

# Lakeville ARENAS

**BOARD OF DIRECTORS MEETING  
OCTOBER 23, 2024**



## Lakeville Arenas Board Meeting Agenda

Wednesday, October 23, 2024

3:30 p.m. Hasse Arena Lobby Conference Room

### 1) Meeting Call to Order

### 2) Consent Agenda

1. Approval of Lakeville Arenas Board Minutes for September 11, 2024.
2. Receipt of Lakeville Arenas Financial Report for August 2024.
3. Receipt of Lakeville Arenas Budget Report for August 2024.
4. Receipt of Lakeville Arenas Check Register for August 2024.
5. Receipt of Lakeville Arenas Portfolio Holdings for August 2024.

**Action(s) Needed:** Motion to approve the consent agenda.

### 3) Arenas Manager's Report

- a) Arenas Manager Report Review and Discussion
- b) Acknowledgements/Approvals detailed in the Manager's Reports.
  - i) The Arenas Manager donated the use of his bobcat for Pavilion Rink amenities construction.
  - ii) Hiring two new additional full-time driver supervisors as budgeted.
  - iii) E-Train Agreement
  - iv) MOU to operate the LHA dryland training area.
- c) **Motions needed.**
  - i) Motion to approve license agreement with E-Train LLC.
  - ii) Motion to approve the Dry Land Area Memorandum of Understanding with LHA & E-Train LLC.
  - iii) Motion to accept the submitted Arena Managers Reports and Acknowledgements.

### 4) Resolutions

- a) Resolution 10232024.1 approving Tax-Exempt Master Lease/Purchase Agreement# 16834, between Lease Servicing Center, Inc. dba NCL Government Capital (Lessor) and Lakeville Arenas (Lessee) and Schedule #001.
- b) Resolution 10232024.2 approving Tax-Exempt Master Lease/Purchase Agreement# 16834, between Lease Servicing Center, Inc. dba NCL Government Capital (Lessor) and Lakeville Arenas (Lessee) and Schedule #002.
- c) **Action(s) Needed:** Motion to approve the Resolutions

### 5) Signatures Required

- a) Lakeville Arenas Board Meeting Minutes for Previous Meeting
- b) Resolutions

### 6) Adjourn

### Lakeville Arenas Board of Directors Meetings

Every 4<sup>th</sup> Wednesday of the month at 3:30 pm, Hasse Arena Lobby Conference Room, 8525 215<sup>th</sup> Street. Lakeville MN 55044



## **BOARD OF DIRECTORS MEETING**

### **OCTOBER 23, 2024 - CONSENT AGENDA**

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## Lakeville Arenas Board Meeting Agenda

Wednesday, September 11, 2024

3:30 p.m. Hasse Arena Lobby Conference Room

### Meeting Call to Order

Board Chair Keliher called the Lakeville Arenas Board Meeting to order at 3:30 p.m. on Wednesday, September 11, 2024.

**Members Present:** Keliher, Miller, Patterson, Volk. **Absent:** Baumann

**Other Present:** Joe Bergquist – Lakeville Arenas Manager, Julie Stahl – City of Lakeville Finance Director.

### Consent Agenda

Ms. Volk moved to approve the consent agenda, which Mr. Miller seconded. There was no further discussion, and the motion carried 4-0.

### Arenas Manager's Report

Mr. Bergquist reviewed the Manager's Report with the board of directors.

### Acknowledgements/Approvals in the Manager's Reports.

- i) Amended salary plan to add Recreation Programming Coordinator position.
- ii) Changing the monthly meeting date to the 4th Wednesday of the month.
- iii) Approve forwarding the 5-year extended perimeter slab warranty agreement with Sheehy to the city.
- iv) Snow removal/mowing equipment purchase and financing.
- v) Plow truck purchase from the City of Lakeville.
- vi) Pavilion rink amenity construction plans and timelines.
- vii) Temporary step increase for salary staff working additional hours on the Pavilion Rink amenities construction.
- viii) Rental of skid steer & excavator for Pavilion Rink amenities construction from JC Contracting.
- ix) Lease agreement with E-Train for a 3-year term for \$10,000 per year.
- x) Operating agreement with LHA of their dryland training center.

### Motions

Mr. Miller moved to approve forwarding the 5-year extended perimeter slab warranty agreement to the city for approval. Ms. Volk seconded the motion. There was no further discussion, and the motion carried 4-0.

Ms. Volk moved to approve renting a skid steer and excavator rental from JC Contracting for work on the Pavilion Rink amenities construction. Mr. Miller seconded the motion. There was no further discussion, and the motion carried 4-0.

Ms. Volk moved to approve temporarily raising the General Manager's WF credit card limit to \$50,000 from September 15, 2024 through September 15, 2025, for Pavilion Rink amenity construction purchases. Mr. Miller seconded the motion. There was no further discussion, and the motion carried 4-0.

Mr. Miller moved to approve the purchase of 9 forty-foot shipping containers for the Pavilion Rink amenities construction. Mr. Patterson seconded the motion. There was no further discussion, and the motion carried 4-0.

Ms. Volk moved to move the monthly Arena's Board Meeting to the fourth Wednesday of every month. Mr. Miller seconded the motion. There was no further discussion, and the motion carried 4-0.

Mr. Miller moved to approve the naming rights agreement with Allina Health for the Outdoor Pavilion Rink and forward it to the city council for approval. Mr. Patterson seconded the motion. There was no further discussion, and the motion carried 4-0.

Ms. Volk moved to approve a 3-year lease agreement with E-Train at Ames Arena for \$10,000 annually. Mr. Miller seconded the motion. There was no further discussion, and the motion carried 4-0.

Mr. Miller moved to table the approval of financing the new snow removal equipment until the October meeting of the Lakeville Arenas Board. Ms. Volk seconded the motion. There was no further discussion, and the motion carried 4-0.

Mr. Miller moved to accept the Arena Managers Report and all acknowledgments and approvals. Mr. Patterson seconded the motion. There was no further discussion, and the motion carried 4-0.

**Resolutions**

Ms. Volk moved to approve Resolution 9112024.1, amending the 2024 Arenas Salary Plans, which Mr. Miller seconded. There was no further discussion, and the motion carried 4-0.

Mr Patterson moved to approve Resolution 9112024.2, approving a temporary 2-step salary increase for the Arenas Operations Manager, Arenas Recreation Programs Coordinator, and Arenas General Manager for additional time and work on Pavilion Rink amenities construction. Ms. Volk seconded the motion. There was no further discussion, and the motion carried 4-0.

**Adjourn**

Ms. Volk motioned to adjourn the meeting, seconded by Mr. Miller. There was no further discussion, and the motion carried 4-0.

**LAKEVILLE ARENAS**

By: \_\_\_\_\_  
Board Chair Date

**ATTEST:**

\_\_\_\_\_  
Board Secretary

\_\_\_\_\_  
Date

**Lakeville Arenas Board of Directors Meetings**

Every 3<sup>rd</sup> Wednesday of the month at 3:30 pm, Hasse Arena Lobby Conference Room, 8525 215<sup>th</sup> Street. Lakeville MN 55044



# Memorandum

**To:** Lakeville Arenas Board  
**From:** Joseph Bergquist, Arenas Manager  
Suzette Hall, Financial Analyst  
**Copy:** Cheri Donovan, Assistant Finance Director  
**Date:** September 20, 2024  
**Subject:** August 31, 2024 Monthly Financial Statements (unaudited)

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The August 2024 monthly financial report covers the period January 1, 2024 through August 31, 2024.

**STATEMENT OF NET ASSETS**  
**Operating & Capital Project Funds**  
**(Unaudited)**

Assets	
Cash	\$ 489
Cash on hand	2,000
Investments	946,840
Market Value Adjustment	(1,687)
Interest receivable	6,567
Accounts receivable	39,423
Accounts receivable - Other	149,802
Inventory	19,600
Prepaid expenses	44,289
Total assets	<u>\$ 1,207,323</u>
Liabilities	
Salaries payable	\$ 20,141
Accounts payable	30,451
Sales tax payable	7,658
Deferred revenue	17,508
Total liabilities	<u>75,758</u>
Net assets	<u>\$ 1,131,565</u>

As of August, the Lakeville Arenas had cash balances of \$2,489 and an investment balance of \$946,840. Cash and investment balances reflect the need for liquidity due to impending expenditures.

At the end of August, there were twelve investments held by Lakeville Arenas. The overall investment strategy is based on cash flow projections. Money not required for short term operations is invested in a manner that ensures safety, liquidity and public trust while maximizing yield.

See the attached investment portfolio as of August 31, 2024.

Accounts receivable at August 31, 2024 amounted to \$39,422.64. The table below shows a breakdown of the accounts receivable.

Days	0-30	31-60	61-90	>90	Total
Amount	33,644	3,082	2,054	643	39,423
Percentage	86%	8%	5%	1%	100%

<u>ACCOUNTS RECEIVABLE @ 8/31/2024</u>		<u>PER</u>	<u>Accts Rec.</u>	<u>Late</u>	<u>Accts Rec.</u>	<u>Payment</u>
		<u>ABOVE</u>	<u>Sales Tax</u>	<u>Fees</u>	<u>Rental</u>	<u>Date</u>
PERFECTLY UNIQUE EVENTS - Dry Floor	(09/23)	600.00	42.75		642.75	
EXO TRAINING	(06/24, 07/24 & 08/24)	4,180.00	339.63		4,519.63	
PRO-HYBRID	(06/24, 07/24 & 08/24)	3,040.00	247.00		3,287.00	
JOHN SCHUMANN	(07/24 & 08/24)	950.00	77.19		1,027.19	
X HOCKEY	(08/24)	2,598.25	277.88		2,876.13	
SNIPERS EDGE TOURNAMENT	(08/24)	6,412.50	521.02		6,933.52	
HERITAGE FIGURE SKATING CLUB	(08/24)	8,170.00	-		8,170.00	
PERRY WILKINSON	(08/24)	1,330.00	108.04		1,438.04	
HOCKEY FINDER	(08/24)	6,460.00	524.88		6,984.88	
MN MENACE - 2012's	(08/24)	1,520.00	123.50		1,643.50	
MN HOCKEY HP 16/S - TODD KARICH	(08/24)	760.00	-		760.00	
MN HOCKEY HP 18/S - CHARLIE GRAVES	(08/24)	1,140.00	-		1,140.00	
		-	-	-	-	-
Total Accounts Receivable		37,160.75	2,261.89	-	39,422.64	-

Inventory is comprised of pro-shop merchandise and concessions at the Ames and Hasse Arenas.

Prepaid expenses include a 2025 contract for R&R Specialties and general liability insurance (September, and 4<sup>th</sup> quarters) and workers compensation (September, and 4<sup>th</sup> quarters).

Salaries payable of \$ 20,141, represents wages earned through August 31, 2024 to be paid in the following month.

### **STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**

#### **General Fund**

The statement of revenues and expenses and changes in fund balance is presented on page four (4) and only reports activity in the "General (Operating) Fund."

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**

**GENERAL FUND**

**FOR THE EIGHT-MONTH PERIOD ENDING AUGUST 31, 2024**

(unaudited)

	Amended Budget	8/31/2024 Actual	Variance From Amended Budget Pos / (Neg)	%	8/31/2023 Actual	Variance from 2023 Actual Pos / (Neg)
<b>Operating Revenues</b>						
Arena rental	\$ 1,324,446	\$ 745,318	\$ (579,128)	56.3%	\$ 638,304	\$ 107,014
Learn to skate	116,107	71,774	(44,333)	61.8%	61,727	10,047
Admissions-public skating	58,704	42,027	(16,677)	71.6%	27,087	14,940
Arena Programming	53,379	41,155	(12,224)	0.0%	24,180	16,975
Event admissions (net of ISD reimb)	48,825	29,875	(18,950)	61.2%	26,268	3,607
Concession sales (net)	146,034	98,387	(47,647)	67.4%	81,875	16,512
Proshop sales (net)	7,539	4,009	(3,530)	53.2%	2,373	1,636
Skate sharpening	5,567	7,685	2,118	138.0%	4,363	3,322
Skate rental	3,522	4,637	1,115	131.7%	3,117	1,520
Vending machines	3,396	2,610	(786)	76.9%	2,266	344
Other - advertising contract	49,800	35,533	(14,267)	71.4%	33,588	1,945
Other / donations	3,810	3,367	(443)	0.0%	1,242	2,125
Interest income	19,752	14,485	(5,267)	73.3%	13,167	1,318
Net Chg in FV of Investments	11,063	6,461	(4,602)	0.0%	2,131	4,330
<b>Total revenues</b>	<b>1,851,944</b>	<b>1,107,323</b>	<b>(744,621)</b>	<b>59.8%</b>	<b>921,688</b>	<b>185,635</b>
<b>Operating Expenses</b>						
Personnel	767,855	444,285	323,570	57.9%	347,924	(96,361)
Commodities	152,328	74,613	77,715	49.0%	56,316	(18,297)
Utilities	259,942	167,260	92,682	64.3%	196,810	29,550
Contractual	112,162	72,153	40,009	64.3%	58,403	(13,750)
Other	393,255	208,856	184,399	53.1%	152,450	(56,406)
Debt service	12,250	11,563	687	0.0%	12,875	1,312
Capital reserve fund	140,000	93,333	46,667	66.7%	93,333	-
<b>Total Expenses</b>	<b>1,837,792</b>	<b>1,072,063</b>	<b>765,729</b>	<b>58.3%</b>	<b>918,111</b>	<b>(153,952)</b>
<b>Change in fund balance</b>	<b>14,152</b>	<b>35,260</b>	<b>21,108</b>		<b>3,577</b>	<b>31,683</b>
Fund balance - January 1, 2024		547,022				
Fund balance - August 31, 2024		\$ 582,282				

## Capital Maintenance Reserve Fund

The following statement of revenues and expenses and changes in fund balance reflects activity for the "Capital Maintenance Reserve Fund."

**FOR THE EIGHT-MONTH PERIOD ENDING AUGUST 31, 2024  
(unaudited)**

	<b>2024 Amended Budget</b>	<b>8/31/2024 Actual</b>	<b>Variance from Amended Budget Positive(Negative)</b>
<b>Revenues</b>			
From General Fund	\$ 140,000	\$ 93,333	\$ (46,667)
Interest Revenue	\$ 9,993	\$ 13,486	\$ 3,493
Other Grants	<u>10,000</u>	<u>-</u>	<u>\$ (10,000)</u>
Total Revenues	159,993	106,819	(53,174)
<b>Expenses</b>	<u>360,000</u>	<u>-</u>	<u>360,000</u>
<b>Change in fund balance</b>	(200,007)	106,819	306,826
Fund balance - January 1, 2024		<u>442,464</u>	
Fund balance - August 31, 2024		<u><u>\$ 549,283</u></u>	

<b>Capital Projects 2024</b>	<b>Amended Budget</b>	<b>YTD Expense</b>	<b>Comments</b>
New Zamboni	210,000	-	
Grounds Equipment	<u>150,000</u>	<u>-</u>	
Total Expenses	360,000	-	

A transfer is made from the General Fund to the Capital Maintenance Reserve Fund each year. This transfer finances future capital acquisitions and building improvements.

## **ARENA DEBT**

The Hasse Arena construction was originally financed with a Lease Revenue Bond issued by the Lakeville Housing and Redevelopment Authority in 2006. The debt is repaid with property taxes levied by the City of Lakeville and Independent School District 194. The 2006 bonds were advance refunded by HRA Lease Revenue Refunding Bonds, Series 2016A. The HRA2016A debt was refunded in April 2022. See details below.

In June 2020, the Lakeville City Council authorized the issuance of debt (approximately \$770,000) for the Ames Arena parking lot improvements. The competitive sale took place on July 20 and closed on August 13. The bonds were issued with a premium of \$145,777 which were used to reduce the amount of debt issued to \$620,000. True interest cost was 0.83%. The debt principal will be paid by contributions from the Lakeville Hockey Association (LHA) and the Heritage Figure Skating Club (HFSC). The interest will be paid by Lakeville Arenas. Staff will be calculating an allocation of the premium so LHA and HFSC will be paying the par plus premium.

On November 16, 2020, the Lakeville City Council authorized the issuance of debt (approximately \$8 million) to fund the APEX energy savings improvement projects at both the Hasse and Ames Arenas. The competitive sale took place on January 19, 2021 and closed on February 16, 2021. The bonds were issued with a premium of \$313,284 which was used to reduce the amount of debt issued to \$7,770,000. True interest cost was 1.48%. The debt will be repaid using property taxes and revenues received from Independent School District #194 per a Joint Powers Agreement approved in August 2020. Per the JPA the debt and debt-related costs are paid 50/50 by the City and ISD#194. Lakeville Arenas approved resolution 5172023.1 which approved a commitment to appropriate funding of \$63,460/year for debt service associated with the APEX energy savings improvement project.

On February 7, 2022, the City Council authorized the issuance of Taxable General Obligation Bonds, Series 2022B, to refund the HRA Lease Revenue Refunding Bonds, Series 2016A (noted above) and provide funding for constructing a new outdoor rink at the Hasse Arena. The sale of the bonds was held on March 7, 2022 and closed on April 5, 2022. True interest cost was 2.69%. The refunding resulted in savings of approximately \$130,000 over the term of the bonds. An amended and restated joint powers agreement to address the payment of the refunding portion of the 2022B bonds was approved by ISD#194 and the City of Lakeville in February 2022. Agreements have been approved with Lakeville Hockey Association (LHA) and Heritage Figure Skating Club (HFSC) for additional contributions to be used for debt repayment of the bonds issued for the new outdoor rink.

## **CAPITAL CONTRIBUTIONS NOT REFLECTED IN ARENA FINANCIAL REPORTS**

In 2019, the City of Lakeville entered into gaming revenue/facility use agreements with Lakeville Hockey Association (LHA) and Heritage Figure Skating Club (HFSC). Per the agreements, funds received are recorded in a separate City capital projects fund.

The first amendment to the gaming revenue agreements was approved with both the Lakeville Hockey Association and the Heritage Figure Skating Club on August 15, 2022. The following chart is a summary of the agreements:

Organization	Revised Term	Payments	Total Payments Anticipated
LHA	Twenty-three (23) years; 08/02/2019 – 08/01/2043	2020-2023: \$70,000/year  2024-2043: \$88,500/year	\$2,050,000
HFSC	Twenty-three (23) years; 08/02/2019 – 08/01/2043	2019-2023: \$10,000/year  2024-2043: \$11,500/year	\$280,000

The Lakeville Hockey Association has made the first half 2024 contribution (LHA paid 3/1/2024). Heritage Figure Skating Club has made both 2024 contributions. (HFSC paid 2/16/2024 & 7/24/2024).

**RECOMMENDATION**

Lakeville Arena Board “acknowledges” the receipt of the August 31, 2024 Financial Report.



