

Pursuant to due call and notice thereof, a regular meeting of the North Mankato City Council was held in the Municipal Building Council Chambers on February 19, 2019. Mayor Dehen called the meeting to order at 7:00 p.m. asking that everyone join in the Pledge of Allegiance. The following were present for roll call: Mayor Dehen, Council Member Norland, Whitlock, Steiner and Oachs, City Administrator Harrenstein, City Attorney Kennedy, Finance Director McCann, Community Development Director Fischer, Public Works Director Host, and City Clerk Van Genderen.

Approval of Agenda

Council Member Steiner moved, seconded by Council Member Norland, to approve the agenda as presented. Vote on the motion: Norland, Oachs, Whitlock, Steiner, and Dehen aye; no nays. Motion carried.

Proclamation Mayor Dehen read the following Proclamations into the record.

PROCLAMATION

WHEREAS, Don Rivet has dedicated his life to a career in radio broadcasting in our community; and

WHEREAS, Rivet is a graduate of Brown Broadcasting, Class of '77, and joined KTOE in February of 1979; and

WHEREAS, he is the co-host of the popular morning radio show The Morning Blend one of the longest running morning shows in Minnesota and the country; and

WHEREAS, after 40 years, Rivet is stepping away from the microphone and the early morning alarm clock, into retirement; and

WHEREAS, Rivet's last day on The Morning Blend on KTOE is February 22, 2019.

NOW, THEREFORE, BE IT RESOLVED, that we, Mark Dehen, Mayor of North Mankato and Najwa Massad, Mayor of Mankato, in the State of Minnesota hereby proclaim February 22, 2019

DON RIVET DAY

In the Cities of North Mankato and Mankato and extend our congratulations and appreciation for his many years of dedicated service, and extend to him our best wishes for many years of happiness in the future.

PROCLAMATION

WHEREAS, Minnesota has 135,000 miles of roads and highways in every city, community, and county statewide; and

WHEREAS, school bus drivers carry some 760,000 Minnesota students twice a day on just about every road type throughout Minnesota; and

WHEREAS, school bus drivers care about their kids, and are not "just" bus drivers, but a vital part of students' daily lives; and

WHEREAS, school bus drivers have hearts of gold, nerves of steel, and responsibilities far greater than most; and

WHEREAS, the State of Minnesota will celebrate the third annual School Bus Driver Appreciation Day on Wednesday, February 27, 2019 to highlight the dedication and integrity of these professional drivers.

NOW THEREFORE I, Mark Dehen, Mayor of North Mankato, proclaim February 27, 2019, as:

SCHOOL BUS DRIVER APPRECIATION DAY

Approval of Council Meeting Minutes February 4, 2019

Council Member Steiner moved, seconded by Council Member Oachs, to approve the minutes of the Council meeting of February 4, 2019. Vote on the motion: Oachs, Whitlock and Steiner aye; Norland and Dehen abstain. Motion carried.

Approval of Council Work Session Minutes February 11, 2019

Council Member Norland moved, seconded by Council Member Whitlock, to approve the minutes of the Council Work Session of February 11, 2019. Vote on the motion: Norland, Oachs, Whitlock, Steiner, and Dehen aye; no nays. Motion carried.

Consent Agenda

Council Member Steiner moved, seconded by Council Member Norland, to approve the Consent Agenda.

- A. Bills and Appropriations.
- B. Approved Parade and Audio Permit for BENCHS's Running for Rescues 5K on September 29, 2019, from 7:00 a.m. to 1:00 p.m.
- C. Approved Park and Audio Permit for Open Door Health Center Event on June 22, 2019, from 8:00 a.m. until 8:00 p.m.
- D. Accepted and Implemented the Traffic and Safety Committee Recommendations.

Vote on the motion: Norland, Oachs, Whitlock, Steiner, and Dehen aye; no nays. Motion carried.

Public Comments Concerning Business Items on the Agenda

Barb Church, 102 Wheeler Avenue, appeared before Council and commented on Business Item 11G Resolution Establishing the 2019 Legislative Priorities of the North Mankato City Council. She expressed concerns about the Food and Beverage Tax, and the request for state bonding dollars to support an indoor recreational facility and enhancement of the existing park features at the Caswell Regional Sporting Complex.

Phil Henry, 1300 Noretta Drive, appeared before Council and expressed concerns about the cost associated with an indoor recreational facility, specifically the operating costs.

Tom Hagen, 927 Lake Street, appeared before Council and expressed concerns about the proposed request to the legislature for permission to enact a 1% Food and Beverage Tax. He also expressed concerns about the operational costs of an indoor recreational facility.

Lucy Lowry, 2263 North Ridge Drive, appeared before Council and questioned the wording of the Resolution Establishing the 2019 Legislative Priorities of the North Mankato City Council. She asked if the 1% Food and Beverage Tax could have a referendum. Ms. Lowry requested information on if local companies were considered for the transit enhancement program.

Business Items

Res. No. 19-19 Approving Plans and Specifications and Ordering Advertisement for Bids Project No. 18-07 ABCDEF, Tyler Avenue Improvement.

City Engineer Dan Sarff appeared before Council and reported the plans and specifications have been prepared for the Tyler Avenue Improvement Project. The proposed improvements are essentially the same as that presented with the Preliminary Engineering Report. City Engineer Sarff provided a brief overview of the proposed improvements including replacement of the Sanitary Sewer, Watermain, Storm Sewer, reconstruction of the current street surface and new 5-foot wide sidewalk on both sides, the addition of two street lights at mid-block, and the removal of 16 trees due to the trees being ash, diseased, too large for the boulevard, or misshapen due to powerline trimming. City Engineer Sarff reviewed the cost for the project with a total estimated cost of \$470,000 and indicated a bid opening date of March 1, 2019. **Council Member Norland moved, seconded by Council Member Steiner to adopt Res. No. 19-19 Approving Plans and Specifications and Ordering Advertisement for Bids Project No. 18-07 ABCDEF, Tyler Avenue Improvement. Vote on the motion: Norland, Oachs, Whitlock, Steiner, and Dehen aye; no nays. Motion carried.**

Res. No. 20-19 Approving Plans and Specifications and Ordering Advertisement for Bids Project No. 19-01DE, 2019 Street and Miscellaneous Paving Improvement Project.

City Engineer Sarff appeared before Council and reported the plans and specifications had been prepared for the 2019 Street and Miscellaneous Paving Improvement Project. The proposed Street Mill & Overlays included LorRay Drive from Lee Blvd to Clare Drive, James Drive from LorRay Drive to Mary Lane, Haughton Avenue from Howard Drive to Countryside Drive, Roe Crest Drive from Lee Boulevard to Commerce Drive, and Sherwood Drive from Nottingham Drive to dead end cul de sac. The additional miscellaneous paving projects include the Benson Park Parking Lot, Benson Park trail drainage improvements, Spring Lake Park overlay of the east parking lots and overlay of the basketball courts at Walter S. Farm Park, Forest Heights Park and Langness Park. The total cost for the projects is estimated at \$691,000 with a bid opening date of March 12, 2019. **Council Member Norland moved, seconded by Council Member Steiner to adopt Res. No. 20-19 Approving Plans and Specifications and Ordering Advertisement for Bids Project No. 19-01DE, 2019 Street and Miscellaneous Paving Improvement Project. Vote on the motion: Norland, Oachs, Whitlock, Steiner, and Dehen aye; no nays. Motion carried.**

Res. No. 21-19 Requesting the Advance of Municipal State Aid Funds for Municipal Construction Projects and Bond Principle Payment.

City Engineer Sarff appeared before Council and reported that the City receives an annual allotment of State Aid Funds and MnDOT allows the City to advance those funds. The advancement of funds shows up as a negative balance, but it is basically a no interest loan. Due to significant expenditures in the past years, the City has a negative balance of approximately \$615,716.57, this is primarily due to the construction of the Trunk Hwy 14/County Road 41 Interchange and Lookout

Drive. The City would like to advance additional funds totaling \$905,000; \$205,000 would be repayment of bonds for the Trunk Hwy 14/County Road 41 Interchange project and \$700,000 would be for the Commerce Drive Project. Commerce Drive is a municipal state aid route and eligible for State Aid Funds. **Council Member Norland moved, seconded by Council Member Steiner to adopt Res. No. 21-19 Requesting the Advance of Municipal State Aid Funds for Municipal Construction Projects and Bond Principle Payment. Vote on the motion: Norland, Oachs, Whitlock, Steiner, and Dehen aye; no nays. Motion carried.**

Res. No. 22-19 Requesting the Advance of Municipal State Aid Funds for Federally Funded Construction Projects.

