERS PARK DISTRICT

By Thomas K. McDowell

Its Associate Superintendent

TEAM GILBOA ALPINE SKI CLUB, INC.

By Daniel B. Assarely

Its Director - TEAM Gilboa.

COPY

AMENDMENT NO. 1
TO THE OPERATING AGREEMENT

This Amendment No. 1 to the Operating Agreement ("Amendment"), dated as of April 10, 2014 ("Amendment Effective Date"), is entered into by and between **Three Rivers 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" pursuant to the Operating Agreement between the parties dated December 7, 2010. All of the terms and conditions of the Operating 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 Operating Agreement.

RECITALS

WHEREAS, the parties agree to amend the Operating 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. Subsection C, Use of Facility, Section 2, Conditions, of the Operating Agreement shall be amended to add the following clause at the end of the second sentence: "which past practices and scope are generally described in Exhibit A attached hereto." The following sentence shall be added after the modified second sentence: "To the extent practicable, the parties agree to update Exhibit A on a regular basis."
2. The Operating Agreement is hereby amended to include Exhibit A, attached hereto.
3. All other terms of the Operating 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

By: Boe Carlson

Title: Superintendent

Name: Boe Carlson

Date: 9/19/14

TEAM GILBOA SKI CLUB
OF MINNESOTA

By: George W. Balch

Title: Executive Director, Team Gilboa

Name: George W. Balch

Date: 9/30/14

Does not show
2014/2015

Exhibit A

Season	Gilboa membership	Park District practice lane space
2013 - 2014 Season	276 members	<p>Dedicated practice lanes A, B, C (Southside of the North Chairlift) for Team Gilboa as the Home Team.</p> <p>Regularly assigned various practice lanes 1 - 8 (North side of the North Chairlift).</p>
2012 - 2013 Season	218 members	<p>Dedicated practice lanes described as lanes A, B, C (Southside of the North Chairlift) for Team Gilboa as the Home Team. Commonly referred to prior to the 2013 - 2014 season as "Gilboa lanes".</p> <p>Regularly assigned various practice lanes 1 - 8 (North side of the North Chairlift).</p>
2011 - 2012 Season	236 members	<p>Dedicated practice lanes described as lanes A, B, C (Southside of the North Chairlift) for Team Gilboa as the Home Team. Commonly referred to prior to the 2013 - 2014 season as "Gilboa lanes".</p> <p>Regularly assigned various practice lanes 1 - 8 (North side of the North Chairlift).</p>
2010 - 2011 Season	219 members	<p>Dedicated practice lanes described as lanes A, B, C (Southside of the North Chairlift) for Team Gilboa as the Home Team. Commonly referred to prior to the 2013 - 2014 season as "Gilboa lanes".</p> <p>Regularly assigned various practice lanes 1 - 8 (North side of the North Chairlift).</p>
2009 - 2010 Season	218 members	<p>Dedicated practice lanes described as lanes A, B, C (Southside of the North Chairlift) for Team Gilboa as the Home Team. Commonly referred to prior to the 2013 - 2014 season as "Gilboa lanes".</p>

Season	Gilboa membership	Park District practice lane space
		Regularly assigned various practice lanes 1 - 8 (North side of the North Chairlift).
2008 – 2009 Season	229 members	Dedicated practice lanes described as lanes A, B, C (Southside of the North Chairlift) for Team Gilboa as the Home Team. Commonly referred to prior to the 2013 – 2014 season as “Gilboa lanes”. Regularly assigned various practice lanes 1 - 8 (North side of the North Chairlift).
2007 – 2008 Season	229 members	Dedicated practice lanes described as lanes A, B, C (Southside of the North Chairlift) for Team Gilboa as the Home Team. Commonly referred to prior to the 2013 – 2014 season as “Gilboa lanes”. Regularly assigned various practice lanes 1 - 8 (North side of the North Chairlift).
2006 – 2007 Season	210 members	Dedicated practice lanes described as lanes A, B, C (Southside of the North Chairlift) for Team Gilboa as the Home Team. Commonly referred to prior to the 2013 – 2014 season as “Gilboa lanes”. Regularly assigned various practice lanes 1 - 8 (North side of the North Chairlift).