**LAKEVILLE ARENAS**  
**Financial Statements as of 08/31/24**  
**(Preliminary and Unaudited)**

ASSETS	CAPITAL		
	OPERATIONS	PROJECTS	COMBINED
<b>Current Assets</b>			
Cash & Investments	\$ 403,404	\$ 545,924	\$ 949,328
Market Value Adjustment	(1,687)	-	(1,687)
Interest Receivable	3,209	3,358	6,567
Accounts Receivable - Customers	39,423	-	39,423
Accounts Receivable - Other	149,802	-	149,802
Inventory	19,600	-	19,600
Prepaid Expenses	44,289	-	44,289
<b>Total Current Assets</b>	<b>658,040</b>	<b>549,282</b>	<b>1,207,322</b>
<b>Total Assets</b>	<b>\$ 658,040</b>	<b>\$ 549,282</b>	<b>\$ 1,207,322</b>
 <b>LIABILITIES AND RETAINED EARNINGS</b>			
<b>Current Liabilities</b>			
Wages Payable	\$ 20,141	\$ -	\$ 20,141
Accounts Payable	30,451	-	30,451
Sales Tax Payable	7,658	-	7,658
Deferred Revenue - Advertising	17,508	-	17,508
<b>Total Current Liabilities</b>	<b>75,758</b>	<b>-</b>	<b>75,758</b>
<b>Retained Earnings</b>			
Reserved for Future Capital Purchases	-	549,282	549,282
Unreserved	582,282	-	582,282
<b>Total Retained Earnings</b>	<b>582,282</b>	<b>549,282</b>	<b>1,131,564</b>
<b>Total Liabilities and Retained Earnings</b>	<b>\$ 658,040</b>	<b>\$ 549,282</b>	<b>\$ 1,207,322</b>



**LAKEVILLE ARENAS**  
**Financial Statements as of 08/31/2024**  
**(Preliminary and Unaudited) - Operations Only**

	<b>2024</b>		<b>Variance from</b>			<b>Variance from</b>
	<b>Amended</b>	<b>8/31/2024</b>	<b>Amended Budget</b>	<b>Actual</b>	<b>8/31/2023</b>	<b>2023 Actual</b>
	<b>Budget</b>	<b>Actual</b>	<b>Positive (Negative)</b>	<b>Percent</b>	<b>Actual</b>	<b>Positive (Negative)</b>
<b>Operating Revenues</b>						
Ice Rental	\$ 1,323,846	\$ 744,718	\$ (579,128)	56.3%	\$ 628,624	\$ 116,094
Dry Floor Activities	600	600	-	100.0%	9,680	(9,080)
Learn to Skate	116,107	71,774	(44,333)	61.8%	61,727	10,047
Admissions-Public Skating	58,704	42,027	(16,677)	71.6%	27,087	14,940
Arena Programming	53,379	41,155	(12,224)	77.1%	24,180	16,975
Event Admissions(Net of ISD Reimb)	48,825	29,875	(18,950)	61.2%	26,268	3,607
Concession Sales (Net)	146,034	98,387	(47,647)	67.4%	81,875	16,512
Proshop Sales (Net)	7,539	4,009	(3,530)	53.2%	2,373	1,636
Skate Sharpening	5,567	7,685	2,118	138.0%	4,363	3,322
Skate Rental	3,522	4,637	1,115	131.7%	3,117	1,520
Vending Machines	3,396	2,610	(786)	76.9%	2,266	344
Other - Advertising Contract	49,800	35,533	(14,267)	71.4%	33,588	1,945
Donations/Other	3,810	3,367	(443)	88.4%	1,242	2,125
Interest Income	19,752	14,485	(5,267)	73.3%	13,167	1,318
Net Chg in FV of Investments	11,063	6,461	(4,602)	0.0%	2,131	4,330
<b>Total Revenues</b>	<b>1,851,944</b>	<b>1,107,323</b>	<b>(744,621)</b>	<b>59.8%</b>	<b>921,688</b>	<b>185,635</b>
<b>Operating Expenses</b>						
Salaries - Full Time	328,686	176,660	152,026	53.7%	128,991	(47,669)
Salaries - Full Time - Overtime	3,606	287	3,319	8.0%	18,050	17,763
Salaries - Part Time	251,919	167,031	84,888	66.3%	146,409	(20,622)
Salaries - Part Time - Overtime	1,625	1,858	(233)	114.3%	-	(1,858)
Salaries - Part Time/Temporary	41,740	28,162	13,578	67.5%	-	(28,162)
Pera	40,674	21,254	19,420	52.3%	15,611	(5,643)
FICA	46,421	28,631	17,790	61.7%	22,455	(6,176)
Hospitalization	31,783	7,017	24,766	22.1%	4,580	(2,437)
Life and Disability	227	(56)	283	-24.7%	73	129
Long Term Disability	719	316	403	43.9%	240	(76)
Unemployment Compensation	441	562	(121)	127.4%	678	116
FSA Plan	194	36	158	18.6%	30	(6)
Dental Insurance	748	390	358	52.1%	161	(229)
Workers Compensation	19,072	12,137	6,935	63.6%	10,646	(1,491)
Office Supplies	9,844	4,864	4,980	49.4%	2,400	(2,464)
Operating Supplies	45,580	24,774	20,806	54.4%	18,217	(6,557)
Motor Fuels	1,109	1,329	(220)	119.8%	605	(724)
Cleaning Supplies	9,724	7,700	2,024	79.2%	6,178	(1,522)
Clothing	3,500	30	3,470	0.9%	-	(30)
Chemicals	11,690	8,148	3,542	69.7%	3,458	(4,690)
Safety Supplies	497	-	497	0.0%	929	929
Equipment Parts/Building Supplies	59,252	22,266	36,986	37.6%	17,035	(5,231)
Landscaping Materials	-	5,092	(5,092)	-	-	(5,092)
Small Tools/Equipment	11,132	410	10,722	3.7%	7,494	7,084
Computer Supplies	5,371	5,460	(89)	101.7%	381	(5,079)
Fiscal Management Fee	47,204	26,920	20,284	57.0%	26,208	(712)
Bank Charges	228	140	88	61.4%	16,274	16,134
Audit	8,000	8,000	-	100.0%	7,300	(700)
Advertising	352	275	77	78.1%	225	(50)
Insurance	47,252	31,638	15,614	67.0%	23,480	(8,158)
Electric Service	172,028	129,406	42,622	75.2%	136,588	7,182
Gas Service	87,914	37,854	50,060	43.1%	60,222	22,368
Utility Energy Savings (APEX)	63,460	63,460	-	100.0%	-	(63,460)
Water and Sewer Service	30,765	21,938	8,827	71.3%	16,882	(5,056)
Waste Disposal	7,691	5,473	2,218	71.2%	4,909	(564)
Telephone/Pager	3,634	2,511	1,123	69.1%	2,115	(396)
Postage	20	-	20	0.0%	19	19
Other Contractual/Landscaping	26,490	10,798	15,692	40.8%	21,263	10,465
Equipment Repair and Maintenance	14,386	10,083	4,303	70.1%	7,166	(2,917)
Building Repair and Maintenance	71,286	51,272	20,014	71.9%	29,974	(21,298)
Contract Cleaning	-	750	(750)	-	1,922	1,172
Contract Data Processing	50,000	-	50,000	0.0%	-	-
Debt Service Payments - Major Maintenance	12,250	11,563	687	94.4%	12,875	1,312
Schools and Conferences	4,484	3,984	500	88.8%	886	(3,098)
Business Meetings/Misc. Expenses	7,056	6,897	159	97.7%	146	(6,751)
Dues/Subscriptions/Licenses	15,914	8,897	7,017	55.9%	13,689	4,792
Snow Removal	9,529	7,058	2,471	74.1%	16,995	9,937
Credit Card Fees	22,295	15,455	6,840	69.3%	-	(15,455)
Capital Outlay	70,000	-	70,000	0.0%	21,019	21,019
Capital Reserve Fund	140,000	93,333	46,667	66.7%	93,333	-
<b>Total Expenses</b>	<b>1,837,792</b>	<b>1,072,063</b>	<b>765,729</b>	<b>58.3%</b>	<b>918,111</b>	<b>(153,952)</b>
<b>Net Income (Loss)</b>	<b>\$ 14,152</b>	<b>\$ 35,260</b>	<b>\$ 21,108</b>	<b>0.0%</b>	<b>\$ 3,577</b>	<b>\$ 31,683</b>





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Council Check Summary

8/1/2024 - 8/31/2024

Check #	Date	Amount	Supplier / Explanation	PO#	Doc No	Inv No	BU	Obj	Sub	Subledger	Account Description	BU Description	Co	Dept	Div
<b>323540</b>	<b>8/13/2024</b>		<b>119725 MN ENERGY RESOURCES CORP</b>												
		1,793.25	AMES ARENA		449085	202406	8970	6272			GAS SERVICE	LAKEVILLE ARENAS ADMIN	08970	90	90
		1,721.20	HASSE ARENA		449085	202406	8970	6272			GAS SERVICE	LAKEVILLE ARENAS ADMIN	08970	90	90
		<u>3,514.45</u>													
<b>323629</b>	<b>8/27/2024</b>		<b>137994 CHEMAQUA</b>												
		598.91	COOLING TWR WTR PROG 7/10/24		450714	8800617	8970	6126			CHEMICALS	LAKEVILLE ARENAS ADMIN	08970	90	90
		<u>598.91</u>													
<b>323631</b>	<b>8/27/2024</b>		<b>100025 CITY OF LAKEVILLE</b>												
		3,365.00	AUG 2024 FISCAL AGENT FEES		450713	35623	8970	6214			FISCAL CONSULTANT FEES	LAKEVILLE ARENAS ADMIN	08970	90	90
		<u>3,365.00</u>													
<b>323650</b>	<b>8/27/2024</b>		<b>100341 FRONTIER COMMUNICATIONS</b>												
		113.17	JULY 2024 HASSE ELEVATOR SERV		450707	91807-202407	8970	6276			TELEPHONE	LAKEVILLE ARENAS ADMIN	08970	90	90
		<u>113.17</u>													
<b>20240383</b>	<b>8/1/2024</b>		<b>101882 HEALTH PARTNERS-CITY</b>												
		55.69	AUG 2024 PREMIUM		449641	372936275272	8970	6054			DENTAL INSURANCE	LAKEVILLE ARENAS ADMIN	08970	90	90
		<u>55.69</u>													
<b>20240384</b>	<b>8/1/2024</b>		<b>139123 MINNESOTA HEALTHCARE CONSORTIUM</b>												
		724.82	AUG 2024 PREMIUM		449644	202408	8970	6051			HOSPITALIZATION INSURANCE	LAKEVILLE ARENAS ADMIN	08970	90	90
		<u>724.82</u>													
<b>20240391</b>	<b>8/5/2024</b>		<b>120627 MINNESOTA LIFE INSURANCE CO</b>												
		141.05	JULY 2024 PREMIUM		449645	202407	8970	6052			LIFE AND DISABILITY INSURANC	LAKEVILLE ARENAS ADMIN	08970	90	90
		<u>141.05</u>													
<b>20240396</b>	<b>8/9/2024</b>		<b>117549 MADISON NATL LIFE INSURANCE CO INC</b>												
		40.82	JULY 2024 PREMIUM		449643	202407	8970	6053			LONG TERM DISABILITY	LAKEVILLE ARENAS ADMIN	08970	90	90
		<u>40.82</u>													
<b>20240398</b>	<b>8/9/2024</b>		<b>137859 CITY OF LAKEVILLE-ARENAS</b>												
		17,236.76	ARENAS PAYROLL PPE 08/04/24		449642	20240804	8970	1010			CASH - GENERAL	LAKEVILLE ARENAS ADMIN	08970	90	90
		7,034.27	ARENAS PAYROLL PPE 08/04/24		449642	20240804	8970	2030			ACCRUED SALARIES PAYABLE	LAKEVILLE ARENAS ADMIN	08970	90	90
		64.98	ARENAS LIFE INS PPE 08/04/24		449642	20240804	8970	6052			LIFE AND DISABILITY INSURANC	LAKEVILLE ARENAS ADMIN	08970	90	90
		<u>24,206.05</u>													
<b>20240400</b>	<b>8/9/2024</b>		<b>136242 WELLS FARGO PCARD-ARENAS</b>												
		48.98	KWIK TRIP-MOWER FUEL 14 GAL		449654	202407	8970	6121			MOTOR FUELS	LAKEVILLE ARENAS ADMIN	08970	90	90
		137.99	HOMEDEP-AMES-TOILET REPLACE		449654	202407	8970	6133			BUILDING REPAIR SUPPLIES	LAKEVILLE ARENAS ADMIN	08970	90	90
		19.65	HOMEDEP-AMES TOILET SUPPLIES		449654	202407	8970	6133			BUILDING REPAIR SUPPLIES	LAKEVILLE ARENAS ADMIN	08970	90	90
		50.00	TIKTOK ADS-FRAUDULENT CHARGE		449654	202407	8970	1241			ACCTS REC - OTHER	LAKEVILLE ARENAS ADMIN	08970	90	90
		50.00	TIKTOK ADS-FRAUDULENT CHARGE		449654	202407	8970	1241			ACCTS REC - OTHER	LAKEVILLE ARENAS ADMIN	08970	90	90
		.50	CONV FEE-FRAUDULENT CHARGE		449654	202407	8970	1241			ACCTS REC - OTHER	LAKEVILLE ARENAS ADMIN	08970	90	90

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Council Check Summary

8/1/2024 - 8/31/2024

Check #	Date	Amount	Supplier / Explanation	PO#	Doc No	Inv No	BU	Obj	Sub	Subledger	Account Description	BU Description	Co	Dept	Div
		7.99	AMZN-LEARN TO SKATE SUPPLIES		449654	202407	8970	6120			OPERATING SUPPLIES	LAKEVILLE ARENAS ADMIN	08970	90	90
		18.50	LTS-COACHING MBRSH-ROGERS		449654	202407	8970	6313			DUES AND SUBSCRIPTIONS	LAKEVILLE ARENAS ADMIN	08970	90	90
		31.00	LTS-ROGERS,BRANDI MBRSH		449654	202407	8970	6313			DUES AND SUBSCRIPTIONS	LAKEVILLE ARENAS ADMIN	08970	90	90
		3,455.68	SQUARE-POINT OF SALE REG(4)		449654	202407	8970	6120			OPERATING SUPPLIES	LAKEVILLE ARENAS ADMIN	08970	90	90
		50.00	FIGURE SKATE-2024ASPIRE DUES		449654	202407	8970	6313			DUES AND SUBSCRIPTIONS	LAKEVILLE ARENAS ADMIN	08970	90	90
		192.46	MENARDS-CONCESSIONS INVENTORY		449654	202407	8970	5532			ICE ARENA CONCESSIONS COGS	LAKEVILLE ARENAS ADMIN	08970	90	90
		817.49	ST FAIR MINI-CONCESSIONS EQUIP		449654	202407	8970	6120			OPERATING SUPPLIES	LAKEVILLE ARENAS ADMIN	08970	90	90
		817.49	ST FAIR MINI-CONCESSIONS EQUIP		449654	202407	8970	6120			OPERATING SUPPLIES	LAKEVILLE ARENAS ADMIN	08970	90	90
		38.12	AMZN-LAMINATING SUPPLIES		449654	202407	8970	6110			OFFICE SUPPLIES	LAKEVILLE ARENAS ADMIN	08970	90	90
		25.99	AMZN-BUILDING REPAIR SUPPLIES		449654	202407	8970	6133			BUILDING REPAIR SUPPLIES	LAKEVILLE ARENAS ADMIN	08970	90	90
		65.10	SAMS-ADDED MBRSH-NICK, LORI		449654	202407	8970	6313			DUES AND SUBSCRIPTIONS	LAKEVILLE ARENAS ADMIN	08970	90	90
		136.96	MENARDS-AMES GROUNDS SUPPLIES		449654	202407	8970	6133			BUILDING REPAIR SUPPLIES	LAKEVILLE ARENAS ADMIN	08970	90	90
		999.96	MENARDS-CONCESSIONS INVENTORY		449654	202407	8970	5532			ICE ARENA CONCESSIONS COGS	LAKEVILLE ARENAS ADMIN	08970	90	90
		70.70	KWIK TRIP-TRUCK FUEL 19.6 GAL		449654	202407	8970	6133			BUILDING REPAIR SUPPLIES	LAKEVILLE ARENAS ADMIN	08970	90	90
		56.20	KWIK TRIP-TRUCK FUEL 12.5 GAL		449654	202407	8970	6121			MOTOR FUELS	LAKEVILLE ARENAS ADMIN	08970	90	90
		197.87	GETSLING-EE SCHEDULE APP SUBS		449654	202407	8970	6313			DUES AND SUBSCRIPTIONS	LAKEVILLE ARENAS ADMIN	08970	90	90
		1,299.00	SPORTSENGINE-WEBSITE HOST SUBS		449654	202407	8970	6313			DUES AND SUBSCRIPTIONS	LAKEVILLE ARENAS ADMIN	08970	90	90
		27.01	AMZN-CLEANING SUPPLIES		449654	202407	8970	6123			CLEANING SUPPLIES	LAKEVILLE ARENAS ADMIN	08970	90	90
		16.99	MENARDS-MISC BLDG SUPPLIES		449654	202407	8970	6133			BUILDING REPAIR SUPPLIES	LAKEVILLE ARENAS ADMIN	08970	90	90
		1,068.75	JRS TREE SERV-LANDSCAPING PROJ		449654	202407	8970	6283			CONTRACT BUILDING REPAIR	LAKEVILLE ARENAS ADMIN	08970	90	90
		11,645.24	WELLS FARCO PCARD JULY		449654	202407	8970	1010			CASH - GENERAL	LAKEVILLE ARENAS ADMIN	08970	90	90
		11,645.24	WELLS FARCO PCARD JULY		449654	202407	8970	1022			CASH - LAKEVILLE AMES ARENA	LAKEVILLE ARENAS ADMIN	08970	90	90
		303.80	SAMS-CONCESSIONS COG INVENTORY		449654	202407	8970	5532			ICE ARENA CONCESSIONS COGS	LAKEVILLE ARENAS ADMIN	08970	90	90
		32.62	KWIK TRIP-MOWER FUEL 10 GAL		449654	202407	8970	6121			MOTOR FUELS	LAKEVILLE ARENAS ADMIN	08970	90	90
		350.90	MENARD-ICE PLANT SOFTENER SALT		449654	202407	8970	6126			CHEMICALS	LAKEVILLE ARENAS ADMIN	08970	90	90
		18.50	LTS-COACH MBRSH-PATTERSON		449654	202407	8970	6313			DUES AND SUBSCRIPTIONS	LAKEVILLE ARENAS ADMIN	08970	90	90
		31.69	MENARD-CONCESSION REPR-MACH		449654	202407	8970	6133			BUILDING REPAIR SUPPLIES	LAKEVILLE ARENAS ADMIN	08970	90	90
		18.50	LTS-COACH MBRSP-BREKKE		449654	202407	8970	6313			DUES AND SUBSCRIPTIONS	LAKEVILLE ARENAS ADMIN	08970	90	90
		22.21	AMOCO-MOWER FUEL 6 GAL		449654	202407	8970	6121			MOTOR FUELS	LAKEVILLE ARENAS ADMIN	08970	90	90
		1,521.55	WEBSTAIRANT-DOLLIES&CARTS		449654	202407	8970	6120			OPERATING SUPPLIES	LAKEVILLE ARENAS ADMIN	08970	90	90
		13.90	AMZN-CONCESSIONS SUPPLIES		449654	202407	8979	6120			OPERATING SUPPLIES	AMES GENERAL	08970	90	90
		119.11	MENARDS-AMES BLDG-GRNDS SUPPLY		449654	202407	8989	6133			BUILDING REPAIR SUPPLIES	HASSE GENERAL	08970	90	90
		11,648.24													
<b>20240413</b>	<b>8/23/2024</b>		<b>137859 CITY OF LAKEVILLE-ARENAS</b>												
		16,437.97	ARENAS PAYROLL PPE 08/18/24		450725	20240818	8970	1010			CASH - GENERAL	LAKEVILLE ARENAS ADMIN	08970	90	90
		7,120.52	ARENAS PAYROLL PPE 08/18/24		450725	20240818	8970	2030			ACCRUED SALARIES PAYABLE	LAKEVILLE ARENAS ADMIN	08970	90	90
		64.98	ARENAS LIFE INS PPE 08/18/24		450725	20240818	8970	6052			LIFE AND DISABILITY INSURANC	LAKEVILLE ARENAS ADMIN	08970	90	90
		23,493.51													
<b>08970</b>	<b>LAKEVILLE ARENAS - OPERATIONS</b>														<b>115,555.57</b>

Note: Payment amount may not reflect the actual amount due to data sequencing and/or data selection.