City Engineer Sarff reported the City of North Mankato received \$1.2 million in Federal Funding for the 2019 Commerce Drive Project which is designated for 2021 and 2022. The City also received State Funds through the Local Road Improvement Program and those funds were designated for 2019. As the City is receiving those funds in 2019, the City must complete the project in 2019. This resolution advances Municipal State Aid Street Funds to supplement the available 2019 funds from the local Transportation Improvement Program. The City will advance the amount of the federal funds that will be received in 2021 and 2022, MnDOT allows cities to do this type of advance. The State Aid Account is reimbursed when the Federal Funds are received by the City. The total amount advanced will be \$1,159,414 which is the amount that will be received from the Federal Funding in 2021 and 2022. **Council Member Norland moved, seconded by Council Member Steiner to adopt Res. No. 22-19 Requesting the Advance of Municipal State Aid Funds for Federally Funded Construction Projects. Vote on the motion: Norland, Oachs, Whitlock, Steiner, and Dehen aye; no nays. Motion carried.**

Consider Preliminary and Final Plat of the Landing North Phase 3: A Request from KWS, LLC.

Community Development Director Fischer reported the applicant is proposing to replat Outlot A of The Landing North Phase 2 which is located in the Reserve Subdivision near the north end of Lor Ray Drive. The Landing North Phase 2 consists of 12 single-family residential lots having access from Prairie Court including Outlot A which was reserved for future single-family residential development. The applicant has proposed to replat Outlot A by creating nine lots for future single-family residential development. The proposed new plat would be known as The Landing North Phase 3. The development would require the extension of Prairie Court which would terminate as a cul-de-sac. The property is currently zoned R-1, One-Family Dwelling. Community Development Director Fischer noted the proposed lots meet the minimum lot sizes required in R-1, One-Family Dwelling. He noted the Planning Commission recommended the Final Plat. **Council Member Norland moved, seconded by Council Member Steiner to Approve the Preliminary and Final Plat of the Landing North Phase 3: A Request from KWS, LLC. Vote on the motion: Norland, Oachs, Whitlock, Steiner, and Dehen aye; no nays. Motion carried.**

Approve Comprehensive Plan Amendment-Future Land Use Map: A Request from Steve Burnett.

Community Development Director Fischer reported the request is from Steve Burnett who is requesting to amend Figure 3-2, Future Land Use within the Comprehensive Plan. The applicant owns 7.65 acres of land which is currently outside the City limits. As part of the 2015 comprehensive planning process, the property was guided for future commercial development upon annexation into the City limits. Community Development Director Fischer reported the owner had been contacted by

a local developer, Adam Huiras, to purchase the east 2.57 acres of the property to construct townhomes. As a result, the applicant is requesting to amend Comprehensive Plan Figure 3-2, Future Lane Use by changing the guided zoning of the east 2.57 acres of his property from General Commercial to High-Density Residential. Community Development Director Fischer reported the Planning Commission reviewed the report and request and recommends the amendment. He also reported the property would need to be annexed into the city before it could be zoned. Council Member Oachs reported she lives in the area and the neighbors she spoke with agreed with the proposed platting of the property and would prefer residential to commercial. **Council Member Norland moved, seconded by Council Member Steiner to Approve Comprehensive Plan Amendment-Future Land Use Map: A Request from Steve Burnett. Vote on the motion: Norland, Oachs, Whitlock, Steiner and Dehen aye; no nays. Motion carried.**

Res. No. 23-19 Establishing the 2019 Legislative Priorities of the North Mankato City Council.

City Administrator Harrenstein reported the resolution established the legislative priorities which includes a request for state bonding dollars for an indoor recreational facility and enhancement of Caswell Regional Sporting Complex, a request to authorize a 1% Food & Beverage Tax to be used to fund operational costs at Caswell Park and a request for a transit enhancement grant for 50% of costs associated with an on-demand transit pilot program. Mayor Dehen clarified the resolution would bring the requests before the legislation. Council Member Steiner stated there is no monetary commitment, just starting the process. City Administrator Harrenstein stated that requesting bonding dollars is a commitment to reserve funds until we know whether or not the project is funded by the State. Council Member Oachs reported her support to enhance Caswell Park and the possibility of investing in a new recreational facility. She also reported her support for the transit enhancement grant. Council Member Oachs stated she did not support or approve of the proposed 1% Food and Beverage Tax. She reviewed the taxes currently charged at North Mankato restaurants and reported if the Food and Beverage Tax is enacted at the 1% rate, food would be taxed at 8.875% and alcoholic beverages would be taxed 11.375% at local bars and restaurants. Council Member Oachs noted the difficulty that the tax may place on locally owned establishments. Council Member Oachs also indicated that lower North bars and restaurants reported that they do not receive financial benefits from the events at Caswell Park. She reported she supports increasing tourism rather than adding an additional tax. Council Member Oachs suggested increasing the hotel/motel tax from 3% to 5%, review the budget, increase concession prices or develop new businesses around Caswell Park. Council Member Oachs stated she would support the resolution but would not support the 1% Food and Beverage tax if legislation approves the tax and Council considers enacting the tax. Mayor Dehen reported the tax would not be enacted at this time. Mayor Dehen clarified that there were approximately four on-demand transit programs in the country and Uber and Lift were not interested in the program.

Mayor Dehen proposed a friendly amendment to the Resolution Establishing the 2019 Legislative Priorities of the North Mankato City Council. He suggested changing the wording from "Request state bonding dollars for the expansion of an indoor recreational facility and enhancement of existing park features at the Caswell Regional Sporting Complex" to "Request state bonding dollars for the expansion of Caswell Regional Sporting Complex with an indoor recreational facility and enhancement of existing park features." **Council Member Norland moved, seconded by Council Member Steiner to approve the friendly amendment. Vote on the motion: Norland, Oachs, Whitlock, Steiner, and Dehen aye; no nays. Motion carried. Council Member Norland moved, seconded by Council Member Steiner to adopt Res. No. 23-19 Establishing the 2019 Legislative**

Priorities of the North Mankato City Council. Vote on the motion: Norland, Oachs, Whitlock, Steiner, and Dehen aye; no nays. Motion carried.

Commerce Drive Area Development Plan Adoption.

Bolton & Menk Transportation Planner, Matt Lassonde, appeared before Council and reviewed the Commerce Drive Area Development Plan process and results. He stated the process began in November 2017 with public input, visioning meetings, stakeholder meetings, and a public survey. The plan was drawn up and presented to Council in October 2018. Following the Council presentation, additional meetings were held with business owners and citizens to obtain additional information and feedback on the proposed plan. Considerations and discussions were held concerning access consolidation, streetscaping, and seating nodes. Transportation Planner Lassonde reported the plan was completed and ready for Council adoption. **Council Member Norland moved, seconded by Council Member Steiner to adopt the Commerce Drive Area Development Plan. Vote on the motion: Norland, Oachs, Whitlock, Steiner, and Dehen aye; no nays. Motion carried.**

Open Forum

Phil Henry, 1300 Noretta Drive, appeared before Council and thanked the snow plow crew for their hard work.

Lucy Lowry, 2263 North Ridge Drive, appeared before Council and stated she liked the Council Work Sessions but questioned the timing of the Work Sessions and requested that they are recorded. Council Member Steiner stated that could be looked into.

City Administrator and Staff Comments

City Administrator Harrenstein thanked the street crews for their work and requested citizens move their vehicles off the streets to allow snow plow drivers to complete their work.

City Administrator Harrenstein reported Caswell is a North Mankato jewel that continues to add value to the region with both the Aussie Peppers National Pro Fastpitch League and a Women's Premier Soccer League franchise making their homes at Caswell Park this summer. He reported Caswell is contributing to the economic vitality of the region although not all of the benefits are realized in North Mankato. Caswell is a contributing, mature, regional partner and discussion concerning the expansion of the facility began back in 2008. Through the years it has continued to provide regional and local opportunities to participate in sports. City Administrator Harrenstein stated any indoor recreation complex would operate at a deficit because if it were a profitable venture, it would already be in existence, but the goal would be to operate the facility at an acceptable loss to the public. He indicated that the Council proceeds it will be based on listening to users, voters, and regional partners.

City Administrator Harrenstein said any resident that wishes to review Council Work Session materials would certainly receive those materials, but the City will not be taping the Work Sessions. He reported the Work Sessions are a continuation of participatory leadership development City executives and Council Members Whitlock and Norland have been participating in the past few years. Formal action cannot be taken at a Council Work Session.

Community Development Director Fischer reported the 2018 End-of-Year Planning & Zoning Report is available for your review in the packet.

Mayor and Council Comments

Council Member Oachs thanked City staff for their continued efforts to clear the streets of snow.

Council Member Norland thanked City staff for their continued efforts to clear the streets of snow.

City Attorney Kennedy stated an indoor facility would not cash flow but it comes down to what does the City want to invest in and it becomes more of a quality of life issue.

At 8:24 p.m. on a motion by Council Member Steiner, seconded by Council Member Norland the Council Meeting was adjourned.