Council Check Summary

8/1/2024 - 8/31/2024

<u>Check #</u>	<u>Date</u>	<u>Amount</u>	<u>Supplier / Explanation</u>	<u>PO#</u>	<u>Doc No</u>	<u>Inv No</u>	<u>BU</u>	<u>Obj</u>	<u>Sub</u>	<u>Subledger</u>	<u>Account Description</u>	<u>BU Description</u>	<u>Co</u>	<u>Dept</u>	<u>Div</u>
			Report Totals	115,555.57											

City of Lakeville  
Portfolio Holdings  
Investment Portfolio - by Portfolio  
Report Format: By Transaction  
Group By: Portfolio Name  
Average By: Face Amount / Shares  
Portfolio / Report Group: Lakeville - Arenas  
As of 8/31/2024

Description	CUSIP/Ticker	Settlement Date	YTM @ Cost	Face Amount/Shares	Cost Value	Book Value	Market Value	Maturity Date	Days To Maturity	Accrued Interest	% of Portfolio
Lakeville - Arenas											
4M General LGIP	LGIP6101M	4/1/2019	5.176	421,839.55	421,839.55	421,839.55	421,839.55	N/A	1		44.55
Morgan Stanley Bank, N.A. 4.9 9/3/2024	61690U2D1	3/2/2023	4.900	50,000.00	50,000.00	50,000.00	49,999.60	9/3/2024	3	1,221.64	5.28
Luana Savings Bank, Luana IA 0.25 10/7/2024	549104XE2	4/7/2021	0.250	40,000.00	40,000.00	40,000.00	39,804.66	10/7/2024	37	40.00	4.22
Western Alliance Bank, Phoenix AZ 4.95 10/25/2024	95763PRU7	1/26/2024	4.950	50,000.00	50,000.00	50,000.00	49,990.30	10/25/2024	55	1,478.22	5.28
USB NA Cincinnati 5 11/4/2024-24	90355UCK9	2/2/2024	5.000	50,000.00	50,000.00	50,000.00	49,999.84	11/4/2024	65	1,445.21	5.28
Southern First Bank, N.A. 5 6/6/2025	8428PJN3	3/6/2024	5.000	50,000.00	50,000.00	50,000.00	50,135.50	6/6/2025	279	171.23	5.28
JP Morgan Chase, NA 5.1 7/23/2025-24	46656MB83	1/23/2024	5.100	50,000.00	50,000.00	50,000.00	50,020.78	7/23/2025	326	272.47	5.28
Burke & Herbert B&T, Alexandria VA 4.6 8/6	121331AQ5	2/6/2023	4.600	50,000.00	50,000.00	50,000.00	49,997.35	8/6/2025	340	157.53	5.28
BMW Bank, N.A. 5.1 9/17/2025	05580AX58	3/17/2023	5.100	40,000.00	40,000.00	40,000.00	40,272.46	9/17/2025	382	933.37	4.22
Luana Savings Bank, Luana IA 0.45 10/7/2025	549104XD4	4/7/2021	0.450	40,000.00	40,000.00	40,000.00	38,332.19	10/7/2025	402	72.00	4.22
Live Oak Banking, Wilmington NC 0.65 10/20/2025	538036PS7	4/20/2021	0.650	25,000.00	25,000.00	25,000.00	23,976.66	10/20/2025	415	13.36	2.64
Discover Bank, Greenwood DE 5.1 3/23/2026	2546733A2	3/22/2023	5.100	40,000.00	40,000.00	40,000.00	40,538.12	3/23/2026	569	905.42	4.22
Morgan Stanley Bank, N.A., Salt Lake City UT 4.55	61690U4Z0	4/27/2023	4.550	40,000.00	40,000.00	40,000.00	40,245.90	4/27/2026	604	628.27	4.22
Sub Total / Average Lakeville - Arenas			4.536	946,839.55	946,839.55	946,839.55	945,152.91		152	7,338.72	100.00
Total / Average			4.536	946,839.55	946,839.55	946,839.55	945,152.91		152	7,338.72	100

# Lakeville ARENAS

## BOARD OF DIRECTORS MEETING

### OCTOBER 23, 2024 - MANAGER'S REPORT



**Date:** October 23, 2024

**To:** Lakeville Arenas Board of Directors

**Fr:** Joe Bergquist – Lakeville Arenas General Manager

**Re:** October 2024 Managers Report

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## 1. CUSTOMER NEWS & EVENTS

### a. Lakeville Hockey Association (LHA)

- i. LHA Tryouts are now completed, and the regular season is underway. We attended the North and South coaches' meetings, reviewed the Arena's Policies and Procedures, and provided an update on the construction of the Pavilion Rink and the training center. Arena staff also attend the managers' meetings, providing them with arena procedures and other need-to-know information.
- ii. LHA agreed to a sponsorship agreement with Genz-Ryan for Ames Rink 2, now named the Genz Ryan Rink.

### b. High Schools

The Girls' High School Season begins on Monday, October 28, and the Boys' High School Season starts on Monday, November 11.

### c. Heritage Figure Skating Club. There is no news to report.

### d. 2025 Spring & Summer Ice Request

We are seeing an increase in ice requests in the spring and summer of 2025 due to three ice rinks in the Bloomington Ice Garden being down and under construction and rinks in other cities.

## 2. ARENAS PROGRAMMING

### a. Lakeville Skating Academy

- i. **Learn to Skate:** Fall registrations are 238 compared to 255 last year.
- ii. **Aspire:** There are currently 10 Aspire members registered.
- iii. **Pavilion Premier:** Our Lakeville Skating Academy is planning a Pavilion Premier Skating Demonstration over the Thanksgiving Holiday Weekend. We may include Allina Health in this event and do a soft grand opening, as they are interested in one before the Grand Opening Celebration during Hockey Day Lakeville on January 18<sup>th</sup>.

### b. Lakeville Tournaments: We will host various outdoor and indoor adult hockey tournaments this season whenever there is a large amount of unsold ice on the weekends.

### c. Fall Mite League: Our fall Mite League concluded last week and was an overall success and well received. We have received many requests for a summer league next year in addition to our spring and fall leagues.

### 3. OPERATING STATISTICS

#### a. Ice Rental Hours

Ice rental hours in September were up 26% (81 hrs.) over 2023 and 8% (445 hrs.) year-to-date over 2023.

ICE HOURS SOLD	SEPTEMBER			YEAR TO DATE		
	2023	2024	Change	2023	2024	Change
LHA ICE	22	38.5	16.5	1012	1040.5	28.5
ISD 194 HS ICE	0	0	0	430	404	-26
HFSC ICE	37	36	-1	279	343.5	64.5
CLINICS/CAMP ICE	81	70.5	-10.5	653	672.5	19.5
OTHER ICE	147	186	39	610	833	223
ADULT HOCKEY ICE	19	32	13	219	280	61
PICKUP ICE SALES	4	28	24	63	139	76
<b>TOTAL HOURS</b>	<b>310</b>	<b>391</b>	<b>81</b>	<b>5289</b>	<b>5736.5</b>	<b>446.5</b>

#### b. Ice Rental Sales Revenue

September 2024 ice rental revenue was up 35% over 2023 and 21% Year-to-Date over 2023.

ICE RENTAL REVENUE	SEPTEMBER			YEAR TO DATE		
	2023	2024	Change	2023	2024	Change
LHA ICE RENTALS	\$3,960	\$7,875	\$3,915	\$248,220	\$254,514	\$6,294
HS ICE RENTALS	\$0	\$0	\$0	\$109,287	\$98,953	-\$10,334
OTHER ICE SALES	\$50,610	\$65,946	\$15,336	\$320,703	\$470,259	\$149,556
<b>TOTAL REVENUE</b>	<b>\$54,570</b>	<b>\$73,821</b>	<b>\$19,251</b>	<b>\$678,210</b>	<b>\$823,726</b>	<b>\$145,516</b>

#### c. Learn to Skate Revenue & Registrations

Learn to Skate revenue is up 19% in 2024 compared to 2023

LEARN TO SKATE LESSONS	LTS REVENUE			LTS REGISTRATIONS		
	2023	2024	Change	2023	2024	Change
Winter Session	\$ 31,350.00	\$ 44,328.00	\$12,978	351	359	8
Spring Session	\$ 22,586.00	\$ 33,398.00	\$10,812	322	321	-1
Summer Session	\$ 19,712.00	\$ 21,601.00	\$1,889	150	165	15
Fall Session	\$ 35,928.00	\$ 31,548.00	-\$4,380	255	238	-17
<b>TOTAL REVENUE</b>	<b>\$109,576</b>	<b>\$130,875</b>	<b>\$21,299</b>	<b>1078</b>	<b>1083</b>	<b>5</b>

#### d. Programs & Admissions Sales

Programming and admissions have increased 52% over the same time last year.

PROGRAMS & ADMISSIONS	AUGUST			YEAR TO DATE		
	2023	2024	Change	2023	2024	Change
PUBLIC ADMISSIONS	3,772	5,633	\$ 1,861	\$ 27,087	\$ 42,027	\$ 14,940
HS GAME ADMISSIONS	-	-	\$ -	\$ 26,268	\$ 29,875	\$ 3,607
ARENA PROGRAMMING	9,496	9,150	\$ (346)	\$ 20,785	\$ 41,155	\$ 20,370
<b>TOTAL SALES</b>	<b>\$ 13,268</b>	<b>\$ 14,783</b>	<b>\$ 1,515</b>	<b>\$ 74,140</b>	<b>\$ 113,057</b>	<b>\$ 38,917</b>

**e. Welcome Center Sales**

Welcome Center Sales are up 25% over the same period last year.

WELCOME CENTER SALES	AUGUST			YEAR TO DATE		
	2023	2024	Change	2023	2024	Change
CONCESSIONS	(659)	2,543	\$ 3,202	\$81,875	\$ 98,387	\$16,512
PRO SHOP SALES	145	350	\$ 205	\$ 2,373	\$ 4,009	\$ 1,636
SKATE SHARPENING	-	775	\$ 775	\$ 4,363	\$ 7,685	\$ 3,322
SKATE RENTALS	-	166	\$ 166	\$ 3,117	\$ 4,637	\$ 1,520
<b>TOTAL SALES</b>	<b>\$ (514)</b>	<b>\$ 3,834</b>	<b>\$ 4,348</b>	<b>\$91,728</b>	<b>\$114,718</b>	<b>\$22,990</b>

**4. ARENA OPERATIONS**

- a. **STAFFING:** With the opening of the New Pavilion Rink and the launch of our new tournaments, we budgeted two new full-time Driver Supervisor Positions, which are currently posted. We hope to have them hired soon.
- b. **Hasse Ice Plant:** Last week, when attempting to start the outdoor rink, we lost the prime on our glycol pumps, which led to both rinks at Hasse being down for approximately one week. Luckily, it was MEA weekend, and the high schools and youth games had not begun yet, so the impact on customers was minimal.
- c. **Pavilion Rink Soft Opening:** We are bringing down the temperatures on the new pavilion rink and plan to start making ice later this week as outdoor temperatures drop overnight. We aim to have skateable ice for LHA rentals beginning on November 4th. November rentals are light and will give us the time needed to learn the plant settings and get a good feel for outdoor ice-making.
- d. **Snow Equipment:** The new snow removal equipment financing agreements are included and ready to execute. We have picked up our new, used plow truck from the city and our new tilt trailer for moving equipment between facilities. After executing the financing agreements, we should see the equipment in a week or less and be set for the season, except for a plow for one of our current trucks.

**5. REPAIR & MAINTENANCE EXPENSES.**

We have two major equipment failures that need repair. The batteries on the Rink 2 Zamboni need to be replaced, and the overhead garage door on the Rink 1 broke and needs to be replaced entirely.

**6. HASSE PAVILION RINK CONSTRUCTION**

The Arena staff has begun construction on the pavilion rink amenity features.

- a. **Grading:** Final grading has been completed, and the site is cleaned up and ready for the winter season and future amenity improvements. The Arenas Manager is donating the use of his bobcat for grading and other uses until the Arena's new skid steer arrives.
- b. **Warming Houses:** The permits for the new shipping container warming houses were approved, and staff began construction this past week. They are expected to be completed by the end of November or early December.
- c. **Wind Screens:** Wind Screen installation also began in October and is expected to be completed by the end of November.

- d. **Scoreboard:** TBD
- e. **Bleachers:** Ordered
- f. **Heaters:** TBD
- g. **Security Fencing:** Jan-Feb
- h. **Zamboni Shelter & Storage:** Spring
- i. **Pavilion Patio:** Spring

## 2. OTHER BUSINESS

- a. **E-Train Agreement:** Our attorney's copy of the E-Train Licensing Agreement is attached and ready for board approval. We have agreed to a lease of 10,000 per year for over three years.
- b. **LHA Dry-Land Training Area MOU Agreement:** The dry-land memorandum that our attorney drafted for Lakeville Arenas to take over the scheduling and operations of the dry-land training area in conjunction with E-Train is also attached.

## 3. FINANCIALS – See attached reports (updated through August)

## 4. ATTACHMENTS

- a. Resolutions and Equipment Financing Agreements.
- b. Managers P&L Statement with August Results.
- c. E-Train LLC Licensing agreement.
- d. Dryland Area Memorandum of Understanding.

**Manager's Report Respectfully Submitted by**

  
\_\_\_\_\_  
Joe Bergquist - Lakeville Arenas Manager

10/21/2024

\_ Date

# Lakeville ARENAS

Financial Statement (Preliminary and Unaudited) - Operations Use Only	Aug 2023 2023 Actuals	Aug 2024 2024 Actuals	Aug 2024 2024 Budget	Aug 2023 2023 YTD Actuals	Aug 2024 2024 YTD Actuals	Aug 2024 2024 YTD Budget
<b>OPERATING REVENUE</b>						
<b>Ice Rentals</b>						
5211 Ice Rental - LHA	-	-	-	244,260	246,639	246,639
5212 Ice Rental - ISD 194	-	-	-	109,287	98,953	109,481
5213 <u>Ice Rental Other</u>	60,053	60,443	62,700	275,076	399,127	396,394
<b>Total Ice Rentals</b>	<b>60,053</b>	<b>60,443</b>	<b>62,700</b>	<b>628,623</b>	<b>744,719</b>	<b>752,514</b>
<b>Programing &amp; Admissions</b>						
5214 Learn to Skate	17,624	16,237	18,505	61,727	71,774	72,407
5215 Admissions-Public Skating	3,772	5,633	4,149	27,087	42,027	38,029
5216 ISD 194 HS Game Gate Share	-	-	-	26,268	29,875	29,875
5221 Arena Programming	9,496	9,150	14,244	24,180	41,155	43,486
5223 <u>Dry floor Rentals</u>	3,856	-	-	9,680	600	600
<b>Total Programs &amp; Admissions</b>	<b>34,748</b>	<b>31,020</b>	<b>36,898</b>	<b>148,942</b>	<b>185,431</b>	<b>184,397</b>
<b>Welcome Center Sales</b>						
5218 Net Food & Beverage Sales	(659)	2,543	(725)	81,875	98,387	96,298
5219 Net Pro Shop Product Sales	145	350	160	2,373	4,009	2,773
5220 Skate Sharpening	-	775	-	4,363	7,685	5,567
5222 <u>Skate Rental</u>	-	166	-	3,117	4,637	3,522
<b>Total Welcome Center</b>	<b>(514)</b>	<b>3,834</b>	<b>(565)</b>	<b>91,728</b>	<b>114,718</b>	<b>108,160</b>
<b>Other Misc. Arena Revenues</b>						
5022 Games-Vending Machines	-	173	-	2,266	2,610	2,513
5217 Advertising Sales / Other	3,855	4,441	3,855	33,588	35,533	33,183
4390 Rebates & Dividends	-	-	-	-	-	-
5026 Donations/Other Misc.	761	963	761	1,242	3,367	1,742
4910 Interest on Investments	1,723	946	1,723	13,167	14,485	14,698
4912 <u>Change in FV of Investments</u>	552	1,672	552	2,131	6,461	4,547
<b>Total Other Arena Revenues</b>	<b>6,891</b>	<b>8,195</b>	<b>6,891</b>	<b>52,394</b>	<b>62,456</b>	<b>56,683</b>
<b>TOTAL OPERATING REVENUE</b>	<b>101,178</b>	<b>103,492</b>	<b>105,924</b>	<b>921,687</b>	<b>1,107,324</b>	<b>1,101,753</b>
<b>OPERATING EXPENDITURES</b>						
<b>PERSONNEL EXPENSES</b>						
<b>Employee Salary Expenses</b>						
6012 Salaries - Full Time	13,713	25,376	31,454	128,991	176,660	201,728
6015 Salaries - Full Time - Overtime	2,132	146	500	18,050	287	1,606
6020 Salaries - Part Time	17,550	16,003	12,024	146,409	167,031	158,864
6025 Salaries - Part Time - Overtime	-	26	200	-	481	825
6030 <u>Salaries - Part Time/Temporary</u>	-	2,883	3,313	-	28,162	29,753
<b>Total Employee Salaries</b>	<b>33,395</b>	<b>44,434</b>	<b>47,491</b>	<b>293,450</b>	<b>372,621</b>	<b>392,777</b>
<b>Benefits &amp; Other Expenses</b>						
6041 Pera (State Retirement Pension)	1,836	2,844	3,313	15,611	21,254	23,963
6044 FICA	2,557	3,400	3,380	22,455	28,631	29,376
6051 Hospitalization Insurance	-	725	4,000	4,580	7,017	15,783

# Lakeville ARENAS

Financial Statement (Preliminary and Unaudited) - Operations Use Only	Aug 2023	Aug 2024	Aug 2024	Aug 2023	Aug 2024	Aug 2024
	2023	2024	2024	2023 YTD	2024 YTD	2024 YTD
	Actuals	Actuals	Budget	Actuals	Actuals	Budget
6052 Life and Disability	144	11	25	73	(56)	127
6053 Long Term Disability	26	81	75	240	316	419
6055 Workers Compensation Insurance	1,331	1,517	1,410	10,646	12,137	11,962
6056 Unemployment Compensation	678	-	-	678	562	441
5057 FSA Plan	-	6	25	30	36	94
6054 Dental Insurance	-	56	75	161	390	448
6058 Salary Contingency	-	-	-	-	-	-
<b>Total Benefits-Other Expenses</b>	<b>6,572</b>	<b>8,640</b>	<b>12,303</b>	<b>54,474</b>	<b>70,287</b>	<b>82,614</b>
<b>Total Personnel Expense</b>	<b>39,967</b>	<b>53,074</b>	<b>59,794</b>	<b>347,924</b>	<b>442,908</b>	<b>475,390</b>
<b>COMMODITIES</b>						
6110 Office Supplies / Equipment	5	1,525	1,200	2,400	4,864	5,044
6120 Operating Supplies & Equipment	3,199	906	3,359	18,217	24,774	25,833
6121 Motor Fuels	-	-	-	605	1,329	737
6123 Cleaning Supplies / Equipment	92	664	97	6,178	7,700	5,786
6124 Clothing	-	-	-	-	30	-
6126 Chemicals (Condensing Towers)	565	1,542	1,100	3,458	8,148	7,690
6127 Safety Supplies & Equipment	-	-	-	929	-	497
6131 Equipment Parts & Supplies	-	-	-	-	-	-
6132 Tires	-	-	-	-	-	-
6133 Building Repair Supplies & Equip.	3,039	159	3,191	17,035	22,266	29,017
6134 Parking Lot Maintenance Supplies	-	-	-	-	-	-
6135 Landscaping Materials & Equip.	-	-	-	-	5,092	7,500
6136 Signs (Ad Sales Sign Expenses)	-	-	-	-	-	-
6140 Small Tools/Equipment	-	-	-	7,494	410	8,148
6180 Computer Supplies	-	-	-	381	5,460	5,280
<b>Total Commodities</b>	<b>6,900</b>	<b>4,796</b>	<b>8,947</b>	<b>56,697</b>	<b>80,073</b>	<b>95,532</b>
<b>OTHER CHARGES &amp; SERVICES</b>						
6210 Professional Fees	-	-	-	-	-	-
6211 Attorney Fees	-	-	-	-	-	-
6214 Fiscal Management Fee	3,276	3,365	3,440	26,208	26,920	27,144
6218 Bank Charges	1,829	17	20	16,074	140	148
6221 Audit	-	-	-	7,300	8,000	8,000
6231 Travel Expenses	-	-	-	-	-	-
6234 Use of Personal Auto	-	-	-	-	-	-
6255 Advertising & Marketing	-	-	-	225	275	236
6261 Insurance	2,935	3,937	3,938	23,480	31,638	31,500
6277 Postage & Shipping	-	-	-	19	-	20
6308 Tuition Reimbursement	-	-	-	-	-	-
6311 Schools and Conferences	-	-	-	886	3,984	4,484
6310 Misc. (Commissions-Donations)	-	-	-	146	6,897	6,897
6313 Dues/Subscriptions	-	-	-	13,689	8,897	9,321
6314 Licenses & Taxes	-	-	-	-	-	-
6370 Credit Card Fees	-	2,892	1,828	-	15,455	14,706
<b>Total Other Expenses</b>	<b>8,040</b>	<b>10,211</b>	<b>9,226</b>	<b>88,027</b>	<b>102,206</b>	<b>102,457</b>
<b>CONTRACT EXPENSES</b>						
6280 Other Contractual	16	235	17	21,038	10,798	9,691
6281 Contract Auto Repair	-	-	-	-	-	-
6282 Equip. Repair and Maintenance	-	90	250	7,166	10,083	10,417
6283 Building Repair and Maintenance	1,812	650	1,903	29,974	51,272	48,677

# Lakeville ARENAS

Financial Statement (Preliminary and Unaudited) - Operations Use Only		Aug 2023	Aug 2024	Aug 2024	Aug 2023	Aug 2024	Aug 2024
		2023	2024	2024	2023 YTD	2024 YTD	2024 YTD
		Actuals	Actuals	Budget	Actuals	Actuals	Budget
6285	Contract Landscaping	-	-	-	225	-	5,000
6286	Contract Cleaning	-	-	-	1,922	750	-
6288	Contract Data Processing	-	-	-	-	-	-
6322	<u>Snow Removal</u>	-	-	-	16,995	7,058	7,058
<b>Total Contracted Expenses</b>		<b>1,828</b>	<b>975</b>	<b>2,169</b>	<b>77,320</b>	<b>79,961</b>	<b>80,843</b>
<b>UTILITY EXPENSES</b>							
6271	Electric Service	1,602	32,769	2,003	136,588	129,406	100,510
6272	Gas Service	7,500	3,500	8,625	60,221	59,726	71,498
6274	Water	2,183	2,949	2,292	17,565	23,916	17,618
6275	Waste Disposal	377	537	396	4,909	5,473	5,128
6276	<u>Telephone/IS</u>	<u>72</u>	<u>448</u>	<u>76</u>	<u>2,115</u>	<u>2,511</u>	<u>2,297</u>
<b>Total Utility Expenses</b>		<b>11,734</b>	<b>40,203</b>	<b>13,391</b>	<b>221,398</b>	<b>221,032</b>	<b>197,051</b>
<b>Gross Operating Expenses</b>		<b>68,469</b>	<b>109,259</b>	<b>93,527</b>	<b>791,366</b>	<b>926,180</b>	<b>951,273</b>
<b>Earnings before Int.-Debt-Capital</b>		<b>32,710</b>	<b>(5,767)</b>	<b>12,398</b>	<b>130,321</b>	<b>181,144</b>	<b>150,480</b>
<b>Interest and Debt Expenses</b>							
6295	Debt Service - 2020 Ames Parking	-	-	-	12,875	11,563	12,250
6295	Debt Service - 2021 Energy Project	-	-	-	-	63,460	63,460
6613	Debt Service	-	-	-	-	-	-
6420	<u>Bad Debts</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total Debt Interest &amp; Expenses</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>12,875</b>	<b>75,023</b>	<b>75,710</b>
<b>Capital Expenses</b>							
6520	Capital Outlay Buildings	-	-	-	19,455	-	15,000
6540	Capital Outlay Machinery & Equip.	-	-	-	-	-	10,000
6541	Capital Outlay Other	-	-	-	-	-	-
6542	Capital Outlay Computers	-	-	-	1,564	-	-
7417	<u>Transfer to Capital Reserve Fund</u>	<u>11,666</u>	<u>11,666</u>	<u>11,666</u>	<u>93,333</u>	<u>93,333</u>	<u>93,333</u>
<b>Total Capital Expenses</b>		<b>11,666</b>	<b>11,666</b>	<b>11,666</b>	<b>114,352</b>	<b>93,333</b>	<b>118,333</b>
<b>Total Expenses</b>		<b>80,135</b>	<b>120,925</b>	<b>105,193</b>	<b>918,593</b>	<b>1,094,536</b>	<b>1,145,316</b>
<b>Net Income (Loss)</b>		<b>21,044</b>	<b>(17,433)</b>	<b>732</b>	<b>3,094</b>	<b>12,788</b>	<b>(43,563)</b>



# Memorandum

**To:** Lakeville Arenas Board  
**From:** Joe Bergquist, Arenas General Manager  
**Copy:** Julie Stahl, Finance Director  
**Date:** June 20, 2023  
**Subject:** Resolution 10232024.1 approving Tax-Exempt Master Lease/Purchase Agreement# 16834, between Lease Servicing Center, Inc. dba NCL Government Capital (Lessor) and Lakeville Arenas (Lessee) and Schedule #001

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## **Introduction**

In 2021, residents approved a parks referendum that included funding for constructing a refrigerated outdoor ice rink with a roof at Hasse Arena.

Funding for the snow removal equipment needed to remove snow that would blow into the rink and move the snow produced and dumped by the Zamboni was not included, and the Lakeville Board of Directors and management were aware that alternative funding for such equipment would be required when the facility opened.

Management is submitting the attached financing agreement for the Kubota Skid Steer and snow handling attachments required to move snow at the new outdoor pavilion rink.

The equipment and financing are purchased through the Sourcewell Cooperative Purchasing Program, which meets state statutes regarding capital purchases.

## **Recommendation**

Approve Resolution 10232024.1 approving Tax-Exempt Master Lease/Purchase Agreement# 16834 between Lease Servicing Center, Inc. dba NCL Government Capital (Lessor) and Lakeville Arenas (Lessee) and Schedule #001

**LAKEVILLE ARENAS**

**RESOLUTION 10232024.1**

**APPROVING TAX-EXEMPT MASTER LEASE/PURCHASE AGREEMENT# 16834, BETWEEN LEASE SERVICING CENTER, INC. DBA NCL GOVERNMENT CAPITAL (LESSOR) AND LAKEVILLE ARENAS (LESSEE) AND SCHEDULE #001**

BE IT RESOLVED by the Board of Directors of the Lakeville Arenas, Lakeville, Minnesota, as follows:

- 1) RESOLUTION 10232024.1 APPROVING TAX-EXEMPT MASTER LEASE/PURCHASE AGREEMENT# 16834, BETWEEN LEASE SERVICING CENTER, INC. DBA NCL GOVERNMENT CAPITAL (LESSOR) AND LAKEVILLE ARENAS (LESSEE) AND SCHEDULE #001 is hereby approved and adopted by the Lakeville Arenas Board per Exhibit A, as attached hereto.

ADOPTED by the Lakeville Arenas Board of Directors this 23rd day of October 2024.

**LAKEVILLE ARENAS**

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

ATTEST:

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



Lakeville Arenas  
20195 Holyoke Ave  
Lakeville, MN 55044

Enclosed you will find finance documentation for your recent equipment purchase. Please review, sign, and date all the enclosed documents as indicated. Be sure to completely list your insurance information. Do not alter documents in any way.

Please return the following items to my attention:

- ☐ Tax-Exempt Master Lease/Purchase Agreement
- ☐ Equipment Schedule
- ☐ Amortization Schedule
- ☐ Lessee Resolution
- ☐ Certification of Authority
- ☐ Acceptance of Obligation
- ☐ Payment Request and Equipment Acceptance Form
- ☐ Signature Card
- ☐ Lessee Acknowledgement
- ☐ Bank Qualification Addendum
- ☐ Lease Payment Instructions
- ☐ Request for Certificate of Insurance
- ☐ Copy of Sales Tax Exemption Certificate – if it applies
- ☐ 8038-GC

Include in the return documentation a check in the amount of **\$500.00** made payable to Lease Servicing Center, Inc. dba NCL Government Capital. This is the one time documentation and processing fee.

Please call me at 320-763-7600 with any questions you may have and thank you for your business. We hope to continue to work with you for many years to come. Please let us know if we can be of any assistance in the future!

Sincerely,

*Gannon Lueck*

Enclosures

**Tax-Exempt Master Lease/Purchase Agreement #16834, dated as of 10/16/2024,**

**Accepted by Lessor:** Lease Servicing Center, Inc.  
dba NCL Government Capital  
510 22<sup>nd</sup> Avenue E, Ste 501  
Alexandria, MN 56308

**Agreed to by Lessee:** Lakeville Arenas  
20195 Holyoke Ave  
Lakeville, MN 55044

SIGNATURE: \_\_\_\_\_  
NAME: \_\_\_\_\_  
TITLE: \_\_\_\_\_  
DATE: \_\_\_\_\_

SIGNATURE: \_\_\_\_\_  
*Signature of Judy Keliher*  
NAME: Judy Keliher  
TITLE: Board Chair  
DATE: \_\_\_\_\_

**AGREEMENT:** This Master Lease/Purchase Agreement dated as of the date listed above is between Lessor and Lessee listed directly above. Lessor desires from time to time to lease the Equipment described in Equipment Schedules (each a "Schedule") to be attached hereto to Lessee and Lessee desires to lease such Equipment from Lessor subject to the terms and conditions of this Agreement, which are set forth below, and the applicable schedule. Lessor hereby leases to Lessee and Lessee hereby rents from Lessor all the Equipment described in Equipment Schedule incorporated herein by reference, upon the terms and conditions set forth herein and as supplemented by the terms and conditions set forth in the Equipment Schedule. This Tax-Exempt Master Lease / Purchase Agreement together with the Equipment Schedule shall be defined as the Agreement. In the event of conflict between the terms of the Lease and any other agreement, including but not limited to Invitations for Bid or Purchase Orders, the terms of the Lease shall control.

**LEASE TERM:** The Lease Term of the Equipment listed in the Equipment Schedule shall commence upon the date of acceptance of the Equipment by Lessee and continue for the time period set forth in the Equipment Schedule. This Agreement cannot be canceled or terminated by Lessee except as expressly provided herein. The Agreement is a triple net lease.

**LEASE PAYMENTS:** Lessee shall pay rent to Lessor for the Equipment in the amounts, and on the dates specified, in the Equipment Schedule. Lessor and Lessee intend that the obligation of Lessee to pay Lease Payments hereunder shall not in any way be construed to be a debt of Lessee in contravention of any applicable constitutional or statutory limitations or requirements concerning the creation of indebtedness by Lessee, nor shall anything contained herein constitute a pledge of the general tax revenues, funds or monies of Lessee.

**NO OFFSET:** SUBJECT TO THE RIGHT TO NON-APPROPRIATE, THE OBLIGATIONS OF LESSEE TO PAY THE LEASE PAYMENTS DUE UNDER THE EQUIPMENT SCHEDULE AND TO PERFORM AND OBSERVE THE OTHER COVENANTS AND AGREEMENTS CONTAINED IN THIS AGREEMENT SHALL BE ABSOLUTE AND UNCONDITIONAL IN ALL EVENTS WITHOUT ABATEMENT, DIMINUTION, DEDUCTION, SET-OFF OR DEFENSE, FOR ANY REASON, INCLUDING WITHOUT LIMITATION, ANY DEFECTS, MALFUNCTIONS, BREAKDOWNS OR INFIRMITIES IN THE EQUIPMENT OR ANY ACCIDENT, CONDEMNATION OR UNFORESEEN CIRCUMSTANCES. THIS PROVISION SHALL NOT LIMIT LESSEE'S RIGHTS OR ACTIONS AGAINST ANY VENDOR. Lessee shall pay when due all taxes and governmental charges assessed or levied against or with respect to the Equipment.

**LATE CHARGES:** Should Lessee fail to duly pay any part of any Lease Payment or other sum to be paid to Lessor under this Agreement on the date on which such amount is due hereunder, then Lessee shall pay late charges on such delinquent payment from the due date thereof until paid at the rate of 12% per annum or the highest rate permitted by law, whichever is less.

**MAINTENANCE OF EQUIPMENT:** All risk of loss to the Equipment shall be borne by the Lessee. At all times during the Lease Term, Lessee shall, at Lessee's own cost and expense, cause casualty, public liability, and Equipment damage insurance to be carried and maintained (or shall provide Lessor with a certificate stating that adequate self-insurance has been provided) with respect to the Equipment, sufficient to protect the full replacement value of the Equipment and to protect from liability in all events for which insurance is customarily available. Lessee shall furnish to Lessor certificates evidencing such coverage throughout the Lease Term. Any insurance policy to be carried and maintained pursuant to this Agreement shall be so written or endorsed as to make losses, if any, payable to Lessee and Lessor as their respective interests may appear. All such liability insurance shall name Lessor as an additional insured. Each insurance policy carried and maintained pursuant to this Agreement shall contain a provision to the effect that the insurance company shall not cancel the policy or modify it materially or adversely to the interest of the Lessor without first giving written notice thereof to Lessor at least 30 days in advance of such change of status.

**QUIET ENJOYMENT AND TERMINATION OF LESSOR'S INTERESTS:** To secure Lessee's obligations hereunder, Lessor is granted a security interest in the Equipment, including substitutions, repairs, replacements and renewals, and the proceeds thereof, which is a first lien thereon. Lessee hereby authorizes the Lessor to file all financing statements which Lessor deems necessary or appropriate to establish, maintain and perfect such security interest. Provided there does not exist an Event of Default as defined herein, the Lessee shall have the right of quiet enjoyment of the Equipment throughout the Lease Term. If Lessee shall have performed all of its obligations and no default shall have occurred and be continuing under this Agreement, and this Agreement shall not have been earlier terminated with respect to the Equipment, then, at the end of the Lease Term with respect to any item of Equipment, Lessor's interest in such Equipment shall terminate. Unless otherwise required by law, title to the Equipment shall be in the name of Lessee, subject to Lessor's interest hereunder.

**TAX EXEMPTION:** The parties contemplate that interest payable under this Agreement will be excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"). The tax-exempt status of this agreement provides the inducement for the Lessor to offer financing at the interest rate set forth herein. Therefore, should this Agreement be deemed by any taxing authority not to be exempt from taxation, lessee agrees that the interest rate shall be adjusted, as of the date of loss of tax exemption, to an interest rate calculated to provide Lessor or its assignee an after tax yield equivalent to the tax exempt rate and Lessor shall notify Lessee of the taxable rate. Provided, however, that the provision of the preceding sentence shall apply only upon a final determination that the interest payments are not excludable from gross income under Section 103(a) of the Code, and shall not apply if the determination is based upon the individual tax circumstances of the Lessor, or a finding that the party seeking to exclude such payments from gross income is not the owner and holder of the obligation under the Code.

**REPRESENTATIONS AND WARRANTIES OF LESSEE:** Lessee hereby represents and warrants to Lessor that: (a) Lessee is a State, possession of the United States, the District of Columbia, or political subdivision thereof as defined in Section 103 of the Code and Treasury Regulations and Rulings related thereto. If Lessee is incorporated it is duly organized and existing under the Constitution and laws of its jurisdiction of incorporation and will do or cause to be done all things necessary to preserve and keep such organization and existence in full force and effect. (b) Lessee has been duly authorized by the Constitution and laws of the applicable jurisdiction and by a resolution of its governing body (which resolution, if requested by Lessor, is attached hereto), to execute and deliver this agreement and to carry out its obligations hereunder. (c) All legal requirements have been met, and procedures have been followed, including public bidding, in order to ensure the enforceability of this Agreement. (d) The Equipment will be used by Lessee only for essential governmental or proprietary functions of Lessee consistent with the scope of Lessee's authority and will not be used in a trade or business of any person or entity, by the

federal government or for any personal, family or household use. Lessee's need for the Equipment is not expected to diminish during the term of the Agreement. (e) Lessee has funds available to pay Lease Payments until the end of its current appropriation period, and it intends to request funds to make Lease Payments in each appropriation period, from now until the end of the term of this Agreement. (f) The Lessee shall comply at all times with all applicable requirements of the Code, including but not limited to the registration and reporting requirements of Section 149, to maintain the federal tax-exempt status of the Agreement. The Lessee shall maintain a system with respect to this Agreement, which tracks the name, and ownership interest of each assignee who has both the responsibility for administration of, and ownership interest in this Agreement. (g) lessee's exact legal name is as set forth on the first page of this Agreement. Lessee will not change its legal name in any respect without giving thirty (30) days prior written notice to Lessor.

**INDEMNIFICATION OF LESSOR:** To the extent permitted by law, Lessee shall indemnify and save Lessor harmless from and against all claims, losses, costs, expenses, liability and damages, including legal fees and expenses, arising out of (a) the use, maintenance, condition or management of, the Equipment by Lessee, (b) any breach or default on the part of Lessee in the performance of any of its obligations under this Agreement or any other agreement made and entered in connection with the lease of the Equipment, (c) any act of negligence of Lessee, or its successors or assigns, or any of its agents, contractors, servants, employees, or licensees with respect to the Equipment (d) the acquisition, delivery, and acceptance of the Equipment, (e) the actions of any other party including, but not limited to, the ownership, operation, or use of the Equipment by Lessee, or (f) Lessor's exercise and performance of its powers and duties hereunder. No indemnification will be made for negligence or breach of duty under this Agreement by Lessor, its directors, officers, agents, employees, successors, or assignees. Lessee's obligations under this Section shall remain valid and binding notwithstanding termination or assignment of this Agreement.

**NON-APPROPRIATION:** If sufficient funds are not appropriated to make Lease Payments under this Agreement, this Agreement shall terminate and Lessee shall not be obligated to make Lease Payments under this Agreement beyond the then current fiscal year for which funds have been appropriated. Upon such an event, Lessee shall, no later than the end of the fiscal year for which Lease Payments have been appropriated, deliver possession of the Equipment to Lessor. If Lessee fails to deliver possession of the Equipment to Lessor, the termination shall nevertheless be effective but lessee shall be responsible for the payment of damages in an amount equal to the portion of lease Payments thereafter coming due that is attributable to the number of days after the termination during which the Lessee fails to deliver possession and for any other loss suffered by Lessor as a result of Lessee's failure to deliver possession as required. Lessee shall notify Lessor in writing within seven (7) days after the failure of the Lessee to appropriate funds sufficient for the payment of the Lease Payments, but failure to provide such notice shall not operate to extend the Lease Term or result in any liability to Lessee.

**ASSIGNMENT BY LESSEE:** Without Lessor's prior written consent, Lessee may not, by operation of law or otherwise, assign, transfer, pledge, hypothecate or otherwise dispose of the Equipment, this Agreement or any interest therein.

**ASSIGNMENT BY LESSOR:** Lessor may assign, sell or encumber all or any part of this Agreement, the Lease Payments and any other rights or interests of Lessor hereunder. Such assignees may include trust agents for the benefit of holders of certificates of participation. You understand that our assignee will have the same rights and benefits but they do not have to perform any of our obligations. You agree that the rights of assignee will not be subject to any claim, defenses, or setoffs that you may have against us. You agree that if we sell, assign, transfer this agreement, the new Lessor will have the same rights and benefits that we now have and will not have to perform any of our obligations. You agree that the rights of the new Lessor will not be subject to any claims, defenses or set offs that you may have against us.