Mayor

City Clerk

Pursuant to due call and notice thereof, a Council Work Session of the North Mankato City Council was held in the North Mankato Police Annex on February 25, 2019. Mayor Dehen called the meeting to order at 1:00 p.m. The following were present for roll call: Mayor Dehen, Council Members Oachs, Steiner, and Norland, City Administrator Harrenstein, Finance Director McCann, and City Clerk Van Genderen. Absent: Council Member Whitlock.

Indoor Recreation Financial Feasibility-Norm Gill, Pinnacle Sports

City Administrator Harrenstein introduced Norm Gill from Pinnacle Sports; the outside consultant was contacted to provide an expert analysis of the proposed facility. Pinnacle Sports has built over 40 facilities and provided studies for well over 100 facilities.

Mr. Gill reported his company analyzed the market and combined that with a review of the client's goals before providing the report. Mr. Gill noted that about four years ago he was contacted by a North Mankato private group to study the construction of a sports facility, but the project was rejected. Mr. Gill reported because the project is for a municipality he made some assumptions including, capital costs covered by Sales Tax or State Funding, the land is free, no property tax and some operational costs are covered by the General Fund. He reported half of the overhead is labor but noted that a staff member who goes after events and promotes the facility full time would enhance its ability to generate revenue. He stated the report also attempted to tabulate utilization that will be required to meet demand and to grow into the facility.

The proposed facility has hard court for volleyball, basketball and futsal, and courts for tennis and pickleball. Mr. Gill reviewed two facility sizes, one that is 44,000 square feet and the other that is 88,000 square feet. He reported both would meet the current needs of the community although the smaller facility would require the vertical scheduling of the facility not the horizontal scheduling of activities. Most organizations would prefer horizontal scheduling of activities for ease of use with each activity. He reported the cost of the smaller facility would be approximately \$6-6.5 million, but the larger facility would provide more opportunity for facility use and growth. He stated the operational cost for the larger facility is negligible from the smaller facility but would include increased costs for electricity and labor. City Administrator Harrenstein reported the smaller facility does not meet the expectations of local user groups based on the interviews included in the feasibility study and does not meet the sports tourism expectations of the region or the Council.

Mr. Gill reviewed similar projects and suggested specific products for use in the project. He reported Pinnacle Sports recommended the use of Teraflex flooring instead of hardwood as the care and maintenance are less and users are satisfied with the flooring. Mayor Dehen requested clarification on the proposed construction materials. Mr. Gill reported the building would be a pre-engineered building. City Administrator Harrenstein reported the building is a large prefab building that would be designed for current user groups and would help the groups take their programs to the next level. He noted the user groups required a minimum of three courts and six tennis courts.

Mr. Gill reviewed the pro forma and noted that the information was based on his company's experience, community findings, hours required by users, and how much people are willing to pay to use the facility. The pro forma revealed a close to break-even model for the City after allowing the General Fund to absorb certain expenditures. City Administrator Harrenstein stated the facility could potentially be augmented by the Hotel/Motel Tax, Food and Beverage Tax, naming rights and sponsorships. The facility could be envisioned to provide a walking space, community space and a space for library programming. The next steps would be for staff to continue meeting with user groups and obtain letters of intent to firm up use and begin conceptual design work.

Mayor Dehen requested clarification on the proposed private group project that did not happen. Mr. Gill reported the group was interested in building the facility and partnering with the City to lease

the space to cover their investment. The projected City expenditures to lease the building was not feasible.

Mayor Dehen requested clarification on seating for spectators. Mr. Gill reported there would be room to provide comfortable seating for events. Council Member Oachs requested clarification on estimated costs. Mr. Gill reported the 44,000 square foot building would cost approximately \$6-6.5 million and the 88,000 square foot building would cost over \$10 million. With no further questions from the Council, City Administrator Harrenstein reported staff would continue to verify specifications from user groups. Mayor Dehen requested the Pinnacle report be brought before Council.

Solar Garden Subscription Program

Finance Director McCann reported the Solar Garden Subscription program proposal would be presented by Erica Forsman and Jane Qualey from US/Solar. Ms. Forsman reported US Solar is a Minnesota company and was presenting a local subscription project for the City to consider. The North Mankato agreement summary included a standard form 25-year subscription agreement with a subscription rate of a penny-off discount structure and cancellation options at year 10 and 20. The projected North Mankato savings over 25 years is \$94,224. Mayor Dehen requested clarification on responsibility for disposal of solar panels when they have degraded. Ms. Forsman reported the responsibility for the disposal and recycling of the solar panels would be US/Solar.

Council Member Oachs requested the potential use of text messages and emails to announce snow emergencies.

Mayor Dehen closed the Council Work Session at 2:22 p.m.

Mayor

City Clerk



City of North Mankato, MN

Claims List - Regular

By Vendor Name

Date Range: 3-4-19

Vendor Number	Vendor Name	Payment Date	Payment Type	Discount Amount	Payment Amount	Number
Bank Code: APBNK-APBNK						
00093	ARNOLD'S OF MANKATO, INC.	03/04/2019	Regular	0	31.20	90649
00113	BAKER & TAYLOR	03/04/2019	Regular	0	25.98	90650
00137	BENCO ELECTRIC COOPERATIVE	02/19/2019	Regular	0	100.00	90630
02985	BIG DOG PROPERTIES LLP	02/21/2019	Regular	0	610.00	90635
02990	BOYS & GIRLS CLUB OF MANKATO	03/04/2019	Regular	0	500.00	90651
02984	BRENNAN PROPERTIES OF MINNESOTA LLP	02/21/2019	Regular	0	7,899.00	90636
00221	CARGILL, INC.	03/04/2019	Regular	0	8,735.88	90652
02757	CINTAS	03/04/2019	Regular	0	175.30	90653
00255	CITY OF MANKATO	03/04/2019	Regular	0	650.00	90654
02988	CONVENIENCE STORE INVESTMENTS	02/21/2019	Regular	0	5,649.00	90637
02481	CURIOSI-TEA HOUSE	02/21/2019	Regular	0	826.00	90638
02989	DALE REAL ESTATE LLC	02/21/2019	Regular	0	1,535.00	90639
02986	DE COMMERCE PROPERTY LLC	02/21/2019	Regular	0	288.00	90640
00331	DE MARS CONSTRUCTION	02/14/2019	Regular	0	163,747.46	90629
00392	ENERGY SALES, INC.	03/04/2019	Regular	0	451.30	90655
00401	EXPRESS SERVICES, INC.	03/04/2019	Regular	0	653.56	90656
00404	FASTENAL COMPANY	03/04/2019	Regular	0	37.85	90657
00409	FERGUSON ENTERPRISES, INC #1657	03/04/2019	Regular	0	4,107.42	90658
00427	FLAGSHIP RECREATION, LLC	03/04/2019	Regular	0	4,860.31	90659
00465	GALE/CENGAGE LEARNING	03/04/2019	Regular	0	30.39	90660
02891	GLOBAL SPECIALTY CONTRACTORS, INC.	03/04/2019	Regular	0	180,500.00	90661
02987	HIGHLAND PLAZA INC	02/21/2019	Regular	0	2,040.00	90641
02429	J D TRUFFLES CATERING	03/04/2019	Regular	0	33.98	90662
00639	JOHN DEERE FINANCIAL	03/04/2019	Regular	0	736.40	90663
00731	LAGER'S OF MANKATO, INC.	03/04/2019	Regular	0	285.53	90664
00754	LEAGUE OF MINNESOTA CITIES	03/04/2019	Regular	0	823.00	90665
00772	LITTLE FALLS MACHINE, INC.	03/04/2019	Regular	0	205.20	90666
00800	MADDEN, GALANTER, HANSEN, LLP	03/04/2019	Regular	0	6,444.80	90667
00819	MANKATO FORD, INC.	03/04/2019	Regular	0	3,503.54	90668
02791	MANKATO MAKERSPACE	03/04/2019	Regular	0	100.00	90669
02991	MED COMPASS (MOBILE HEALTH SERVICES LLC)	03/04/2019	Regular	0	3,500.00	90670
00881	MEYER, ROBERT	02/21/2019	Regular	0	80.00	90634
00920	MINNESOTA DEPARTMENT OF HEALTH	03/04/2019	Regular	0	8,244.00	90671
01341	MINNESOTA DEPARTMENT OF PUBLIC SAFETY	03/04/2019	Regular	0	325.00	90672
02842	MINNESOTA LIFE INSURANCE COMPANY	02/19/2019	Regular	0	997.04	90632
00951	MINNESOTA TRUCK & TRACTOR, INC.	03/04/2019	Regular	0	28.64	90673
02982	N & N PROPERTY CO.	02/21/2019	Regular	0	642.00	90642
02277	PENGUIN RANDOM HOUSE LLC	03/04/2019	Regular	0	4,068.00	90674
01106	PETTY CASH	03/04/2019	Regular	0	43.34	90675
01133	POWERPLAN/RDO EQUIPMENT	03/04/2019	Regular	0	101.98	90676
02769	PRESENCE MAKER INC.	03/04/2019	Regular	0	648.00	90677
02980	PROFESSIONAL LAW ENFORCEMENT ASSISTANT	02/19/2019	Regular	0	35.00	90633
02931	REDEXIM TURF PRODUCTS	03/04/2019	Regular	0	2,794.50	90678
01191	RELiance ELECTRIC OF SOUTHERN MINNESOTA	03/04/2019	Regular	0	148.40	90679
02240	SNAP ON TOOLS	03/04/2019	Regular	0	3,652.01	90680
02950	SRF CONSULTING GROUP, INC.	03/04/2019	Regular	0	2,516.90	90681
02983	SUSAN J ROISE REVOCABLE TRUST	02/21/2019	Regular	0	490.00	90643
01373	TAYLOR CORPORATION	02/21/2019	Regular	0	680.00	90644
01402	TIRE ASSOCIATES	03/04/2019	Regular	0	684.48	90682
01414	TOWMASTER	03/04/2019	Regular	0	5,330.00	90683
02992	TWIN VALLEY COUNCIL	03/04/2019	Regular	0	375.00	90684
01433	TYLER TECHNOLOGIES	03/04/2019	Regular	0	850.00	90685
01443	UNITED STATES POSTAL SERVICE	03/04/2019	Regular	0	2,000.00	90686
02993	VON MALUSKI, TERRI	03/04/2019	Regular	0	328.50	90687
01523	WENZEL AUTO ELECTRIC CO	03/04/2019	Regular	0	79.00	90688
02981	WIS-PAK OF MANKATO INC	02/21/2019	Regular	0	1,103.00	90645
00101	AT&T MOBILITY	02/13/2019	Bank Draft	0	27.82	DFT0002875