**EVENTS OF DEFAULT:** Lessee shall be in default under this Agreement upon the occurrence of any of the following events or conditions ("Events of Default"), unless such Event of Default shall have been specifically waived by Lessor in writing: (a) Default by Lessee in payment of any Lease payment or any other indebtedness or obligation now or hereafter owed by lessee to Lessor under this Agreement or in the performance of any obligation, covenant or liability contained in this Agreement and the continuance of such default for ten (10) consecutive days after written notice thereof by Lessor to Lessee, or (b) any warranty, representation or statement made or furnished to Lessor by or on behalf of Lessee proves to have been false in any material respect when made or furnished, or (c) actual or attempted sale, lease or encumbrance of any of the Equipment, or the making of any levy, seizure or attachment thereof or thereon, or (d) dissolution, termination of existence, discontinuance of the Lessee, insolvency, business failure, failure to pay debts as they mature, or appointment of a receiver of any part of the Equipment, or assignment for the benefit of creditors by the Lessee, or the commencement of any proceedings under any bankruptcy, reorganization or arrangement law as by or against the Lessee.

**REMEDIES OF LESSOR:** Upon the occurrence of any Event of Default and at any time thereafter, Lessor may, without any further notice, exercise one or more of the following remedies as Lessor in its sole discretion shall elect: (a) terminate the Agreement and all of lessee's rights hereunder as to any or all items of Equipment; (b) proceed by appropriate court action to personally, or by its agents, take possession from Lessee of any or all items of Equipment wherever found and for this purpose enter upon Lessee's premises where any item of Equipment is located and remove such item of Equipment free from all claims of any nature whatsoever by Lessee and Lessor may thereafter dispose of the Equipment; provided, however, that any proceeds from the disposition of the Equipment in excess of the sum required to (i) pay to Lessor an amount equal to the total unpaid principal component of Lease Payments under the Equipment Schedule, including principal component not otherwise due until future fiscal years, (ii) pay any other amounts then due under the Equipment Schedule and this Agreement, and (iii) pay Lessor's costs and expenses associated with the disposition of the Equipment and the Event of Default (including attorneys fees), shall be paid to Lessee or such other creditor of Lessee as may be entitled thereto, and further provided that no deficiency shall be allowed against Lessee; (c) proceed by appropriate court action or actions to enforce performance by Lessee of its obligations hereunder or to recover damages for the breach hereof or pursue any other remedy available to Lessor at law or in equity or otherwise; (d) declare all unpaid Lease Payments and other sums payable hereunder during the current fiscal year of the Lease Term to be immediately due and payable without any presentment, demand or protest and / or take any and all actions to which Lessor shall be entitled under applicable law. No right or remedy herein conferred upon or reserved to Lessor is exclusive of any right or remedy herein or at law or in equity or otherwise provided or permitted, but each shall be cumulative of every other right or remedy given hereunder or now or hereafter existing at law or in equity or by statute or otherwise, and may be enforced concurrently therewith or from time to time. Lessee agrees to pay to Lessor or reimburse Lessor for, in addition to all other amounts due hereunder, all of Lessor's costs of collection, including reasonable attorney fees, whether or not suit or action is filed thereon. Lessee and Lessor hereby irrevocably waive all right to trial by jury in any action, proceeding or counterclaim (whether based on contract, tort or otherwise) arising out of or relating to this Agreement.

**NOTICES:** All notices, and other communications provided for herein shall be deemed given when delivered or mailed by certified mail, postage prepaid, addressed to Lessor or Lessee at their respective addresses set forth herein or such other addresses as either of the parties hereto may designate in writing to the other from time to time for such purpose.

**AMENDMENTS AND WAIVERS:** This Agreement and the Equipment Schedule executed by Lessor and Lessee constitute the entire agreement between Lessor and Lessee with respect to the Equipment and this Agreement may not be amended except in writing signed by both parties.

**CONSTRUCTION:** This Agreement shall be governed by and construed in accordance with the laws of the Lessee's State. Titles of sections of this Agreement are for convenience only and shall not define or limit the terms or provisions hereof. Time is of the essence under this Agreement. This Agreement shall insure to the benefit of and shall be binding upon Lessor and Lessee and their respective successors and assigns. This Agreement may be simultaneously executed in counterparts; each shall be an original with all being the same instrument.


 SIGNER'S INTIALS (REQUIRED)

**Establishment of Vendor Payable Account:** On the date that the Lessor executed this Agreement, which is on or after the date that the Lessee executes this Agreement, Lessor agrees to (i) make available to Lessee an amount sufficient to pay the total Purchase Price for the Equipment by establishing a separate, non-interest bearing account (the "Vendor Payable Account"), as agent for Lessee's account, with a financial institution that Lessor selects that is acceptable to Lessee (including Lessor or any of its affiliates) and (ii) to deposit an amount equal to such Purchase Price as reflected on Municipal Schedule 001 in the Vendor Payable Account. Lessee hereby further agrees to make the representations, warranties and covenants relating to the Vendor Payable Account as set forth in the Acceptance of Obligation attached hereto. Upon Lessee's delivery to Lessor of a Payment Request and Equipment Acceptance Form in the form set forth in the Payment Request and Equipment Acceptance Form attached hereto, Lessee authorizes Lessor to withdraw funds from the Vendor Payable Account from time to time to pay the Purchase Price, or a portion thereof, for each item of Equipment as it is delivered to Lessee. The Payment Request and Equipment Acceptance Form must be signed by an authorized individual acting on behalf of Lessee. The authorized individual(s) designated by the Lessee must sign the Signature Card which will be kept in the possession of the Lessor.

**Down Payment:** Prior to the disbursement of any funds from the Vendor Payable Account, the Lessee must either (1) deposit all the down payment funds that the Lessee has committed towards the purchase of the Equipment into the Vendor Payable Account or (2) Lessee must provide written verification to the satisfaction of the Lessor that all the down payment funds Lessee has committed towards the purchase of the Equipment have already been spent or are simultaneously being spent with the funds requested from the initial Payment Request and Equipment Acceptance Form. For purposes of this Section, the down payment funds committed towards the Equipment from the Lessee are the down payment funds that were represented to the Lessor at the time this transaction was submitted for credit approval by the Lessee to the Lessor.

**Disbursement upon Non-Appropriation or Default:** If an event of non-appropriation or default occurs prior to the Partial Prepayment Date, the amount then on deposit in the Vendor Payable Account shall be retained by the Lessor and Lessee will have no interest therein.

**Surplus Amount:** Any Surplus Amount then on deposit in the Vendor Payable Account on the Partial Prepayment Date shall be applied to pay on such Partial Prepayment Date a portion of the Purchase Option Price then applicable.

 SIGNER'S INTITALS (REQUIRED)

**Equipment Schedule to Tax-Exempt Master Lease/Purchase Agreement #16834 Schedule #001**

This **Equipment Schedule** is entered into pursuant to Tax-Exempt Master Lease/Purchase Agreement dated as of 10/16/2024 between Lessor and Lessee.

- Interpretation. The terms and conditions of the Tax-Exempt Master Lease/Purchase Agreement (the "Agreement") are incorporated herein.
- Equipment Description. The Equipment subject to this Equipment Schedule is described as follows:

Quantity	Model No.	Description	Serial / VIN Numbers
(1)		Kubota SVL75-3HFWVCC Skid Steer with Attachments	

\*Lessee authorizes Lessor or its assigns to insert or modify, if needed, the Vehicle Identification Number ("VIN"), or Serial Number, in the above description of the Equipment to correspond to the final delivered and accepted Equipment as shown on the respective invoice or other supporting documents.

- Equipment Location: 8525 215<sup>th</sup> Street, Lakeville, MN 55044
- Term and Payments. Lease Term and Lease Payments are per the table below. If the Payment Due Dates are not defined, they shall be defined as the \_\_\_\_\_ day of each year in the table below commencing with the Acceptance Date as stated in the Certificate of Acceptance, attached as Exhibit B, hereto.

Payment No.	Payment Amount	Principal Portion	Interest Portion	Concluding Balance (with Lease Payment on Due Date)
5	\$19,934.78	See Amortization Schedule		

- Expiration. Lessor, at its sole determination, may choose not to accept this Equipment Schedule if the fully executed, original Agreement (including this Equipment Schedule and all ancillary documents) are not received by Lessor at its place of business by 12/16/2024.
- Equipment Cost. The total acquisition cost of the Equipment is \$87,881.53

IN WITNESS WHEREOF, Lessor and Lessee have caused this Equipment Schedule to be executed in their names by their duly authorized representatives.

**LESSOR:** Lease Servicing Center, Inc. dba  
NCL Government Capital

SIGNATURE: \_\_\_\_\_

NAME: \_\_\_\_\_

TITLE: \_\_\_\_\_

**LESSEE:** Lakeville Arenas

SIGNATURE:   
*Signature of Judy Keliher*

NAME: Judy Keliher

TITLE: Board Chair

**Amortization Schedule**

**Amortization Schedule to Tax-Exempt Lease/Purchase Agreement #16834 Schedule #001**

**Equipment Cost: \$87,881.53**

Payment Number	Due Date	Payment Amount	Interest Portion	Principal Portion	Purchase Price
1	12/1/2024	\$19,934.78	\$500.02	\$19,434.76	N/A
2	12/1/2025	\$19,934.78	\$4,381.18	\$15,553.60	\$54,850.22
3	12/1/2026	\$19,934.78	\$3,385.62	\$16,549.16	\$37,688.74
4	12/1/2027	\$19,934.78	\$2,326.33	\$17,608.45	\$19,428.78
5	12/1/2028	\$19,934.78	\$1,199.22	\$18,735.56	\$0.00

Signature: 

*Signature of Judy Keliher*

Title: Board Chair

**LESSEE RESOLUTION**

Re: Tax-Exempt Master Lease/Purchase Agreement # 16834, between Lease Servicing Center, Inc. dba NCL Government Capital (Lessor) and Lakeville Arenas (Lessee) and Schedule #001 thereto.

At a duly called meeting of the Governing Body of the Lessee (as defined in the Agreement) held on \_\_\_\_\_, 20\_\_\_\_ the following resolution was introduced and adopted:

BE IT RESOLVED by the Governing Body of Lessee as follows:

1. **Determination of Need.** The Governing Body of Lessee has determined that a true and very real need exists for the acquisition of the Equipment described on Schedule #001 to the Tax-Exempt Master Lease/Purchase Agreement #16834, between Lakeville Arenas (Lessee) and Lease Servicing Center, Inc. dba NCL Government Capital (Lessor).
  
2. **Approval and Authorization.** The Governing Body of Lessee has determined that the Agreement and Schedule, substantially in the form presented to this meeting, are in the best interests of the Lessee for the acquisition of such Equipment, and the Governing Body hereby approves the entering into of the Agreement and Schedule by the Lessee and hereby designates and authorizes the following person(s) to execute and deliver the Agreement and Schedule on Lessee's behalf with such changes thereto as such person(s) deem(s) appropriate, and any related documents, including any Vendor Payable Account, necessary to the consummation of the transaction contemplated by the Agreement and Schedule. Lakeville Arenas is authorized to enter into the lease financing with Lease Servicing Center, Inc. dba NCL Government Capital to finance their (1) Kubota SVL75-3HFWVCC Skid Steer with Attachments from Lano Equipment, Inc. in the amount of \$87,881.53 with 5 annual payments of \$19,934.78.

Authorized Individual(s): Judy Keliher– Board Chair  
(Printed or Typed Name and Title of individual(s) authorized to execute the Agreement)

3. **Adoption of Resolution.** The signatures below from the designated individuals from the Governing Body of the Lessee evidence the adoption by the Governing Body of this Resolution.

By: \_\_\_\_\_  
(Signature of Secretary, Board Chairman or other member of the Governing Body)

Print Name: \_\_\_\_\_ Title: \_\_\_\_\_  
(Print name of individual who signed directly above) (Title of individual who signed directly above)

Attested By: \_\_\_\_\_  
(Signature of one additional person who can witness the passage of this Resolution)

Print Name: \_\_\_\_\_ Title: \_\_\_\_\_  
(Print name of individual who signed directly above) (Title of individual who signed directly above)

## CERTIFICATION OF AUTHORITY TO SIGN GOVERNMENTAL LEASE

Re: Tax-Exempt Master Lease/Purchase Agreement #16834 dated 10/16/2024  
Between Lease Servicing Center, Inc. dba NCL Government Capital , Lessor  
And Lakeville Arenas , Lessee  
For Lease #16834 and all Schedules (The LEASE)

The undersigned hereby certifies that he/she has signed the LEASE; that he/she had, and continues to have, full power and authority to do so, and that he/she has followed all required administrative procedures and has complied with all legal or other provisions necessary to ensure that the LEASE is a legal and binding obligation of the LESSEE.

Date of this certification:

[Redacted]

Lease Signatory: **Signature**

X

Signature of Judy Keliher

Name

**Judy Keliher**

Title

**Board Chair**

Attesting Official: **Signature**

X

Signature of Authorized Attesting Official

Name

[Redacted]

Title

[Redacted]

**ACCEPTANCE OF OBLIGATION**

**TO COMMENCE CONTRACT PAYMENTS UNDER TAX-EXEMPT MASTER LEASE/PURCHASE AGREEMENT #16834 SCHEDULE 001**

**RE: Tax-Exempt Master Lease/Purchase Agreement #16834, between Lease Servicing Center, Inc. dba NCL Government Capital (Lessor) and Lakeville Arenas (Lessee).**

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I, undersigned, hereby certify that I am a duly qualified representative of Lessee and that I have been given the authority by the governing body of Lessee to sign this Acceptance of Obligation to commence Agreement Payments with respect to the above referenced Agreement. I hereby certify that:

1. The Equipment described on Schedule 001 has not been delivered, installed or available for use as of the Commencement date of this Agreement.
2. Lessee acknowledges that Lessor has agreed to deposit in to a Vendor Payable Account an amount sufficient to pay the total purchase price (the "Purchase Price") for the Equipment so identified in such Schedule 001.
3. Lessee agrees to execute a Payment Request and Equipment Acceptance Form authorizing payment of the Purchase Price, or a portion thereof, for each withdrawal of funds from the Vendor Payable Account.

Notwithstanding that the Equipment has not been delivered to or accepted by Lessee on the date of execution of the Agreement, Lessee hereby warrants that:

- A. Lessee's obligation to commence Agreement Payments as set forth in Schedule 001 is absolute and unconditional as of the Commencement Date and on each date set forth in Schedule 001 thereafter, subject to the terms and conditions of the Agreement;
- B. Immediately upon delivery and acceptance of all the Equipment, Lessee will notify Lessor of Lessee's final acceptance of the Equipment by delivering to Lessor the "Payment Request and Equipment Acceptance Form" in the form set forth attached to this Agreement;
- C. In the event that any Surplus Amount is on deposit in the Vendor Payable Account when an event of non-appropriation or default under the Agreement occurs, then those amounts shall be applied as provided in the Tax-Exempt Master Lease/Purchase Agreement #16834.
- D. Regardless of whether Lessee delivers a final Payment Request and Equipment Acceptance Form, all Agreement Payments paid prior to delivery of all the Equipment shall be credited to Agreement Payments as they become due under the Agreement as set forth in Schedule 001.

**Lakeville Arenas**

  
Signature of Judy Keliher

Judy Keliher- Board Chair  
Printed Name and Title

PAYMENT REQUEST AND EQUIPMENT ACCEPTANCE FORM

RE: Tax-Exempt Master Lease/Purchase Agreement #16834 SCHEDULE 001, between Lease Servicing Center, Inc. dba NCL Government Capital (Lessor) and Lakeville Arenas (Lessee).

In accordance with the Tax-Exempt Master Lease/Purchase Agreement #16834, by executing this Payment Request and Equipment Acceptance Form, the Lessee hereby represents that the Payee or Payees listed below who are requesting payment have delivered the Equipment or a portion of the Equipment or performed the services to the satisfaction of the Lessee and that the amounts requested below by the Payee or Payees are proportionate with the value of the Equipment delivered or services rendered by the Payee or Payees. The Lessee hereby represents and warrants for all proposes that:

- 1. Pursuant to the invoice attached hereto, the amount to be disbursed is \$87,881.53 and this amount is consistent with the Agreement between Lessee and vendor.
2. Payment is to be made to: Payee: Lano Equipment, Inc.
3. The undersigned certifies that the following documents are attached to this Payment Request and Equipment Acceptance Form when there is a request for a release of funds from the Vendor Payable Account to pay for a portion, or all, of the Equipment: (1) Invoice from the vendor, (2) Copy of the Agreement between Lessee and vendor (if requested by the Lessor), (3) Insurance Certificate (if applicable), (4) Front and Back copy of the original MSO/Title listing Lease Servicing Center, Inc. dba NCL Government Capital and/or its assigns as the first lien holder (if applicable).
4. No amount listed in this form was included in any such form previously submitted.
5. Each disbursement hereby requested has been incurred and is a proper charge against the Vendor Payable Account.
6. The Equipment referenced in the attached has been delivered, installed, inspected and tested as necessary and in accordance with Lessee's specifications and accepted for all purposes.
7. That Lessor is or will be the title owner to the Equipment referenced in the attached, and that in the event that any third party makes a claim to such title that Lessee will take all measures necessary to secure title including, without limitation, the appropriation of additional funds to secure title to such Equipment, or a portion thereof, and keep the Agreement in full force and effect.
8. Lessee has appropriated and/or taken other lawful actions necessary to provide moneys sufficient to pay all Agreement Payments required to be paid under the Agreement during the current Budget Year of Lessee, and such moneys will be applied in payment of all Agreement Payments due and payable during such current Budget Year.
9. No event or condition that constitutes or would constitute an Event of Default exists as of the date hereof.

I, the undersigned, hereby certify that I am a duly qualified representative of Lessee and that I have been given the authority by the governing body of Lessee to sign this Payment Request and Equipment Acceptance Form.

Please forward this document and any correspondence relating to vendor payment to:

Email: gannonl@lscfinancial.com

Please call (320) 763-7600 if you have any questions.

Lakeville Arenas

Signature of Judy Keliher

Judy Keliher- Board Chair

Printed Name and Title

**SIGNATURE CARD**

**RE: Tax-Exempt Master Lease/Purchase Agreement #16834 SCHEDULE 001, between Lease Servicing Center, Inc. dba NCL Government Capital (Lessor) and Lakeville Arenas (Lessee).**

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The below signatures will be used for purposes of verifying the signature on a Payment Request and Equipment Acceptance Form prior to making payments from the Equipment Acquisition Fund or Vendor Payable Account. By signing below, the undersigned represents and warrants that s/he has received all appropriate authority from Lakeville Arenas.

**Lakeville Arenas**

---

Signature of Judy Keliher

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**Judy Keliher – Board Chair**

Printed Name and Title

**Signature of additional authorized individual (optional) of Lessee**

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Signature

---

Printed Name and Title

LESSEE ACKNOWLEDGEMENT

**RE: Tax-Exempt Master Lease/Purchase Agreement #16834 SCHEDULE 001, between Lease Servicing Center, Inc. dba NCL Government Capital (Lessor) and Lakeville Arenas (Lessee).**

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Lessee hereby acknowledges that it has ordered or caused to be ordered the equipment that is in the subject of the above-mentioned Agreement.

Please complete the below information, attach another page if necessary

Vendor Name: Lano Equipment, Inc.

Equipment: One (1) Kubota SVL75-3HFWVCC Skid Steer with Attachments

Cost of Equipment: \$87,881.53

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

Equipment: \_\_\_\_\_

Cost of Equipment: \_\_\_\_\_

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

Equipment: \_\_\_\_\_

Cost of Equipment: \_\_\_\_\_

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

Equipment: \_\_\_\_\_

Cost of Equipment: \_\_\_\_\_

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

Equipment: \_\_\_\_\_

Cost of Equipment: \_\_\_\_\_

**Lessee will immediately notify Lessor if any of the information listed above has changed.**



# LEASE PAYMENT INSTRUCTIONS SCHEDULE 001

Lessee: \_\_\_\_\_

Tax ID#: \_\_\_\_\_

Invoice Mailing Address: \_\_\_\_\_  
\_\_\_\_\_

Mail invoices to the attention of: \_\_\_\_\_

Phone: \_\_\_\_\_

Fax: \_\_\_\_\_

Email: \_\_\_\_\_

Approval of Invoices required by: \_\_\_\_\_

Phone: \_\_\_\_\_

Fax: \_\_\_\_\_

Email: \_\_\_\_\_

Accounts Payable Contact: \_\_\_\_\_

Phone: \_\_\_\_\_

Fax: \_\_\_\_\_

Email: \_\_\_\_\_

Processing time for Invoices: \_\_\_\_\_ Approval: \_\_\_\_\_ Checks: \_\_\_\_\_

Do you have a Purchase Order Number that you would like included on the invoice? No \_\_\_ Yes \_\_\_

PO# \_\_\_\_\_

Description needed for Lease Payment Invoices (up to 54 characters including a PO#) : \_\_\_\_\_

Does your PO# change annually? No \_\_\_ Yes \_\_\_

Processing time for new purchase orders: \_\_\_\_\_

# REQUEST FOR CERTIFICATE OF INSURANCE

(THIS FORM IS PROVIDED FOR THE LESSEE TO APPROVE AND FORWARD TO OWNER)

TO: Customer's Insurance Agent

Description of item(s) to be insured:

Name of Agency:	X	(1) Kubota SVL75-3HFWVCC Skid Steer with Attachments
Agent:	X	
Address:	X	
Phone Number:	X	
Fax Number:	X	

Insurable Value: \$87,881.53

We have entered into a Lease Agreement with Lease Servicing Center, Inc. dba NCL Government Capital and its assigns for the above described item(s). This is a "NET" Lease and we are responsible for the insurance. The insurance policy must include a provision for the following requirements:

COMPREHENSIVE GENERAL LIABILITY/PROPERTY DAMAGE COVERAGE:

PLEASE SHOW AS ADDITIONAL INSURED AND LOSS PAYEE ON THE CERTIFICATE OF INSURANCE. ALSO, \$1,000,000.00 OF LIABILITY COVERAGE IS REQUIRED FOR ALL MOTOR VEHICLES.

LEASE SERVICING CENTER, INC. DBA NCL GOVERNMENT CAPITAL AND ITS ASSIGNS

510 22<sup>nd</sup> Ave E, Ste. 501

Alexandria, MN 56308

I authorize the above agent to immediately place the insurance coverage required for the described item(s). Please issue a binder of insurance to the above named Additional Insured and Loss Payee by return mail and place it with the original insurance policy or endorsement within 30 days.

This Certificate should indicate the following: "It is agreed that Lease Servicing Center, Inc. dba NCL Government Capital and its assigns will be notified in writing 10 days prior to cancellation or other material change in the conditions of this policy".

\*LEASE NUMBER: 16834-001

Phone # 320-763-7600

*\*Please reference the lease number (above) on the Insurance Certificate. Also, fax & mail the original to the fax number & address listed above*

Lakeville Arenas

20195 Holyoke Ave

Lakeville, MN 55044

X

Signature of Judy Keliher

Board Chair

**Information Return for Small Tax-Exempt  
 Governmental Bond Issues, Leases, and Installment Sales**  
 ▶ Under Internal Revenue Code section 149(e)

OMB No. 1545-0720

**Caution: If the issue price of the issue is \$100,000 or more, use Form 8038-G.**

<b>Part I Reporting Authority</b>		Check box if <b>Amended Return</b> <input type="checkbox"/>	
1 Issuer's name <b>Lakeville Arenas</b>		2 Issuer's employer identification number (EIN) <b>260104767</b>	
3 Number and street (or P.O. box if mail is not delivered to street address) <b>20195 Holyoke Ave</b>		Room/suite	
4 City, town, or post office, state, and ZIP code <b>Lakeville, MN 55044</b>		5 Report number (For IRS Use Only) <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	
6 Name and title of officer or other employee of issuer or designated contact person whom the IRS may call for more information <b>Judy Keliher - Board Chair</b>		7 Telephone number of officer or legal representative <b>952-985-2170</b>	

<b>Part II Description of Obligations</b> Check one: a single issue <input type="checkbox"/> or a consolidated return <input type="checkbox"/>		
8a Issue price of obligation(s) (see instructions)	<b>8a</b>	<b>\$87,881 53</b>
b Issue date (single issue) or calendar date (consolidated). Enter date in mm/dd/yyyy format (for example, 01/01/2009) (see instructions) ▶ <b>10/30/2024</b>		
9 Amount of the reported obligation(s) on line 8a that is:		
a For leases for vehicles	<b>9a</b>	
b For leases for office equipment	<b>9b</b>	
c For leases for real property	<b>9c</b>	
d For leases for other (see instructions)	<b>9d</b>	<b>\$87,881 53</b>
e For bank loans for vehicles	<b>9e</b>	
f For bank loans for office equipment	<b>9f</b>	
g For bank loans for real property	<b>9g</b>	
h For bank loans for other (see instructions)	<b>9h</b>	
i Used to refund prior issue(s)	<b>9i</b>	
j Representing a loan from the proceeds of another tax-exempt obligation (for example, bond bank)	<b>9j</b>	
k Other	<b>9k</b>	
10 If the issuer has designated any issue under section 265(b)(3)(B)(i)(III) (small issuer exception), check this box ▶ <input type="checkbox"/>		
11 If the issuer has elected to pay a penalty in lieu of arbitrage rebate, check this box (see instructions) ▶ <input type="checkbox"/>		
12 Vendor's or bank's name: <b>Lease Servicing Center, Inc. dba NCL Government Capital</b>		
13 Vendor's or bank's employer identification number: <b>411979924</b>		

**Signature and Consent**

Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. I further declare that I consent to the IRS's disclosure of the issuer's return information, as necessary to process this return, to the person(s) that I have authorized above.

▶ \_\_\_\_\_ Date \_\_\_\_\_ Type or print name and title \_\_\_\_\_

Signature of issuer's authorized representative

<b>Paid Preparer Use Only</b>	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
	Firm's name ▶	Firm's EIN ▶			
	Firm's address ▶	Phone no.			

**General Instructions**

Section references are to the Internal Revenue Code unless otherwise noted.

**What's New**

The IRS has created a page on IRS.gov for information about the Form 8038 series and its instructions, at [www.irs.gov/form8038](http://www.irs.gov/form8038). Information about any future developments affecting the Form 8038 series (such as legislation enacted after we release it) will be posted on that page.

**Purpose of Form**

Form 8038-GC is used by the issuers of tax-exempt governmental obligations to provide the IRS with the information required by section 149(e) and to monitor the requirements of sections 141 through 150.

**Who Must File**

Issuers of tax-exempt governmental obligations with issue prices of less than \$100,000 must file Form 8038-GC.

Issuers of a tax-exempt governmental obligation with an issue price of \$100,000 or more must file Form 8038-G, Information Return for Tax-Exempt Governmental Obligations.

**Filing a separate return for a single issue.** Issuers have the option to file a separate Form 8038-GC for any tax-exempt governmental obligation with an issue price of less than \$100,000.

An issuer of a tax-exempt bond used to finance construction expenditures must file a separate Form 8038-GC for each issue to give notice to the IRS that an election was made to

pay a penalty in lieu of arbitrage rebate (see the line 11 instructions).

**Filing a consolidated return for multiple issues.** For all tax-exempt governmental obligations with issue prices of less than \$100,000 that are not reported on a separate Form 8038-GC, an issuer must file a consolidated information return including all such issues issued within the calendar year.

Thus, an issuer may file a separate Form 8038-GC for each of a number of small issues and report the remainder of small issues issued during the calendar year on one consolidated Form 8038-GC. However, if the issue is a construction issue, a separate Form 8038-GC must be filed to give the IRS notice of the election to pay a penalty in lieu of arbitrage rebate.



# Memorandum

**To:** Lakeville Arenas Board  
**From:** Joe Bergquist, Arenas General Manager  
**Copy:** Julie Stahl, Finance Director  
**Date:** June 20, 2023  
**Subject:** Resolution 10232024.2 approving Tax-Exempt Master Lease/Purchase Agreement# 16834, between Lease Servicing Center, Inc. dba NCL Government Capital (Lessor) and Lakeville Arenas (Lessee) and Schedule #002

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## **Introduction**

In 2021 residents approved a parks referendum that included funding for constructing a refrigerated outdoor ice rink with a roof at Hasse Arena.

Funding for the snow removal equipment needed to remove snow that would blow into the rink and move the snow produced and dumped by the Zamboni was not included, and the Lakeville Board of Directors and management were aware that alternative funding for such equipment would be required when the facility opened.

Management is submitting the attached financing agreement for the John Deere 1575 machine and snow handling attachments required to move snow at the new outdoor pavilion rink.

The equipment and financing are purchased through the Sourcewell Cooperative Purchasing Program, which meets state statutes regarding capital purchases.

## **Recommendation**

Approve Resolution 10232024.21 approving Tax-Exempt Master Lease/Purchase Agreement# 16834, between Lease Servicing Center, Inc. dba NCL Government Capital (Lessor) and Lakeville Arenas (Lessee) and Schedule #002

**LAKEVILLE ARENAS**

**RESOLUTION 10232024.2**

**APPROVING TAX-EXEMPT MASTER LEASE/PURCHASE AGREEMENT# 16834, BETWEEN LEASE SERVICING CENTER, INC. DBA NCL GOVERNMENT CAPITAL (LESSOR) AND LAKEVILLE ARENAS (LESSEE) AND SCHEDULE #002**

BE IT RESOLVED by the Board of Directors of the Lakeville Arenas, Lakeville, Minnesota, as follows:

- 1) RESOLUTION 10232024.2 APPROVING TAX-EXEMPT MASTER LEASE/PURCHASE AGREEMENT# 16834, BETWEEN LEASE SERVICING CENTER, INC. DBA NCL GOVERNMENT CAPITAL (LESSOR) AND LAKEVILLE ARENAS (LESSEE) AND SCHEDULE #002 is hereby approved and adopted by the Lakeville Arenas Board per Exhibit A, as attached hereto.

ADOPTED by the Lakeville Arenas Board of Directors this 23rd day of October 2024.

**LAKEVILLE ARENAS**

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

ATTEST:

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



Lakeville Arenas  
20195 Holyoke Ave  
Lakeville, MN 55044

Enclosed you will find finance documentation for your recent equipment purchase. Please review, sign, and date all the enclosed documents as indicated. Be sure to completely list your insurance information. Do not alter documents in any way.

Please return the following items to my attention:

- ▣ Equipment Schedule
- ▣ Amortization Schedule
- ▣ Lessee Resolution
- ▣ Certification of Authority
- ▣ Acceptance of Obligation
- ▣ Payment Request and Equipment Acceptance Form
- ▣ Signature Card
- ▣ Lessee Acknowledgement
- ▣ Bank Qualification Addendum
- ▣ Lease Payment Instructions
- ▣ Request for Certificate of Insurance
- ▣ Copy of Sales Tax Exemption Certificate – if it applies
- ▣ 8038-GC

Include in the return documentation a check in the amount of **\$500.00** made payable to Lease Servicing Center, Inc. dba NCL Government Capital. This is the one time documentation and processing fee.

Please call me at 320-763-7600 with any questions you may have and thank you for your business. We hope to continue to work with you for many years to come. Please let us know if we can be of any assistance in the future!

Sincerely,

*Gannon Lueck*

Enclosures

**Equipment Schedule to Tax-Exempt Master Lease/Purchase Agreement #16834 Schedule #002**

This **Equipment Schedule** is entered into pursuant to Tax-Exempt Master Lease/Purchase Agreement dated as of 10/16/2024 between Lessor and Lessee.

- Interpretation. The terms and conditions of the Tax-Exempt Master Lease/Purchase Agreement (the "Agreement") are incorporated herein.
- Equipment Description. The Equipment subject to this Equipment Schedule is described as follows:

Quantity	Model No.	Description	Serial / VIN Numbers
(1)		John Deere 1575 TerrainCut with Attachments	

\*Lessee authorizes Lessor or its assigns to insert or modify, if needed, the Vehicle Identification Number ("VIN"), or Serial Number, in the above description of the Equipment to correspond to the final delivered and accepted Equipment as shown on the respective invoice or other supporting documents.

- Equipment Location: 8525 215<sup>th</sup> Street, Lakeville, MN 55044
- Term and Payments. Lease Term and Lease Payments are per the table below. If the Payment Due Dates are not defined, they shall be defined as the \_\_\_\_\_ day of each year in the table below commencing with the Acceptance Date as stated in the Certificate of Acceptance, attached as Exhibit B, hereto.

Payment No.	Payment Amount	Principal Portion	Interest Portion	Concluding Balance (with Lease Payment on Due Date)
5	\$13,858.82	See Amortization Schedule		

- Expiration. Lessor, at its sole determination, may choose not to accept this Equipment Schedule if the fully executed, original Agreement (including this Equipment Schedule and all ancillary documents) are not received by Lessor at its place of business by 12/16/2024.
- Equipment Cost. The total acquisition cost of the Equipment is \$60,126.27

IN WITNESS WHEREOF, Lessor and Lessee have caused this Equipment Schedule to be executed in their names by their duly authorized representatives.

**LESSOR:** Lease Servicing Center, Inc. dba NCL Government Capital

SIGNATURE: \_\_\_\_\_

NAME: \_\_\_\_\_

TITLE: \_\_\_\_\_

**LESSEE:** Lakeville Arenas

SIGNATURE:   
Signature of Judy Keliher

NAME: Judy Keliher

TITLE: Board Chair

## Amortization Schedule

### Amortization Schedule to Tax-Exempt Lease/Purchase Agreement #16834 Schedule #002

Equipment Cost: \$60,126.27

Payment Number	Due Date	Payment Amount	Interest Portion	Principal Portion	Purchase Price
1	3/1/2025	\$13,858.82	\$1,306.31	\$12,552.51	N/A
2	3/1/2026	\$13,858.82	\$3,049.95	\$10,808.87	\$38,235.49
3	3/1/2027	\$13,858.82	\$2,356.99	\$11,501.83	\$26,273.58
4	3/1/2028	\$13,858.82	\$1,619.61	\$12,239.21	\$13,544.80
5	3/1/2029	\$13,858.82	\$834.97	\$13,023.85	\$0.00

Signature: 

Signature of Judy Keliher

Title: Board Chair

**LESSEE RESOLUTION**

Re: Tax-Exempt Master Lease/Purchase Agreement # 16834, between Lease Servicing Center, Inc. dba NCL Government Capital (Lessor) and Lakeville Arenas (Lessee) and Schedule #002 thereto.

At a duly called meeting of the Governing Body of the Lessee (as defined in the Agreement) held on \_\_\_\_\_, 20\_\_\_\_ the following resolution was introduced and adopted:

BE IT RESOLVED by the Governing Body of Lessee as follows:

1. **Determination of Need.** The Governing Body of Lessee has determined that a true and very real need exists for the acquisition of the Equipment described on Schedule #002 to the Tax-Exempt Master Lease/Purchase Agreement #16834, between Lakeville Arenas (Lessee) and Lease Servicing Center, Inc. dba NCL Government Capital (Lessor).
  
2. **Approval and Authorization.** The Governing Body of Lessee has determined that the Agreement and Schedule, substantially in the form presented to this meeting, are in the best interests of the Lessee for the acquisition of such Equipment, and the Governing Body hereby approves the entering into of the Agreement and Schedule by the Lessee and hereby designates and authorizes the following person(s) to execute and deliver the Agreement and Schedule on Lessee's behalf with such changes thereto as such person(s) deem(s) appropriate, and any related documents, including any Vendor Payable Account, necessary to the consummation of the transaction contemplated by the Agreement and Schedule. Lakeville Arenas is authorized to enter into the lease financing with Lease Servicing Center, Inc. dba NCL Government Capital to finance their (1) John Deere 1575 TerrainCut with Attachments from Midwest Machinery Co. in the amount of \$60,126.27 with 5 annual payments of \$13,858.82.

Authorized Individual(s): Judy Keliher– Board Chair  
(Printed or Typed Name and Title of individual(s) authorized to execute the Agreement)

3. **Adoption of Resolution.** The signatures below from the designated individuals from the Governing Body of the Lessee evidence the adoption by the Governing Body of this Resolution.

By: \_\_\_\_\_  
(Signature of Secretary, Board Chairman or other member of the Governing Body)

Print Name: \_\_\_\_\_ Title: \_\_\_\_\_  
(Print name of individual who signed directly above) (Title of individual who signed directly above)

Attested By: \_\_\_\_\_  
(Signature of one additional person who can witness the passage of this Resolution)

Print Name: \_\_\_\_\_ Title: \_\_\_\_\_  
(Print name of individual who signed directly above) (Title of individual who signed directly above)

# CERTIFICATION OF AUTHORITY TO SIGN GOVERNMENTAL LEASE

Re: Tax-Exempt Master Lease/Purchase Agreement #16834 dated 10/16/2024  
Between Lease Servicing Center, Inc. dba NCL Government Capital , Lessor  
And Lakeville Arenas , Lessee  
For Lease #16834 and all Schedules (The LEASE)

The undersigned hereby certifies that he/she has signed the LEASE; that he/she had, and continues to have, full power and authority to do so, and that he/she has followed all required administrative procedures and has complied with all legal or other provisions necessary to ensure that the LEASE is a legal and binding obligation of the LESSEE.

Date of this certification:

[Redacted]

Lease Signatory: **Signature**

X  
[Redacted]

*Signature of Judy Keliher*

Name

**Judy Keliher**

Title

**Board Chair**

Attesting Official: **Signature**

X  
[Redacted]

*Signature of Authorized Attesting Official*

Name

[Redacted]

Title

[Redacted]

**ACCEPTANCE OF OBLIGATION**

**TO COMMENCE CONTRACT PAYMENTS UNDER TAX-EXEMPT MASTER LEASE/PURCHASE AGREEMENT #16834 SCHEDULE 002**

**RE: Tax-Exempt Master Lease/Purchase Agreement #16834, between Lease Servicing Center, Inc. dba NCL Government Capital (Lessor) and Lakeville Arenas (Lessee).**

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I, undersigned, hereby certify that I am a duly qualified representative of Lessee and that I have been given the authority by the governing body of Lessee to sign this Acceptance of Obligation to commence Agreement Payments with respect to the above referenced Agreement. I hereby certify that:

1. The Equipment described on Schedule 002 has not been delivered, installed or available for use as of the Commencement date of this Agreement.
2. Lessee acknowledges that Lessor has agreed to deposit in to a Vendor Payable Account an amount sufficient to pay the total purchase price (the "Purchase Price") for the Equipment so identified in such Schedule 002.
3. Lessee agrees to execute a Payment Request and Equipment Acceptance Form authorizing payment of the Purchase Price, or a portion thereof, for each withdrawal of funds from the Vendor Payable Account.

Notwithstanding that the Equipment has not been delivered to or accepted by Lessee on the date of execution of the Agreement, Lessee hereby warrants that:

- A. Lessee's obligation to commence Agreement Payments as set forth in Schedule 002 is absolute and unconditional as of the Commencement Date and on each date set forth in Schedule 002 thereafter, subject to the terms and conditions of the Agreement;
- B. Immediately upon delivery and acceptance of all the Equipment, Lessee will notify Lessor of Lessee's final acceptance of the Equipment by delivering to Lessor the "Payment Request and Equipment Acceptance Form" in the form set forth attached to this Agreement;
- C. In the event that any Surplus Amount is on deposit in the Vendor Payable Account when an event of non-appropriation or default under the Agreement occurs, then those amounts shall be applied as provided in the Tax-Exempt Master Lease/Purchase Agreement #16834.
- D. Regardless of whether Lessee delivers a final Payment Request and Equipment Acceptance Form, all Agreement Payments paid prior to delivery of all the Equipment shall be credited to Agreement Payments as they become due under the Agreement as set forth in Schedule 002.

**Lakeville Arenas**

  
Signature of Judy Keliher

Judy Keliher– Board Chair  
Printed Name and Title

PAYMENT REQUEST AND EQUIPMENT ACCEPTANCE FORM

RE: Tax-Exempt Master Lease/Purchase Agreement #16834 SCHEDULE 002, between Lease Servicing Center, Inc. dba NCL Government Capital (Lessor) and Lakeville Arenas (Lessee).