00608	INGRAM LIBRARY SERVICES	02/27/2019	Bank Draft	0	1,556.78	DFT0002898
00733	LAKES GAS CO #10	02/25/2019	Bank Draft	0	132.50	DFT0002886
00923	MINNESOTA DEPARTMENT OF LABOR & INDU	02/14/2019	Bank Draft	0	30.00	DFT0002877
02947	SKILLPATH/NST SEMINARS	02/22/2019	Bank Draft	0	134.00	DFT0002884
01322	SPRINT	02/25/2019	Bank Draft	0	35.71	DFT0002887
01335	STAPLES ADVANTAGE	02/13/2019	Bank Draft	0	109.13	DFT0002874
01335	STAPLES ADVANTAGE	02/14/2019	Bank Draft	0	149.86	DFT0002878
01335	STAPLES ADVANTAGE	02/21/2019	Bank Draft	0	330.42	DFT0002883
01335	STAPLES ADVANTAGE	02/25/2019	Bank Draft	0	74.97	DFT0002888
01377	TELRITE CORPORATION	02/22/2019	Bank Draft	0	99.39	DFT0002885
01470	VERIZON WIRELESS	02/14/2019	Bank Draft	0	30.15	DFT0002876
00090	APT MACHINING INC.	03/06/2019	EFT	0	42.72	1601
00105	AUTO VALUE MANKATO	03/06/2019	EFT	0	131.44	1602
00174	BOLTON & MENK, INC.	03/06/2019	EFT	0	48,083.00	1603
00216	C & S SUPPLY CO, INC.	03/06/2019	EFT	0	107.60	1604
02749	COMMUNICATION STRATEGIES LLC	03/06/2019	EFT	0	320.00	1605
00310	CRYSTEEL TRUCK EQUIPMENT, INC	03/06/2019	EFT	0	685.06	1606
00322	DALCO	03/06/2019	EFT	0	203.29	1607
02275	DEM-CON MATERIALS & RECOVERY	03/06/2019	EFT	0	2,177.56	1608
00463	G & L AUTO SUPPLY, LLC	03/06/2019	EFT	0	601.17	1609
00482	GMS INDUSTRIAL SUPPLIES, INC.	03/06/2019	EFT	0	597.93	1610
00538	HAWKINS, INC.	03/06/2019	EFT	0	4,518.06	1611
00544	HENDRICKSON, CHRISTOPHER	03/06/2019	EFT	0	70.36	1612
02114	HYDRO KLEAN	03/06/2019	EFT	0	933.99	1613
00691	KENNEDY & KENNEDY LAW OFFICE	03/06/2019	EFT	0	777.56	1614
00743	LARKSTUR ENGINEERING & SUPPLY, INC.	03/06/2019	EFT	0	134.35	1615
00767	LIME VALLEY ADVERTISING, INC.	03/06/2019	EFT	0	175.00	1616
00776	LLOYD LUMBER CO.	03/06/2019	EFT	0	331.87	1617
00796	MACQUEEN EQUIPMENT, INC.	03/06/2019	EFT	0	2,647.10	1618
00874	MENARDS-MANKATO	03/06/2019	EFT	0	338.58	1619
00910	MINNESOTA VALLEY TESTING LAB, INC.	03/06/2019	EFT	0	119.00	1620
01009	NAPA AUTO PARTS - MANKATO	03/06/2019	EFT	0	64.44	1621
01052	NORTH CENTRAL INTERNATIONAL	03/06/2019	EFT	0	3,539.41	1622
01078	OLYMPIC FIRE PROTECTION CORP.	03/06/2019	EFT	0	3,431.48	1623
02005	PANTHEON COMPUTERS	03/06/2019	EFT	0	6,785.40	1624
01090	PARAGON PRINTING, MAILING & SPECIALTIES	03/06/2019	EFT	0	3,232.06	1625
01160	QUALITY OVERHEAD DOOR CO, INC	03/06/2019	EFT	0	228.50	1626
01211	RIVER BEND BUSINESS PRODUCTS	03/06/2019	EFT	0	749.83	1627
02671	RYAN PLUMBING AND HEATING	03/06/2019	EFT	0	193.82	1628
01263	SCHWICKERT'S TECTA AMERICA LLC	03/06/2019	EFT	0	876.00	1629
01323	SPS COMPANIES, INC.	03/06/2019	EFT	0	367.09	1630
01407	TOOL SALES COMPANY	03/06/2019	EFT	0	50.00	1631
02510	TORDSEN, MIKEAL	03/06/2019	EFT	0	73.98	1632
01477	VIKING ELECTRIC SUPPLY, INC.	02/21/2019	Bank Draft	0	173.02	DFT0002879
01557	XCEL ENERGY	02/25/2019	Bank Draft	0	27.61	DFT0002882
					<u>520,829.90</u>	<u>102</u>

Authorization Signatures

All Council

The above manual and regular claims lists for 3-4-19 are approved by:

MARK DEHEN- MAYOR

DIANE NORLAND- COUNCIL MEMBER

WILLIAM STEINER- COUNCIL MEMBER

SANDRA OACHS- COUNCIL MEMBER

JAMES WHITLOCK- COUNCIL MEMBER

RESOLUTION APPROVING DONATIONS/CONTRIBUTIONS/GRANTS

WHEREAS, the Minnesota Statute 465.03 and 465.04 allows the governing body of any city, county, school district or town to accept gifts for the benefit of its citizens in accordance with terms prescribed by the donor;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF NORTH MANKATO, MINNESOTA, that the following donations/contributions/grants are approved as follows:

Donor	Restriction	Amount
Jo Marie Robbins	Library-Donation for Books	\$ 150.00
Sheryl Peterson	Library-Special Programs	\$50.00
Glen A Taylor Foundation	Summer Reading Program	\$5,000.00
		\$5200.00

Adopted by the City Council this 4th day of March 2019.

Mayor

City Clerk

PARK PERMIT

Permit #: 25 -2019

Start time: 6:00 am

Fee: \$ 100.00

Date: 9/15/19

Stop time: 2:00 pm
Mass @ 10am

Shelter: ☐ Spring Lake Shelter #1 ☐ Spring Lake Shelter #2 ☒ Wheeler Park Indoor Shelter

Event Name: Holy Rosary Church Mass + Picnic

Name: Jim Theuninck

Address: 525 Grant Ave.