In accordance with the Tax-Exempt Master Lease/Purchase Agreement #16834, by executing this Payment Request and Equipment Acceptance Form, the Lessee hereby represents that the Payee or Payees listed below who are requesting payment have delivered the Equipment or a portion of the Equipment or performed the services to the satisfaction of the Lessee and that the amounts requested below by the Payee or Payees are proportionate with the value of the Equipment delivered or services rendered by the Payee or Payees. The Lessee hereby represents and warrants for all purposes that:

- 1. Pursuant to the invoice attached hereto, the amount to be disbursed is \$60,126.27 and this amount is consistent with the Agreement between Lessee and vendor.
- 2. Payment is to be made to: Payee: Midwest Machinery Co.

- 3. The undersigned certifies that the following documents are attached to this Payment Request and Equipment Acceptance Form when there is a request for a release of funds from the Vendor Payable Account to pay for a portion, or all, of the Equipment: (1) Invoice from the vendor, (2) Copy of the Agreement between Lessee and vendor (if requested by the Lessor), (3) Insurance Certificate (if applicable), (4) Front and Back copy of the original MSO/Title listing Lease Servicing Center, Inc. dba NCL Government Capital and/or its assigns as the first lien holder (if applicable). By executing this Payment Request and Equipment Acceptance Form an attaching the documents as required above, the Lessee shall be deemed to have accepted this portion of the Equipment for all purposes under this Agreement, including, without limitation, the obligation of Lessee to make the Agreement Payments with respect thereto in a proportional amount of the total Agreement Payment.
- 4. No amount listed in this form was included in any such form previously submitted.
- 5. Each disbursement hereby requested has been incurred and is a proper charge against the Vendor Payable Account. No amount hereby requested to be disbursed will be paid to Lessee as reimbursement for any expenditure paid by Lessee more than 60 days prior to the date of execution and delivery of the Agreement.
- 6. The Equipment referenced in the attached has been delivered, installed, inspected and tested as necessary and in accordance with Lessee's specifications and accepted for all purposes.
- 7. That Lessor is or will be the title owner to the Equipment referenced in the attached, and that in the event that any third party makes a claim to such title that Lessee will take all measures necessary to secure title including, without limitation, the appropriation of additional funds to secure title to such Equipment, or a portion thereof, and keep the Agreement in full force and effect. Furthermore, Lessee has obtained insurance coverage as required under the Agreement from an insurer qualified to do business in the State.
- 8. Lessee has appropriated and/or taken other lawful actions necessary to provide moneys sufficient to pay all Agreement Payments required to be paid under the Agreement during the current Budget Year of Lessee, and such moneys will be applied in payment of all Agreement Payments due and payable during such current Budget Year.
- 9. No event or condition that constitutes or would constitute an Event of Default exists as of the date hereof.

I, the undersigned, hereby certify that I am a duly qualified representative of Lessee and that I have been given the authority by the governing body of Lessee to sign this Payment Request and Equipment Acceptance Form.

Please forward this document and any correspondence relating to vendor payment to:

Email: [gannonl@lscfinancial.com](mailto:gannonl@lscfinancial.com)

Please call (320) 763-7600 if you have any questions.

Lakeville Arenas

Signature of Judy Keliher

Judy Keliher- Board Chair

Printed Name and Title

**SIGNATURE CARD**

**RE: Tax-Exempt Master Lease/Purchase Agreement #16834 SCHEDULE 002, between Lease Servicing Center, Inc. dba NCL Government Capital (Lessor) and Lakeville Arenas (Lessee).**

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The below signatures will be used for purposes of verifying the signature on a Payment Request and Equipment Acceptance Form prior to making payments from the Equipment Acquisition Fund or Vendor Payable Account. By signing below, the undersigned represents and warrants that s/he has received all appropriate authority from Lakeville Arenas.

**Lakeville Arenas**

---

Signature of Judy Keliher

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**Judy Keliher– Board Chair**

Printed Name and Title

**Signature of additional authorized individual (optional) of Lessee**

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Signature

---

Printed Name and Title

**LESSEE ACKNOWLEDGEMENT**

**RE: Tax-Exempt Master Lease/Purchase Agreement #16834 SCHEDULE 002, between Lease Servicing Center, Inc. dba NCL Government Capital (Lessor) and Lakeville Arenas (Lessee).**

---

Lessee hereby acknowledges that it has ordered or caused to be ordered the equipment that is in the subject of the above-mentioned Agreement.

Please complete the below information, attach another page if necessary

Vendor Name: Midwest Machinery Co.

Equipment: One (1) John Deere 1575 TerrainCut with Attachments

Cost of Equipment: \$60,126.27

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

Equipment: \_\_\_\_\_

Cost of Equipment: \_\_\_\_\_

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

Equipment: \_\_\_\_\_

Cost of Equipment: \_\_\_\_\_

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

Equipment: \_\_\_\_\_

Cost of Equipment: \_\_\_\_\_

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

Equipment: \_\_\_\_\_

Cost of Equipment: \_\_\_\_\_

**Lessee will immediately notify Lessor if any of the information listed above has changed.**



## LEASE PAYMENT INSTRUCTIONS SCHEDULE 002

Lessee: \_\_\_\_\_

Tax ID#: \_\_\_\_\_

Invoice Mailing Address: \_\_\_\_\_

\_\_\_\_\_

Mail invoices to the attention of:

\_\_\_\_\_

Phone: \_\_\_\_\_

Fax: \_\_\_\_\_

Email: \_\_\_\_\_

Approval of Invoices required by:

\_\_\_\_\_

Phone: \_\_\_\_\_

Fax: \_\_\_\_\_

Email: \_\_\_\_\_

Accounts Payable Contact:

\_\_\_\_\_

Phone: \_\_\_\_\_

Fax: \_\_\_\_\_

Email: \_\_\_\_\_

Processing time for Invoices: \_\_\_\_\_ Approval: \_\_\_\_\_ Checks: \_\_\_\_\_

Do you have a Purchase Order Number that you would like included on the invoice? No \_\_\_ Yes \_\_\_

PO# \_\_\_\_\_

Description needed for Lease Payment Invoices (up to 54 characters including a PO#) : \_\_\_\_\_

\_\_\_\_\_

Does your PO# change annually? No \_\_\_ Yes \_\_\_

Processing time for new purchase orders: \_\_\_\_\_

# REQUEST FOR CERTIFICATE OF INSURANCE

(THIS FORM IS PROVIDED FOR THE LESSEE TO APPROVE AND FORWARD TO OWNER)

TO: Customer's Insurance Agent

Description of item(s) to be insured:

Name of Agency:	X	(1) John Deere 1575 TerrainCut with Attachments
Agent:	X	
Address:	X	
Phone Number:	X	
Fax Number:	X	

Insurable Value: \$60,126.27

We have entered into a Lease Agreement with Lease Servicing Center, Inc. dba NCL Government Capital and its assigns for the above described item(s). This is a "NET" Lease and we are responsible for the insurance. The insurance policy must include a provision for the following requirements:

COMPREHENSIVE GENERAL LIABILITY/PROPERTY DAMAGE COVERAGE:

PLEASE SHOW AS ADDITIONAL INSURED AND LOSS PAYEE ON THE CERTIFICATE OF INSURANCE. ALSO, \$1,000,000.00 OF LIABILITY COVERAGE IS REQUIRED FOR ALL MOTOR VEHICLES.

LEASE SERVICING CENTER, INC. DBA NCL GOVERNMENT CAPITAL AND ITS ASSIGNS

510 22<sup>nd</sup> Ave E, Ste. 501

Alexandria, MN 56308

I authorize the above agent to immediately place the insurance coverage required for the described item(s). Please issue a binder of insurance to the above named Additional Insured and Loss Payee by return mail and place it with the original insurance policy or endorsement within 30 days.

This Certificate should indicate the following: "It is agreed that Lease Servicing Center, Inc. dba NCL Government Capital and its assigns will be notified in writing 10 days prior to cancellation or other material change in the conditions of this policy".

\*LEASE NUMBER: 16834-002

Phone # 320-763-7600

*\*Please reference the lease number (above) on the Insurance Certificate. Also, fax & mail the original to the fax number & address listed above*

Lakeville Arenas

20195 Holyoke Ave

Lakeville, MN 55044

X

Signature of Judy Keliher

Board Chair

**Information Return for Small Tax-Exempt  
 Governmental Bond Issues, Leases, and Installment Sales**

OMB No. 1545-0720

▶ Under Internal Revenue Code section 149(e)

**Caution:** If the issue price of the issue is \$100,000 or more, use Form 8038-G.

<b>Part I Reporting Authority</b>		Check box if <b>Amended Return</b> <input type="checkbox"/>
1 Issuer's name <b>Lakeville Arenas</b>		2 Issuer's employer identification number (EIN) <b>260104767</b>
3 Number and street (or P.O. box if mail is not delivered to street address) <b>20195 Holyoke Ave</b>		Room/suite
4 City, town, or post office, state, and ZIP code <b>Lakeville, MN 55044</b>		5 Report number (For IRS Use Only) <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
6 Name and title of officer or other employee of issuer or designated contact person whom the IRS may call for more information <b>Judy Keliher - Board Chair</b>		7 Telephone number of officer or legal representative <b>952-985-2170</b>

<b>Part II Description of Obligations</b> Check one: a single issue <input type="checkbox"/> or a consolidated return <input type="checkbox"/>		
8a Issue price of obligation(s) (see instructions)	<b>8a</b>	<b>\$60,126 27</b>
b Issue date (single issue) or calendar date (consolidated). Enter date in mm/dd/yyyy format (for example, 01/01/2009) (see instructions) ▶ <b>10/30/2024</b>		
9 Amount of the reported obligation(s) on line 8a that is:		
a For leases for vehicles	<b>9a</b>	
b For leases for office equipment	<b>9b</b>	
c For leases for real property	<b>9c</b>	
d For leases for other (see instructions)	<b>9d</b>	<b>\$60,126 27</b>
e For bank loans for vehicles	<b>9e</b>	
f For bank loans for office equipment	<b>9f</b>	
g For bank loans for real property	<b>9g</b>	
h For bank loans for other (see instructions)	<b>9h</b>	
i Used to refund prior issue(s)	<b>9i</b>	
j Representing a loan from the proceeds of another tax-exempt obligation (for example, bond bank)	<b>9j</b>	
k Other	<b>9k</b>	
10 If the issuer has designated any issue under section 265(b)(3)(B)(i)(III) (small issuer exception), check this box <input type="checkbox"/>		
11 If the issuer has elected to pay a penalty in lieu of arbitrage rebate, check this box (see instructions) <input type="checkbox"/>		
12 Vendor's or bank's name: <b>Lease Servicing Center, Inc. dba NCL Government Capital</b>		
13 Vendor's or bank's employer identification number: <b>411979924</b>		

**Signature and Consent**

Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. I further declare that I consent to the IRS's disclosure of the issuer's return information, as necessary to process this return, to the person(s) that I have authorized above.

Signature of issuer's authorized representative \_\_\_\_\_ Date \_\_\_\_\_ Type or print name and title \_\_\_\_\_

<b>Paid Preparer Use Only</b>	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
	Firm's name ▶	Firm's EIN ▶			
	Firm's address ▶	Phone no.			

**General Instructions**

Section references are to the Internal Revenue Code unless otherwise noted.

**What's New**

The IRS has created a page on IRS.gov for information about the Form 8038 series and its instructions, at [www.irs.gov/form8038](http://www.irs.gov/form8038). Information about any future developments affecting the Form 8038 series (such as legislation enacted after we release it) will be posted on that page.

**Purpose of Form**

Form 8038-GC is used by the issuers of tax-exempt governmental obligations to provide the IRS with the information required by section 149(e) and to monitor the requirements of sections 141 through 150.

**Who Must File**

Issuers of tax-exempt governmental obligations with issue prices of less than \$100,000 must file Form 8038-GC.

Issuers of a tax-exempt governmental obligation with an issue price of \$100,000 or more must file Form 8038-G, Information Return for Tax-Exempt Governmental Obligations.

**Filing a separate return for a single issue.** Issuers have the option to file a separate Form 8038-GC for any tax-exempt governmental obligation with an issue price of less than \$100,000.

An issuer of a tax-exempt bond used to finance construction expenditures must file a separate Form 8038-GC for each issue to give notice to the IRS that an election was made to

pay a penalty in lieu of arbitrage rebate (see the line 11 instructions).

**Filing a consolidated return for multiple issues.** For all tax-exempt governmental obligations with issue prices of less than \$100,000 that are not reported on a separate Form 8038-GC, an issuer must file a consolidated information return including all such issues issued within the calendar year.

Thus, an issuer may file a separate Form 8038-GC for each of a number of small issues and report the remainder of small issues issued during the calendar year on one consolidated Form 8038-GC. However, if the issue is a construction issue, a separate Form 8038-GC must be filed to give the IRS notice of the election to pay a penalty in lieu of arbitrage rebate.

## LAKEVILLE ARENAS E TRAIN TRAINING AREA LICENSE AGREEMENT

**THIS LAKEVILLE ARENAS E TRAIN TRAINING AREA LICENSE AGREEMENT** made this 23rd day of October 2024 (“Agreement”) by, between, and among **LAKEVILLE ARENAS**, a Joint Powers Entity (“**Lakeville Arenas**”) and **E-TRAIN LLC.**, a Minnesota limited liability company (“ E Train”).

### RECITALS

**WHEREAS**, Lakeville Arenas operates the Ames Arena (“Ames”) located at 19900 Ipava Ave, Lakeville, Minnesota, and

**WHEREAS**, E Train desires to use certain portions of Ames subject to the terms and conditions of this License Agreement (“Agreement”).

**NOW, THEREFORE**, in consideration of the terms and conditions expressed herein, the parties agree as follows:

**1. GRANT OF LICENSE.** Lakeville Arenas hereby permits E Train an exclusive license of 1,000 sq ft of dedicated space in Ames Rink 1 (“E Train Training Area”), a non-exclusive license for use of the Dryland Training Area in Ames Rink 1 (“Dryland Area”), and facilities incidental to it which areas are depicted on **Exhibit A** attached hereto and incorporated by reference (“Licensed Premises”). This Agreement is subject to: (a) any and all existing restrictions, covenants, easements, licenses, permits, leases and other encumbrances relating to the Ames or the Licensed Premises; (b) all applicable federal, state, and local laws, statutes, regulations, ordinances, rules, and requirements; and (c) applicable policies, rules and regulations of Lakeville Arenas.

**2. TERM.** The license will commence on November 1 2024 and terminate on March 31, 2028.

**3. USE.** Lakeville Arenas hereby grants E Train the use of the Licensed Premises for the sole purpose of providing personal training to individuals and groups. E Train shall not use the Licensed Premises for any other purpose, except as specifically authorized in this Agreement. Lakeville Arenas management shall have the right to restrict the E-Train’s use of the Licensed Premises during events when another party rents Lakeview Bank Rink 1. Under no circumstances, at any time, shall E Train place any permanent structures on the Licensed Premises. Nor shall E Train do any excavation or make any other improvements to the Licensed Premises without the prior written approval of Lakeville Arenas. E Train acknowledges and agree that this Agreement does not grant E Train any estate or other

interest in the Licensed Premises or any part thereof, except the License expressly described herein. Lakeville Arenas does not warrant that the Licensed Premises is suitable for the purposes for which it is permitted to be used under this Agreement. E Train assume all risk with respect to its activities within the Licensed Premises.

**4. LICENSE FEE.** The E Train agrees to pay an annual license rate of \$10,000.00 starting in 2025, with the first quarterly payment of \$2,500.00 due on January 1, 2025. The annual license rate will increase to \$10,300.00 for 2026 (\$2,575.00 quarterly) and \$10,600.00 for 2027 (\$2,650.00 quarterly). Quarterly payments are due within 30 days of billing from Lakeville Arenas to E Train.

**5. SERVICES.** Notwithstanding any other provision of this Agreement, the parties may separately agree to provide additional services, personnel, and staffing as needed within other areas of Ames.

**6. CONDITIONS OF LICENSE:**

A. E Train hereby agrees that E Train and E Train's members, guests, and invitees utilizing the Licensed Premises will abide by all rules and regulations adopted by Lakeville Arenas as amended occasionally and will comply with all City ordinances and State law. The E Train also agrees that it will always have an authorized representative present during the use of the Licensed Premises to supervise the activities of its members and invitees.

B. E Train acknowledges that the Licensed Premises is in good order, condition and repair, and agrees that their use of the Licensed Premises will comply with all applicable laws, rules and regulations.

C. E Train shall not commit any nuisance or waste on the Licensed Premises.

D. E Train covenants, represents and warrants to Lakeville Arenas: (i) that it will not use or permit the Licensed Premises to be used, whether directly or through contractors, agents, members, guests , or invitees, for the generating, transporting, treating, storage, manufacture, emission of, or disposal of any Hazardous Materials as hereafter defined in violation of any federal, state or local law, regulations, ordinances or requirements governing Hazardous Materials; (ii) that there have been no investigations or reports involving E Train by any governmental authority which in any way pertain to Hazardous Materials relating to the License Area; and (iii) that their use of the Licensed Premises will not violate any federal, state or local law, regulation, ordinance or requirement governing Hazardous Materials. Hazardous Materials are defined as any dangerous, toxic or hazardous pollutants, chemicals, waste, polychlorinated biphenyls, asbestos, formaldehyde, petroleum,

including crude oil or any fraction thereof, natural gas, natural gas liquids, liquefied natural gas, synthetic gas usable for fuel or mixtures thereof or substances as defined in the Comprehensive Environmental Response Compensation and Liability Act of 1980, as amended, 42 U.S.C. 9601, et seq., or the Resource Conservation and Recovery Act of 1976, as amended, 42 U.S.C. 6901, et seq., or the Hazardous Materials Transportation Act, as amended, 49 U.S.C. 1801, et seq., or the Minnesota Environmental Response and Liability Act, as amended, Minn.\_Stat. Ch. 115B, or any other federal, state or local environmental laws, statutes, regulations, requirements or ordinances.

E. E Train shall not commit or permit any act to be performed on the Licensed Premises or omission to occur which will be in violation of any statute, regulation or ordinance of any governmental body or which will be in violation of any insurance policy carried on the Licensed Premises by Lakeville Arenas.

F. E Train shall perform all rights granted herein in a safe and good and workman-like manner, in accordance with all applicable federal, state, and local laws, statutes, regulations, ordinances, rules, and requirements.

G. E Train, at its sole cost and expense, shall promptly restore to Lakeville Arena's reasonable satisfaction any damage to the Licensed Premises or Lakeville Arena's other property arising from or related to E-Train's use of the Licensed Premises; or at Lakeville Arena's option, E Train shall upon demand reimburse Lakeville Arenas for any costs incurred by Lakeville Arenas in restoring such damage.

H. Except as otherwise provided herein, Lakeville Arenas reserves the right to access, occupy and use, and grant others the right to access, occupy and use, the Licensed Premises for any purpose whatsoever provided that such use does not unreasonably interfere with E-Train's authorized use of the Licensed Premises.

**7. E TRAIN MAINTENANCE.** E Train shall be responsible for clean-up of the Licensed Premises and the areas incidental to such use following each use, including but not limited to the pick-up and proper disposal of trash, litter, and other debris left by E Train and E Train's members, guests, invitees, and others utilizing the Licensed Premises under this Agreement.

**8. DAMAGE TO FACILITY.** E Train shall be liable to the City for any loss or damage to Ames or its facilities occasioned by or in connection with the negligence of E Train or E Train's

members, guests, or invitees while present at Ames or in connection with the use of the Licensed Premises or the facilities incidental to such use.

## **9. INDEMNIFICATION.**

A. E Train shall be liable for all loss, damage, or claims resulting from its or its contractor's, consultant's, member's, guests' or invitee's use of Ames or the Licensed Premises. E Train shall defend, indemnify and hold harmless Lakeville Arenas of and from any and all claims, except to the extent the Claims (as defined herein) result from the negligent or intentional misconduct Lakeville Arenas, loss, damage, recoveries, judgments, costs or expenses (collectively, "**Claims**") related thereto arising from or in any manner connected with (a) E Train's negligent exercise of its rights under this Agreement; (b) any negligent or omission of E Train's or its officers, employees, contractors, consultants, agents or any other person(s) or entity(ies) for whose acts or omissions E Train is legally responsible; or (c) any breach of this Agreement.