Phone: 387-6501

of People:

Use of Tents (or anything requiring staking) ☐ No ☒ Yes ** If Yes, Please contact Gopher State One Call 800-252-1166 one week prior to event.*
**Bounce House requires waiver*

Notes:

Alcoholic Beverages (wine & beer only) ☒ No ☐ Yes ** \$300 refundable deposit and \$30 keg permit*

Please specify: Cans Keg Catering* (must contact City Hall)

Audio (requires audio permit) ☐ No ☒ Yes ** If Yes, Please fill out Audio Permit.*

Allowed

- Personal grills
- Keg beer provided a permit is obtained
- Fishing/ice fishing on Ladybug Lake and Spring Lake only
- Pets in Benson Park, Bluff Park and Spring Lake Park provided they are on a 6' leash
- Canoes and kayaks on Ladybug Lake and Spring Lake (children under 12 must be accompanied by an adult and wear a life preserver)
- Hog roasts provided they are on a hard-surfaced lot

Prohibited

- Vehicles are not allowed to be parked or driven on the grass for any reason unless permission is given from the Parks Department.
- Pets (allowed in Benson Park, Spring Lake Park and Bluff Park only)
- Glass containers
- Campfires / Bonfires / Fire Rings
- Snowmobiles, ATVs, golfing, swimming, boating and motorized flotation devices
- Dunk Tanks
- Audio equipment may not be played so loud as to interfere with the reasonable use of the park by others. All audio devices must end at 10 PM

☒ I, the undersigned, understand that the park shelter reservation fee is non-refundable. If prior approval is not obtained for the installation of additional tents or stakes and causes disruption of utility services, I agree to be held liable for any repairs to service lines.

☐ I, the undersigned, have received the Audio Permit Instructions and understand that failure to comply with the audio instructions may terminate the event and prevent future ability to obtain an audio permit.

SIGNED:

Jim Theuninck
Applicant

2-25-19
Date

☐ APPROVED ☐ DENIED

☒ REFER TO COUNCIL

City Clerk

Date

Receipt #: R06172134

☒ Book

☐ Online

☐ Park

☐ Police

Staff Initials



1001 Belgrade Avenue
North Mankato, MN 56003
507-625-4141 Fax: 507-625-4151
www.northmankato.com

Audio Permit 25A 2019
Park Permit 25- 2019

Audio Permit

About:

An audio permit is required for anyone operating outdoor amplified sound (i.e., a loudspeaker, public address system, or sound amplifying equipment). All Audio Permits must be approved by the Council. The sound system cannot be operated before 7:00 am or after 10:00 pm. There is a \$25 fee.

Audio Permit Responsibilities:

- An onsite event coordinator must be available by mobile during the event.
- An applicant will provide a schedule of any music or entertainment proposed to occur during the event.
- A beginning and end time must be supplied on the application, and the event coordinator must ensure compliance.
- Applicants must comply with City Code Ordinance 90.045 and Minnesota Rules Chapter 7030 which limits noise.
- Noise levels cannot exceed 60 dBA more than 50 percent of the time.

What happens if there is a noise complaint?

- A North Mankato Patrol Officer will meet with the complainant and evaluate and measure the noise using a decibel reader at the location of the complainant.
- If the noise is found out of compliance, the Patrol Officer will contact the onsite event coordinator, and the amplified sound must be turned down.
- If the onsite event coordinator does not comply, the event will be immediately terminated, and the group will be disbursed.
- Failure to comply will affect future ability to obtain an audio permit.

AMPLIFIED SOUND: ☒ LIVE MUSIC/BAND
☐ DJ/KARAOKE MACHINE
☐ OTHER: _____

DATE OF EVENT: 9-15-19

BEGIN TIME: 9:30 am

END TIME: 11:30 am

During Mass

LOCATION / SHELTER: Wheeler

EVENT NAME: Holy Rosary church Mass

ONSITE COORDINATOR: PRINT NAME: Jim Theunick

MOBILE NUMBER: 507-351-7829

☒ I, THE UNDERSIGNED, HAVE RECEIVED THE AUDIO PERMIT AND UNDERSTAND THAT FAILURE TO COMPLY WITH THE AUDIO POLICY MAY TERMINATE THE EVENT AND PREVENT FUTURE ABILITY TO OBTAIN AN AUDIO PERMIT.

SIGNATURE: Jim Theunick DATE: 2-25-19

POLICE CHIEF: _____

CITY CLERK: _____

☐ DENIED ☐ APPROVED

☐ BOOK ☐ POLICE ☐ ONLINE ☒ \$25.00 FEE

STAFF INITIALS _____

200172134

RESOLUTION NO.

RESOLUTION WAIVING WAITING PERIOD
FOR EXEMPTION FROM LAWFUL GAMBLING LICENSE FOR
HOLY ROSARY CHURCH

WHEREAS, Holy Rosary Church has made application for exemption from a charitable gambling license to conduct a raffle on May 20, 2019 at Holy Rosary Church within the City of North Mankato, Minnesota, which application was received by the City on February 22, 2019.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF NORTH MANKATO, MINNESOTA, that the City waives the mandatory waiting period concerning the issuance of an exemption from lawful gambling license concerning the above-identified organization.

Adopted by the City Council this 4th day of March 2019.

Mayor

ATTEST:

City Clerk

LG220 Application for Exempt Permit

An exempt permit may be issued to a nonprofit organization that:

- conducts lawful gambling on five or fewer days, and
- awards less than \$50,000 in prizes during a calendar year.

If total raffle prize value for the calendar year will be \$1,500 or less, contact the Licensing Specialist assigned to your county by calling 651-539-1900.

Application Fee (non-refundable)

Applications are processed in the order received. If the application is postmarked or received 30 days or more before the event, the application fee is **\$100**; otherwise the fee is **\$150**.

Due to the high volume of exempt applications, payment of additional fees prior to 30 days before your event will not expedite service, nor are telephone requests for expedited service accepted.

ORGANIZATION INFORMATION

Organization Name: Holy Rosary Church

Previous Gambling Permit Number: X-03302-18-025

Minnesota Tax ID Number, if any: 8373253

Federal Employer ID Number (FEIN), if any: 41-0713877

Mailing Address: 525 Grant Ave

City: North Mankato State: MN Zip: 56003 County: Nicollet

Name of Chief Executive Officer (CEO): Father Paul van de Crommert

CEO Daytime Phone: 507-387-6501 CEO Email: paulvan@hickorytech.net

(permit will be emailed to this email address unless otherwise indicated below)

Email permit to (if other than the CEO): jimth@hickorytech.net

NONPROFIT STATUS

Type of Nonprofit Organization (check one):

☐ Fraternal ☒ Religious ☐ Veterans ☐ Other Nonprofit Organization

Attach a copy of one of the following showing proof of nonprofit status:

(DO NOT attach a sales tax exempt status or federal employer ID number, as they are not proof of nonprofit status.)

☐ **A current calendar year Certificate of Good Standing**

Don't have a copy? Obtain this certificate from:

MN Secretary of State, Business Services Division
60 Empire Drive, Suite 100
St. Paul, MN 55103

Secretary of State website, phone numbers:

www.sos.state.mn.us

651-296-2803, or toll free 1-877-551-6767

☒ **IRS income tax exemption (501(c)) letter in your organization's name**

Don't have a copy? To obtain a copy of your federal income tax exempt letter, have an organization officer contact the IRS toll free at 1-877-829-5500.

☐ **IRS - Affiliate of national, statewide, or international parent nonprofit organization (charter)**

If your organization falls under a parent organization, attach copies of both of the following:

1. IRS letter showing your parent organization is a nonprofit 501(c) organization with a group ruling; and
2. the charter or letter from your parent organization recognizing your organization as a subordinate.

GAMBLING PREMISES INFORMATION

Name of premises where the gambling event will be conducted (for raffles, list the site where the drawing will take place): Holy Rosary Church

Physical Address (do not use P.O. box): Sherman & Grant Ave

Check one:

☒ City: North Mankato Zip: 56003 County: Nicollet

☐ Township: _____ Zip: _____ County: _____

Date(s) of activity (for raffles, indicate the date of the drawing): 5-20-19

Check each type of gambling activity that your organization will conduct:

☐ Bingo ☐ Paddlewheels ☐ Pull-Tabs ☐ Tipboards ☒ Raffle

Gambling equipment for bingo paper, bingo boards, raffle boards, paddlewheels, pull-tabs, and tipboards must be obtained from a distributor licensed by the Minnesota Gambling Control Board. EXCEPTION: Bingo hard cards and bingo ball selection devices may be borrowed from another organization authorized to conduct bingo. To find a licensed distributor, go to www.mn.gov/gcb and click on **Distributors** under the **List of Licensees** tab, or call 651-539-1900.

LOCAL UNIT OF GOVERNMENT ACKNOWLEDGMENT (required before submitting application to the Minnesota Gambling Control Board)

**CITY APPROVAL
for a gambling premises
located within city limits**

- ☒ The application is acknowledged with no waiting period.
- ☐ The application is acknowledged with a 30-day waiting period, and allows the Board to issue a permit after 30 days (60 days for a 1st class city).
- ☐ The application is denied.

Print City Name: North Mankato

Signature of City Personnel:



Title: City Clerk Date: _____

**The city or county must sign before
submitting application to the
Gambling Control Board.**

**COUNTY APPROVAL
for a gambling premises
located in a township**

- ☐ The application is acknowledged with no waiting period.
- ☐ The application is acknowledged with a 30-day waiting period, and allows the Board to issue a permit after 30 days.
- ☐ The application is denied.

Print County Name: _____

Signature of County Personnel: _____

Title: _____ Date: _____

TOWNSHIP (if required by the county)

On behalf of the township, I acknowledge that the organization is applying for exempted gambling activity within the township limits. (A township has no statutory authority to approve or deny an application, per Minn. Statutes, section 349.213.)

Print Township Name: _____

Signature of Township Officer: _____

Title: _____ Date: _____

CHIEF EXECUTIVE OFFICER'S SIGNATURE (required)

The information provided in this application is complete and accurate to the best of my knowledge. I acknowledge that the financial report will be completed and returned to the Board within 30 days of the event date.

Chief Executive Officer's Signature:  Date: 2/2/17
(Signature must be CEO's signature; designee may not sign)

Print Name: Father Paul van de Crommert

REQUIREMENTS

Complete a separate application for:

- all gambling conducted on two or more consecutive days; or
- all gambling conducted on one day.

Only one application is required if one or more raffle drawings are conducted on the same day.

Financial report to be completed within 30 days after the gambling activity is done:

A financial report form will be mailed with your permit. Complete and return the financial report form to the Gambling Control Board.

Your organization must keep all exempt records and reports for 3-1/2 years (Minn. Statutes, section 349.166, subd. 2(f)).

Data privacy notice: The information requested on this form (and any attachments) will be used by the Gambling Control Board (Board) to determine your organization's qualifications to be involved in lawful gambling activities in Minnesota. Your organization has the right to refuse to supply the information; however, if your organization refuses to supply this information, the Board may not be able to determine your organization's qualifications and, as a consequence, may refuse to issue a permit. If your organization supplies the information requested, the Board will be able to process the

application. Your organization's name and address will be public information when received by the Board. All other information provided will be private data about your organization until the Board issues the permit. When the Board issues the permit, all information provided will become public. If the Board does not issue a permit, all information provided remains private, with the exception of your organization's name and address which will remain public. Private data about your organization are available to Board members, Board staff whose work requires access to the information; Minnesota's Depart-

ment of Public Safety; Attorney General; Commissioners of Administration, Minnesota Management & Budget, and Revenue; Legislative Auditor, national and international gambling regulatory agencies; anyone pursuant to court order; other individuals and agencies specifically authorized by state or federal law to have access to the information; individuals and agencies for which law or legal order authorizes a new use or sharing of information after this notice was given; and anyone with your written consent.

MAIL APPLICATION AND ATTACHMENTS

Mail application with:

- _____ a copy of your proof of nonprofit status; and
- _____ application fee (non-refundable). If the application is postmarked or received 30 days or more before the event, the application fee is **\$100**; otherwise the fee is **\$150**. Make check payable to **State of Minnesota**.

To: Minnesota Gambling Control Board
1711 West County Road B, Suite 300 South
Roseville, MN 55113

Questions?

Call the Licensing Section of the Gambling Control Board at 651-539-1900.

This form will be made available in alternative format (i.e. large print, braille) upon request.

An equal opportunity employer



1001 Belgrade Ave., PO Box 2055
North Mankato, MN 56003
507-625-4141 Fax: 507-625-4252
www.northmankato.com

For Office Use Only

APPROVED _____

DENIED _____

☐ PARK USE ☐ AUDIO USE

Application For PARADE PERMIT

REQUIRED INFORMATION:

- Application for Parade Permit
- Map of Parade Route
- \$35 Application Fee

Thirty (30) days in advance of the parade date.

Name of Applicant <u>Dance Conservatory</u>	Address <u>1400 Madison Ave St 318</u> <u>Mankato MN 56001</u>	Phone <u>507-625-2025</u>	Email <u>danceconservatory@gmail.com</u>
Sponsoring Organization Name	Address	Phone	
Contact during event <u>Gerri Meyer</u>	Phone <u>507-251-3481</u>		
Event Location <u>Benson Park</u>	Date <u>4-27-19</u>	From <u>10:00</u>	Time To <u>1:00</u>
Occasion for Parade <u>Dance Studio Fundraiser - Tulips & Tutu Sk Run</u>			
Parade Description / Composition			

Estimated Number of Participants: 150-200

As duly authorized representative or agent of the parade sponsoring organization, I hereby make application for a permit to parade in the City of North Mankato, Minnesota. I hereby certify that, to the best of my knowledge, the above is an accurate and true description of the parade. I agree to execute the parade according to this permit and subject to the provisions and conditions which may be necessary to provide for the safety of parade participants and the orderly and safe movement of public traffic.

[Signature]
Applicant

2-11-18
Date

Pursuant to Section 70.21 of the North Mankato City Code, I hereby authorize a parade permit for the applicant organization. This permit shall be valid only under the conditions recommended by the City of North Mankato and only for the date and time indicated.

[Signature]
Chief of Police

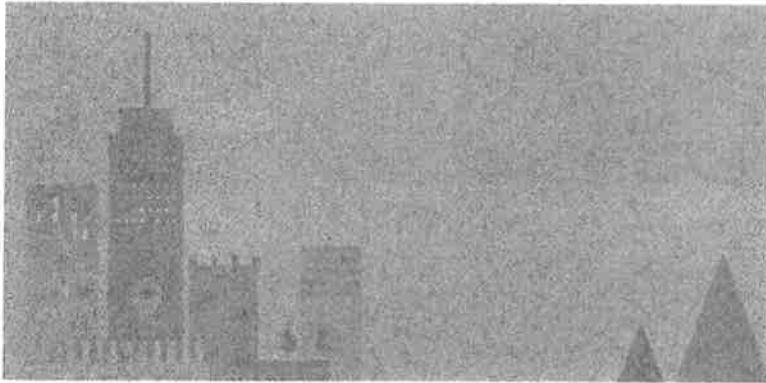
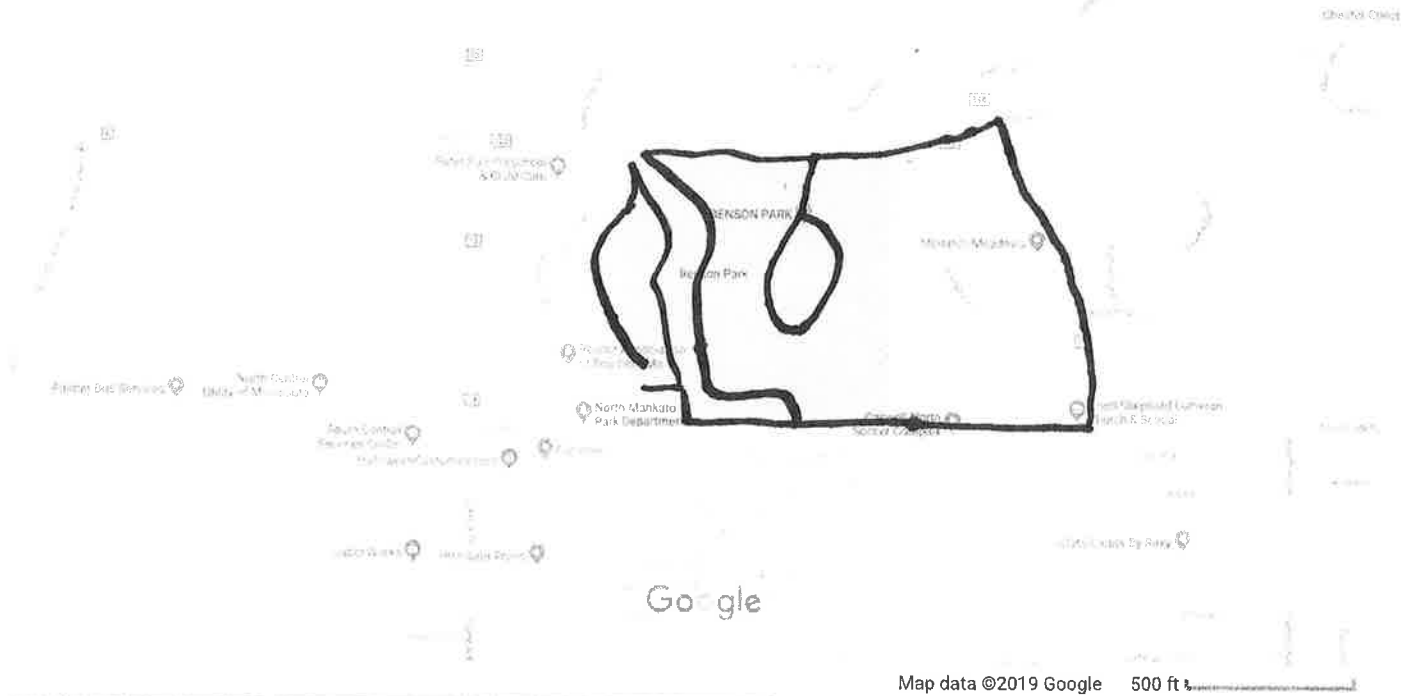
2/15/19
Date