B. Subject to the statutory limits under Minnesota Statutes chapter 466, Lakeville Arenas will indemnify, defend and hold E Train harmless from any and all claims, liabilities or causes of action, including attorneys' fees and costs, arising out of the use of the Licensed Premises by Lakeville Arenas, except to the extent caused by the gross negligence or willful misconduct of E Train, their contractors, employees, members, guests, or invitees. Nothing herein shall be deemed a waiver by Lakeville Arenas of the limits of liability set forth in Minnesota Statutes, Chapter 466 and Lakeville Arenas shall not be obligated to indemnify E Trains for any amounts in excess of the limits set forth therein, less any amounts that Lakeville Arenas is required to pay on behalf of itself, its officers, agents and employees for claims arising out of the same occurrence.

**10. INSURANCE.** E Train at its sole cost and expense shall obtain and keep in force the following insurance:

i. Occurrence based general liability insurance covering claims arising from operations and use under this Agreement, whether such operations are performed or used by E Train or its contractors, consultants, members, guests or invitees with limits required in Minnesota Statutes Section 466 (currently \$500,000.00 per person and \$1,500,000.00 per occurrence).

ii. Workers Compensation Insurance. Workers' compensation insurance in compliance with all statutory requirements of the State of Minnesota.

ii. As an alternative, E Train may carry aggregate commercial general liability limits of \$2,000,000.

E Train further agrees to name Lakeville Arenas, the City of Lakeville, and the Independent School District as additional insured in said insurance policies and to provide a certificate of said insurance to Lakeville Arenas before use of the Licensed Premises and the facilities incidental to such use.

#### **11. TERMINATION.**

A. The parties, by mutual written agreement, may terminate this Agreement at any time.

B. E Train may terminate this Agreement upon thirty (90) days written notice to Lakeville Arenas. In the event of such termination, E Train agrees to remit to Lakeville Arenas the total remittance owed as of the date of termination, as pro-rated from the last payment period.

C. Lakeville Arenas may terminate this Agreement upon (90) days written notice to the E Train for any default or breach of the Agreement by the E Train or its members. In the event of such termination, the E Train shall pay Lakeville Arenas the total remittance owed as of the termination date.

**12. ASSIGNMENT.** E Train shall not assign this Agreement or interest arising herein without the express written consent of Lakeville Arenas.

**13. ENTIRE AGREEMENT.** This Agreement represents the entire agreement of the parties, except for the Memorandum of Understanding between Lakeville Arenas, E-Train LLC and Lakeville Hockey Association dated October 23, 2024 ("MOU"). It supersedes all prior agreements and negotiations relating to the subject matter herein and any previous agreement presently in effect between the parties, except for the MOU. Any alterations, amendments, deletions, or waivers of provisions of this Agreement shall be valid only when expressed in writing and duly signed by the parties unless otherwise provided herein.

**14. WAIVER.** Any waiver by either party of a breach of any provision of this Agreement shall not affect, in any respect, the validity of the remainder of this Agreement.

**15. SEVERABILITY.** Shall any provision or term of this Agreement be declared invalid, illegal, or unenforceable, then such a decision shall not affect the validity of any remaining provisions, provided that:

(i) each party receives the substantial benefit of its bargain concerning the transaction completed hereby; and

(ii) the ineffectiveness of such provision would not result in such a material change as to cause the completion of the transactions contemplated hereby to be unreasonable for either party.

The remaining provisions shall remain in full force and effect as if this agreement had been executed with the invalid portion thereof eliminated, and it is hereby declared the intention of the parties that they would have executed the remaining portions of this Agreement without including any such part or portion which may be hereafter declared invalid.

**16. NON-PROFIT ORGANIZATIONS.** All E Train users of the Licensed Premises claiming non-profit status must attach a copy of their Certificate of Exempt Status (Form ST-17 or Form ST-3 for a church organization) before such status will be acknowledged. This will eliminate the sales tax ordinarily due and payable on ice rental charges.

**17. Taxes; fees.** E Train shall pay when due all taxes, assessments, and governmental charges levied or assessed upon Ames and all taxes, assessments, and governmental charges levied or assessed against the Ames or Lakeville Arenas attributable to the Licensed Premises.

**18. MISCELLANEOUS.**

A. **Dryland Area.** E Train will be granted access to the Dryland Area per the MOU.

B. **Additional Fees.** Lakeville Arenas reserves the right to charge supplemental fees for using additional spaces, locker rooms, additional ice maintenance, utilities, and clean-up expenses.

C. **Sale of Food and Beverages.** Lakeville Arenas has the exclusive right to operate concession sales at Ames for food and beverages, including those dispensed from vending machines.

D. **Advertising.** No advertising by E Train in or on any part of BIG is permitted without the express written consent of Lakeville Arenas.

E. **Parking Lot Usage.** Train will share the parking lot on a first-come, first-served basis and may not prohibit other Ames patrons' use.

**19. Notice.** All notices required or permitted to be given under this Agreement shall be in writing and shall be deemed to have been duly given if delivered in person or deposited in the United States Mail, postage prepaid, as follows:

If to Lakeville Arenas, to:

Lakeville Arenas  
Joe Bergquist, Lakeville Arenas General Manager  
20195 Holyoke Ave  
Lakeville, MN 55044  
jbergquist@lakevillemn.gov

If to E Train, to:

E Train, LLC  
Attn: Margaret Tichawa  
5 Langer Circle  
West St. Paul, MN 55119  
margaret@etrainsport.com

**20. Signatures/Execution.** The person signing this Agreement (“Signatory”) represents and warrants that E Train has authorized him/her to execute this Agreement on its behalf and agrees to be bound by its terms and conditions, including the agreement of E Train to indemnify and hold Lakeville Arenas harmless. If E Train did not authorize the Signatory to sign on its behalf. In that case, the Signatory agrees to personally assume responsibility for the duties and liabilities of E Train, as set forth herein.

**21. EXISTING AGREEMENTS.** This Agreement is subject to: (a) any and all existing restrictions, covenants, easements, licenses, permits, leases and other encumbrances relating to Ames and the Licensed Premises; (b) all applicable federal, state, and local laws, statutes, regulations, ordinances, rules, and requirements; and (c) applicable policies, rules and regulations of Lakeville Arenas.

**22. Governing Law.** This Agreement shall be construed in accordance with and governed by the laws of the State of Minnesota.

By signing this Agreement, the parties acknowledge that they have read, understand, and agree to abide by all its conditions as stipulated.

**LAKEVILLE ARENAS, MINNESOTA**

DATED: \_\_\_\_\_ BY: \_\_\_\_\_

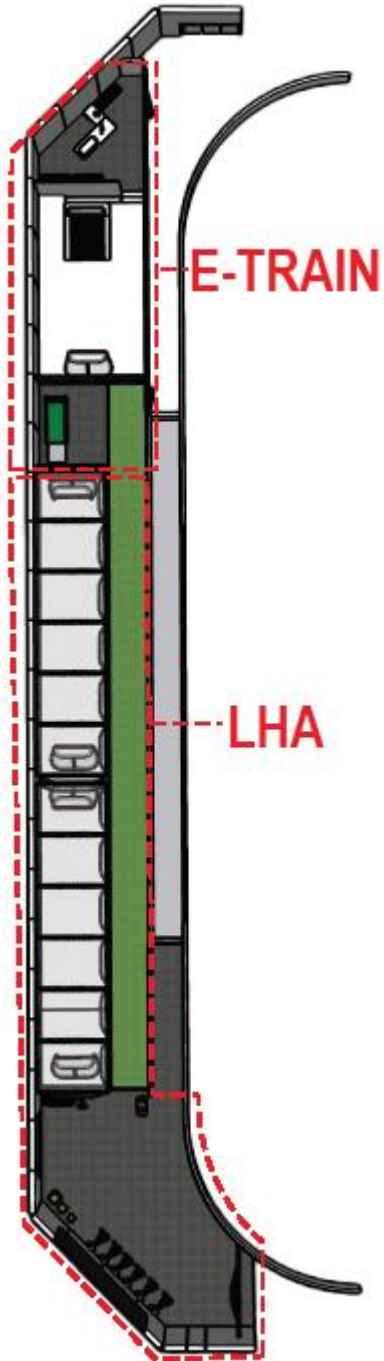
Judy Keliher  
Lakeville Arenas Board Chair

**E TRAIN LLC**

DATED: \_\_\_\_\_ BY: \_\_\_\_\_

Margaret Tichawa  
Owner E Train LLC

EXHIBIT A  
DEPICTION OF LICENSED PREMISES



## **AMES ARENA DRYLAND TRAINING AREA MEMORANDUM OF UNDERSTANDING**

**THIS MEMORANDUM OF UNDERSTANDING** (“MOU”) for the Dryland Training Area (“Dryland Area”) is agreed to this 23rd day of October 2024 by, between, and among **LAKEVILLE ARENAS**, a Joint Powers Entity between the **CITY OF LAKEVILLE** and **INDEPENDENT SCHOOL DISTRICT NO 194** (“Lakeville Arenas”) located 20195 Holyoke Ave Lakeville MN 55044, **E-TRAIN LLC**. (“E Train”), a Minnesota limited liability company located at 5 Langer Circle, West St. Paul, MN 55119, and the **LAKEVILLE HOCKEY ASSOCIATION** (“LHA”), a Minnesota 501c3 corporation located at 19900 Ipava Ave, Lakeville, Minnesota, 55044 (“LHA”).

**WHEREAS**, Lakeville Arenas operates the Ames Arena (“Arena”) located at 19900 Ipava Ave, Lakeville, Minnesota, and desires to operate, schedule, and manage the Dryland Area located within Ames Rink 1 as depicted in Exhibit A attached hereto (“Dryland Area”); and,

**WHEREAS**, E Train desires to use certain portions of the Dryland Area subject to the terms and conditions of this MOU; and,

**WHEREAS**, LHA desires to have Lakeville Arenas schedule and manage the Dryland Area while protecting their investment and ensuring priority scheduling and use over all other users.

**NOW, THEREFORE**, in consideration of the terms and conditions expressed herein, the parties agree as follows:

### **1. DURATION:**

- The initial duration of this MOU shall begin on the effective date of this MOU and end on March 30, 2028, unless otherwise agreed upon by Lakeville Arenas and LHA.
- Upon the expiration of the initial duration, this MOU may be renewed for subsequent periods subject to mutual agreement between all parties.
- The renewal terms and conditions, including any amendments or modifications to this MOU, shall be made in writing through an addendum or a new agreement signed by all parties.

### **2. GENERAL USE PROVISIONS:**

- There will be no charge for LHA teams and players to use the Dryland Area.
- There will be no charge for Lakeville High School Hockey Teams to use the Dryland Area.
- There will be no charge for non-profit organizations, programs, and teams in which at least 80 percent of skaters are from LHA or Lakeville High School Hockey Programs. Non-profit organizations must provide proof of their 501c3 status. E Train and LHA will provide rosters of skaters and their addresses upon request by Lakeville Arenas.
- There will be no charge for Lakeville Arenas Programs to use the Dryland Area.
- There will be no charge for E Train to use the Dryland Area.

- All non-profit and for-profit organizations not herein described above shall pay a rental fee to Lakeville Arenas to use the Dryland Area.
- Lakeville Arenas shall have sole discretion in setting the rental rates and fees for using the Dryland Area.
- When not in use or scheduled by any organizations above, individual LHA players shall be allowed to use the Dryland Area, provided they follow these policies and procedures.
  - i. Check in at the Welcome Center and respectfully ask staff before using the Dryland Area.
  - ii. Provide their name and team information to gain access and pucks for use.
  - iii. Pick up and return all pucks when finished.
  - iv. Respect users on the ice and others using portions of the Dryland Area.
  - v. Follow staff directions and promptly and politely leave when scheduled users arrive.
- Use of the Dryland Area is restricted during varsity hockey games, figure skating, tournaments, and other special events as determined by Lakeville Arenas.
- The Dryland Area does not include the use of the E-Train treadmills.

### **3. PRIME SEASON SCHEDULING HIERARCHY AND PROCEDURES:**

- The Prime Season is defined as October 1<sup>st</sup> through March 1<sup>st</sup> annually.
- LHA shall receive priority for scheduling and using the Dryland Area. Each eligible team shall have up to 7 days after each ice release date to schedule their allotted time before other users can reserve times.
  - i. Starting Ice (Oct 1-Nov 15) release on or before October 15<sup>th</sup>
  - ii. 1<sup>st</sup> Half District Season Ice (Nov 15-Dec 31) release on or before November 15<sup>th</sup>
  - iii. 2<sup>nd</sup> Half District Season (Jan 1-Feb15) release on or before Jan 1<sup>st</sup>
  - iv. Playoff Season Ice (Feb 15-Mar 15) release on or before February 15<sup>th</sup>
- LHA teams shall not schedule more than their allotted time during the 7-day priority scheduling period.
- LHA teams may reserve additional times during the first-come, first-serve reservation periods.
- E Train shall have two days following the LHA priority periods to reserve the Dryland Area for their training reservations and activities. To allow for individual LHA player use, E Train shall have access to only one of the two shooting cages at any given time.
- Lakeville Arenas shall have one day following the E-Train priority periods to reserve the Dryland Area for their programs.
- Following the Lakeville Arenas priority scheduling periods, all remaining time shall be made available to all users on a first-come, first-served basis.
- No organizations or teams are allowed to schedule or block any Dryland Area time they are not 100% sure will be used. Anyone reserving time and not using it will be charged the hourly rate and may be excluded from upcoming priority scheduling periods.
- All reservations are required to be in writing by emailing [info@lakevillearenas.org](mailto:info@lakevillearenas.org).

#### **4. NON-PRIME SEASON SCHEDULING HIERARCHY AND PROCEDURES:**

- The Non-Prime Season is defined as March 1<sup>st</sup> through Sept 30<sup>th</sup> annually.
- The Non-Prime Spring Season is annually defined as April 1<sup>st</sup> through May 31<sup>st</sup>.
- The Non-Prime Summer Season is defined as June 1<sup>st</sup> through Labor Day annually.
- The Fall Non-Prime Preseason is defined as Labor Day through September 30<sup>th</sup> annually.
- LHA shall receive priority for scheduling and using the Dryland Area during the Non-Prime Season within the following parameters and restrictions:
  - i. Customers purchasing ice time for camps and training programs shall have priority in scheduling and renting the Dryland Area adjacent to their ice times before non-ice-purchasing customers.
  - ii. Dryland Area requests adjacent to ice time shall be made in conjunction with annual spring and summer bulk ice scheduling in November and December.
  - iii. If LHA requests ice for spring or summer camps or training programs, they shall receive priority scheduling at the time of the ice request over others who have purchased ice for camps and training programs, provided their request was received during the spring and summer bulk ice scheduling period.
  - iv. If LHA requests ice and adjacent dryland after the bulk spring and summer scheduling process is completed, they will not be allowed to take time from other groups awarded times during the bulk scheduling process.
  - v. LHA shall be allowed and have priority in scheduling spring Dryland Area-only training between Feb 1<sup>st</sup> and Feb 7<sup>th</sup> annually before all others.
  - vi. LHA shall be allowed and have priority in scheduling Summer Dryland Area-only training between April 1<sup>st</sup> and April 7<sup>th</sup> annually before all others.
  - vii. LHA shall be allowed and have priority in scheduling Fall Pre-Season Dryland Area-only training between July 1<sup>st</sup> and July 7<sup>th</sup> annually before all others.
- E-Train shall receive priority for scheduling and using the Dryland Area after LHA during the Non-Prime Season within the following parameters and restrictions:
  - i. Customers purchasing ice time for camps and training programs shall have priority in scheduling and renting the Dryland Area adjacent to their ice times before non-ice-purchasing customers.
  - ii. Dryland Area requests adjacent to ice time shall be made in conjunction with annual spring and summer bulk ice scheduling in November and December.
  - iii. If E Train requests ice for spring or summer camps or training programs, they shall receive priority scheduling for adjacent Dryland Area times following LHA and before others at the time their ice request is submitted.

- iv. If E Train requests ice and adjacent dryland after the bulk spring and summer scheduling process is completed, they will not be allowed to take time from other groups that were previously awarded times.
  - v. E-Train shall be allowed and have priority in scheduling spring Dryland Area-only training between Feb 7<sup>th</sup> and Feb 14<sup>th</sup> annually before others.
  - vi. E-Train shall be allowed and have priority in scheduling Summer Dryland Area-only training between April 7<sup>th</sup> and April 14<sup>th</sup> annually before others.
  - vii. E-Train shall be allowed and have priority in scheduling Fall Pre-Season Dryland Area-only training between July 7<sup>th</sup> and July 14<sup>th</sup> annually before all others.
- Lakeville Arenas shall have sole discretion and final say in scheduling and decisions on awarding all Dryland Area requests during the non-prime season.

## **5. ROLES AND RESPONSIBILITIES:**

- Lakeville Arenas will schedule and manage the Dryland Area with the cooperation and assistance of E Train LLC.
- Lakeville Arenas shall keep the Dryland Area schedules updated and posted live on their website.
- Lakeville Arenas will maintain and repair the Dryland Area, facility, and equipment.
- Lakeville Arenas shall provide security cameras to monitor the Dryland Areas.
- E Train shall provide additional equipment for use in the Dryland Area at no charge.
- E Train shall ensure their staff supervises their treadmills whenever they are in use.
- E Train shall ensure that the treadmills that are not in use are secured to prevent unauthorized access and use by Dryland Area users.
- When open and on-site, E Train will assist Lakeville Arenas with supervising and policing the Dryland Area.
- E Train and Lakeville Arenas shall clean the Dryland Area as required by Lakeville Arena policies following use by E Train or Lakeville Arenas.
- LHA will be responsible for paying for any new or additional equipment they wish to add or replace in the Dryland Area.
- LHA shall ensure that coaches and managers always supervise all players during team training in the Dryland Area. Any teams violating this provision may be restricted from future use of the Dryland Area.
- LHA shall ensure all equipment their teams use is returned to its place after each use.
- Lakeville Arenas and LHA shall be responsible for sharing the cost of pucks as needed.
- The Lakeville Arena General Manager shall have the final say regarding all disputes, disagreements, and discrepancies regarding the Dryland Area, and all decisions made by the General Manager may and shall take precedence over all other language in this MOU.

**6. GENERAL PROVISIONS & RULES**

- All users are required to sign in at the Welcome Center before using the Dryland Area.
- Users must provide an ID, set of keys, or a phone in exchange for the training center key and puck buckets.
- All users are required to return any equipment used or moved after use.
- All users shall pick up and return all pucks to the welcome center after use.
- No food or beverages except water bottles are allowed in the Dryland Area.
- Any loud or disrespectful users or teams will be subject to immediate ejection and or future use of the Dryland Area.

**7. TERMINATION:**

- The parties, by mutual written agreement, may terminate this MOU at any time.
- Any party may terminate participation in this MOU upon thirty (90) days' written notice to the other two parties.
- Lakeville Arenas may terminate the MOU upon a breach by another party by seven days' written notice to the parties.

**By signing this Agreement, the parties acknowledge that they have read, understand, and agree to abide by all its conditions as stipulated.**

**LAKEVILLE ARENAS, MINNESOTA**

**DATED: \_\_\_\_\_ BY: \_\_\_\_\_**

**Judy Keliher - Lakeville Arenas Board Chair**

**LAKEVILLE HOCKEY ASSOCIATION, MINNESOTA**

**DATED: \_\_\_\_\_ BY: \_\_\_\_\_**

**Dan Klocke - Lakeville Hockey Association President**

**E TRAIN LLC**

**DATED: \_\_\_\_\_ BY: \_\_\_\_\_**

**Margaret Tichawa - Owner E Train LLC**

**EXHIBIT A**

**DEPICTION OF DRYLAND AREA**