★ No Reserve Unit
support needed ★

Caswell Sports Director

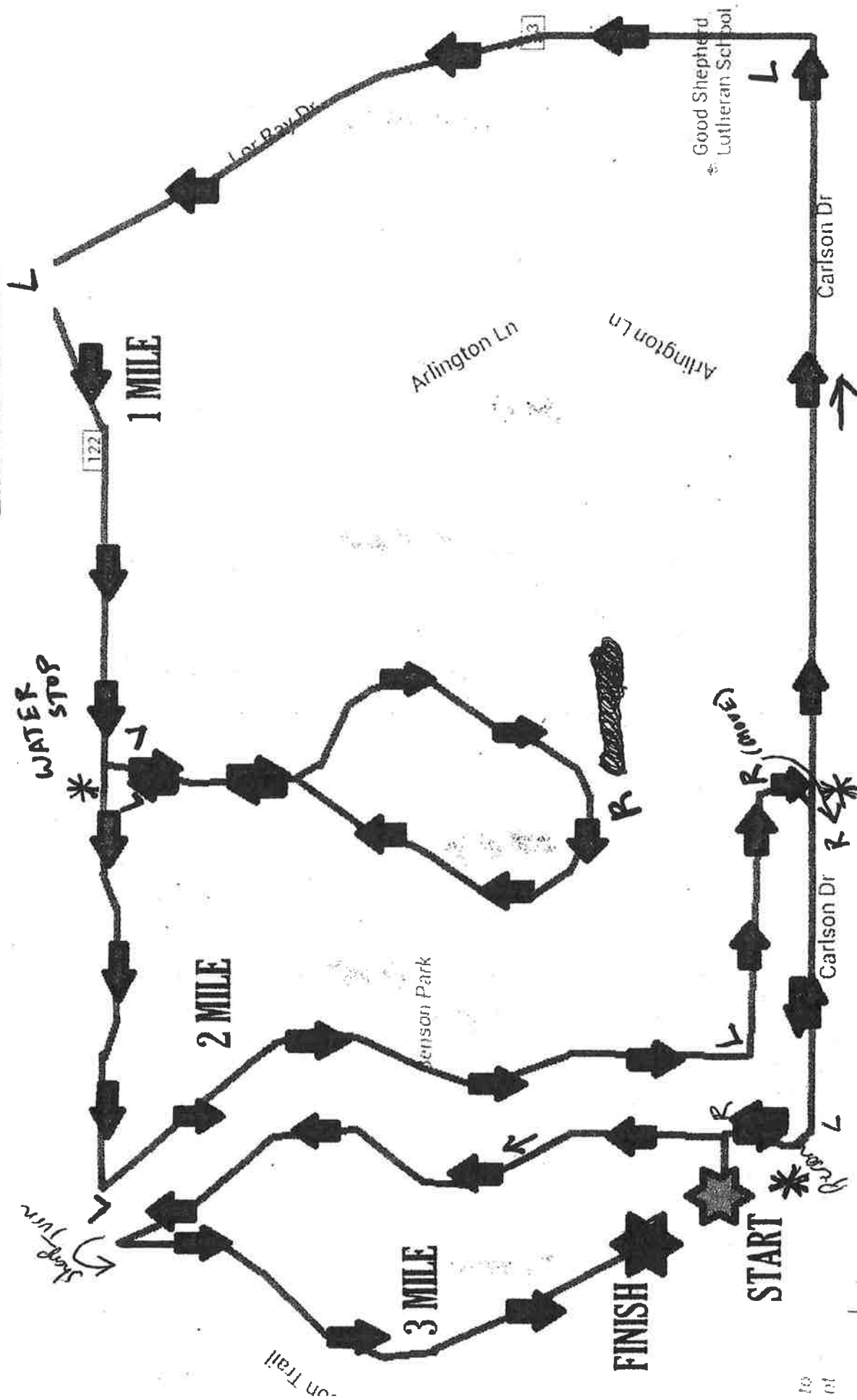
Date

Google Maps Benson Park



Benson Park
North Mankato, MN 56003

DANCE 5K





Minnesota Department of Public Safety
Alcohol & Gambling Enforcement Division
445 Minnesota Street, 1600
St Paul, Minnesota 55101
651-201-2156

RENEWAL OF LIQUOR, WINE, CLUB OR 3.2% LICENSES

No license will be approved or released until the \$20 Retailer ID Card fee is received by Alcohol and Gambling Enforcement

Licensee: Please verify your license information contained below. Make corrections if necessary and sign. City Clerk/County Auditor should submit this signed renewal with completed license and licensee liquor liability for the new license period. City Clerk/County Auditor are also required by M.S. 340A.404 S.3 to report any license cancellation.

License Code: ONSL License Period Ending: 4/30/2019 Iden: 64438
Issuing Authority: North Mankato
Licensee Name: City of North Mankato
Trade Name: Caswell Park
Address: 1875 Howard Drive W
North Mankato, MN 56003
Business Phone: 5076254141
License Fees: Off Sale: 0 On Sale: 3750.0000 Sunday: 0

By signing this renewal application, applicant certifies that there has been no change in ownership on the above named licensee. For changes in ownership, the licensee named above, or for new licensees, full applications should be used. See back of this application for further information needed to complete this renewal. Applicant's signature on this renewal confirms the following: Failure to report any of the following may result in civil penalties.

1. Licensee confirms it has no interest whatsoever, directly or indirectly in any other liquor establishments in Minnesota. If so, give details on back of this application.
2. Licensee confirms that it has never had a liquor license rejected by any city/township/county in the state of Minnesota. If ever rejected, please give details on the back of this renewal, then sign below.
3. Licensee confirms that for the past five years it has not had a liquor license revoked for any liquor law violation (state or local). If a revocation has occurred, please give details on the back of this renewal, then sign below.
4. Licensee confirms that during the past five years it or its employees have not been cited for any civil or criminal liquor law violations. If violations have occurred, please give details on back of this renewal, then sign below.
5. Licensee confirms that during the past license year, a summons has not been issued under the Liquor Liability Law (Dram Shop) MS 340A.802. If yes, attach a copy of the summons, then sign below.
6. Licensee confirms that Workers Compensation insurance will be kept in effect during the license period. Licensee has attached a liquor liability insurance certificate that corresponds with the license period in city/county where license is issued.
7. \$100,000 in cash or securities or \$100,000 surety bond may be submitted in lieu of liquor liability. (3.2 liquor licenses are exempt if sales are less than \$25,000 at on sale, or \$50,000 at off sale).

Licensee Signature

Date

(Signature certifies all above information to be correct and license has been approved by city/county.)

City Clerk/County Auditor Signature

Date

(Signature certifies that renewal of a liquor, wine or club license has been approved by the city/county as stated above.)

County Attorney Signature

Date

County Board issued licenses only (Signature certifies licensee is eligible for license).

Police/Sheriff Signature

Date

Signature certifies licensee or associates have been checked for any state/local liquor law violations (criminal/civil) during the past five years. Report violations on back, then sign here.

CITY OF NORTH MANKATO

REQUEST FOR COUNCIL ACTION



Agenda Item # 10A	Dept: Administration	Council Meeting Date: 3/4/19																												
TITLE OF ISSUE: Consider Resolution Adopting Multipurpose Sports Facility Market Feasibility Study.																														
BACKGROUND AND SUPPLEMENTAL INFORMATION: City Administrator will review the report from Pinnacle Indoor Sports.																														
<i>If additional space is required, attach a separate sheet</i>																														
REQUESTED COUNCIL ACTION: Adopt Resolution Adopting Multipurpose Sports Facility Market Feasibility Study.																														
For Clerk's Use: Motion By: _____ Second By: _____ Vote Record: <table style="margin-left: 40px; border: none;"> <tr> <td style="text-align: center;">Aye</td> <td style="text-align: center;">Nay</td> <td></td> </tr> <tr> <td style="text-align: center;">_____</td> <td style="text-align: center;">_____</td> <td>Oachs</td> </tr> <tr> <td style="text-align: center;">_____</td> <td style="text-align: center;">_____</td> <td>Whitlock</td> </tr> <tr> <td style="text-align: center;">_____</td> <td style="text-align: center;">_____</td> <td>Steiner</td> </tr> <tr> <td style="text-align: center;">_____</td> <td style="text-align: center;">_____</td> <td>Norland</td> </tr> <tr> <td style="text-align: center;">_____</td> <td style="text-align: center;">_____</td> <td>Dehen</td> </tr> </table>	Aye	Nay		_____	_____	Oachs	_____	_____	Whitlock	_____	_____	Steiner	_____	_____	Norland	_____	_____	Dehen	SUPPORTING DOCUMENTS ATTACHED <table style="width: 100%; border: none;"> <tr> <td style="text-align: center;">Resolution</td> <td style="text-align: center;">Ordinance</td> <td style="text-align: center;">Contract</td> <td style="text-align: center;">Minutes</td> <td style="text-align: center;">Map</td> </tr> <tr> <td style="text-align: center;"><input type="checkbox"/></td> <td style="text-align: center;"><input type="checkbox"/></td> <td style="text-align: center;"><input type="checkbox"/></td> <td style="text-align: center;"><input type="checkbox"/></td> <td style="text-align: center;"><input type="checkbox"/></td> </tr> </table> Other (specify) Report _____ _____ _____ _____		Resolution	Ordinance	Contract	Minutes	Map	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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<input type="checkbox"/>	Other: _____																													

RESOLUTION NO.

RESOLUTION ADOPTING MULTIPURPOSE SPORTS FACILITY
MARKET FEASIBILITY STUDY

WHEREAS, Pinnacle Indoor Sports conducted a feasibility and market study to assess options for the development of an indoor multipurpose sports facility in North Mankato; and

WHEREAS, the feasibility report recommended that the City of North Mankato move forward with plans to build a multipurpose indoor sports facility; and

WHEREAS, the City of North Mankato has established a request for state bonding dollars for the enhancement of Caswell Regional Sporting Complex, including expansion of an indoor recreational facility as a 2019 State Legislature priority.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF NORTH MANKATO, MINNESOTA;

1. Adopt the Multipurpose Sports Facility Market Feasibility Study
2. Proceed with planning for the larger building option as described on page 7 and depicted on page 9 of the Market Feasibility Study, subject to changes deemed appropriate during project development and construction.
3. Proceed with development of the project subject to financing through state bonding and/or other sources.

Adopted by the City Council this 4th day of March 2019.

Mayor

ATTEST:

City Clerk



INDOOR MULTIPURPOSE SPORTS FACILITY MARKET FEASIBILITY REPORT

Prepared for:
City of North Mankato, MN

North Mankato, MN
February 2019

PI Sports, LLC, 12468 La Grange Rd, Suite 337, Louisville, KY 40245
Contact Norm Gill, norm@pinnacleindoor.com, (502) 551-1974



February 2019

To the Officials of the City of North Mankato, MN:

This is the final report regarding the market feasibility study we performed for a proposed indoor multipurpose sports facility in the North Mankato, MN, market. The attached document summarizes our research and analyses and is intended to assist you in making informed decisions regarding the future of the facility.

The conclusions contained in this report are based on the estimates, assumptions and other information developed from our research of the market; our knowledge of similar sports complexes; and our experience operating our own facilities. We analyzed all the information provided to us, including the management of competitive/comparable facilities in your market; local and regional sports organizations; demographic characteristics of the defined market; and other sources. We then applied our years of experience to provide you with our best professional recommendations.

We sincerely appreciate the opportunity to assist you with this project and would be happy to be of further assistance in the interpretation and application of the study's findings. After you've had time to digest the findings of this report, we recommend a follow-up conference call to answer any outstanding questions you might have.

Thank you for choosing Pinnacle.

Norm Gill
Pinnacle Indoor Sports
(502) 551-1974

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Executive Summary

Pinnacle Indoor Sports (referred to as “Pinnacle” throughout) was retained to conduct a thorough study to determine the viability of an indoor sport facility in the North Mankato market.

Findings

Pinnacle interviewed more than two dozen representatives from local and regional organizations — a great majority of whom cited a need and/or desire for an indoor recreational/sports and tennis facility with hard courts in the North Mankato market. Additionally, Pinnacle studied current market conditions/demographics and evaluated existing multipurpose sports facilities.

As a result of this research, Pinnacle determined that unmet facility demand exists in the North Mankato area for the following sports:

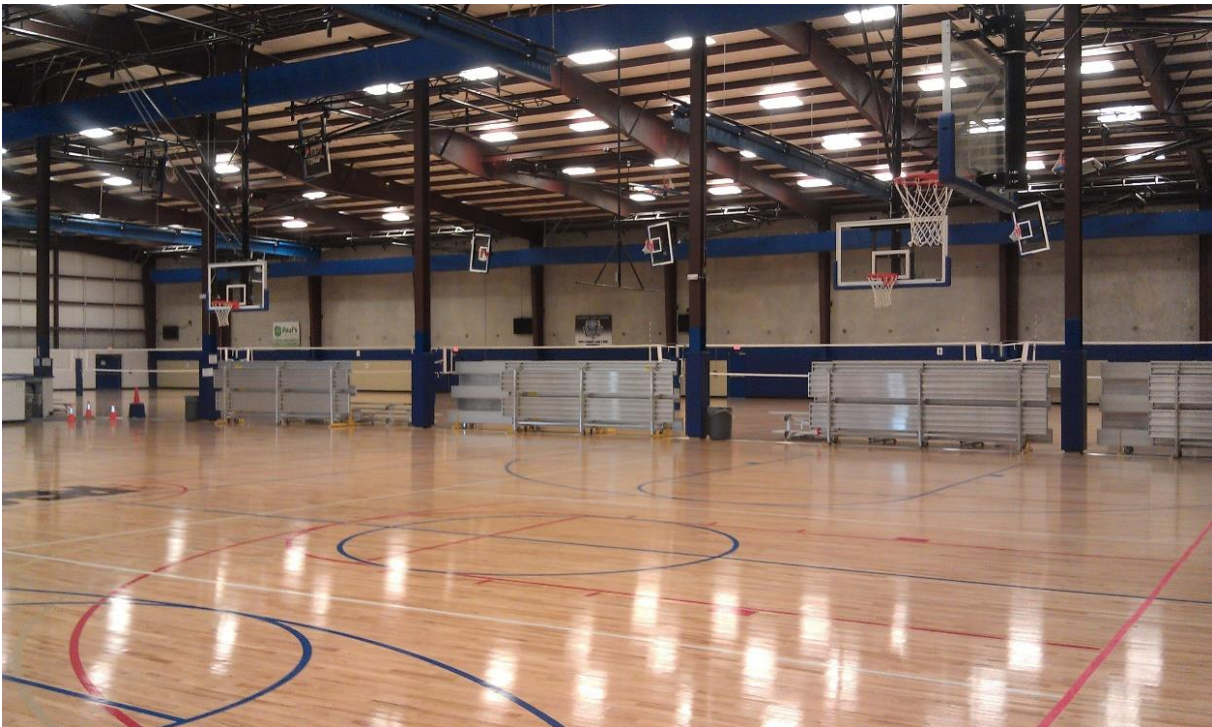
- Indoor youth and adult soccer/futsal
- Indoor youth and adult volleyball
- Indoor youth and adult basketball
- Indoor tennis
- Indoor hard-court rentals

In developing its facility recommendation, Pinnacle made the following four assumptions:

1. The project shall be constructed with funds generated from the 2016 sales tax extension approved by taxpayers.
2. The land would be readily available at no cost to the City of North Mankato.
3. The City of North Mankato would be exempt from paying property taxes on the proposed facility.
4. The City of North Mankato will offset some of the proposed facility’s operating expense, i.e. facility and grounds maintenance, liability insurance, and administrative costs.

With those assumptions in mind, multiple factors emerged that indicate the likelihood of a new indoor sports facility succeeding in the North Mankato market. They include:

- **A climate with a longer winter season than other areas of the Midwest.** A climate-controlled indoor facility would allow for year-round training and leagues in the North Mankato market, as well as provide a comfortable indoor environment during warm summers.
- **Healthy increases in population and household growth.** Both demographic factors suggest that a small multipurpose sports facility would be successful in North Mankato.
- **Heightened public interest.** Of particular note are representatives from area basketball and volleyball organizations and school districts, who indicated they would be interested in forging strategic partnerships with the operator of a new indoor sports facility to help ensure its success. That said, price points would need to align with local market rates.



The PAC
Austin, TX

Additionally, representatives of other local sports programs Pinnacle interviewed indicated a desire to partner with the operators of a proposed indoor facility for various programs, leagues and tournaments. They include:

- Greater Mankato Community Tennis Association
- Mankato Area Pickleball Association
- Mankato Basketball Association
- Mankato United Soccer Club (futsal)
- Minnesota Attack (volleyball)
- Minnesota Rise (basketball)
- Minnesota Youth Soccer Association (futsal)

Pinnacle also is aware of the following indoor sports facilities and YMCA expansion plans in the works in the North Mankato market:

- Mankato State University plans to open an indoor turf facility by October 2019.
- Bethany Lutheran College is considering construction of an indoor turf and 200-meter track facility/fieldhouse, plus an outdoor turf field. As of the writing of this report, the college was awaiting final drawings, approval from the board of trustees and funding for the project. If the plan falls through, college officials told Pinnacle they would consider adding a dome over the outdoor turf field.
- Mankato Family YMCA plans to begin a capital funding campaign in November 2019 to build a new facility (pending the results of a financial pro forma). Elements under consideration include:
 - Four basketball courts
 - Indoor tennis courts
 - 12-lane indoor pool

For more information, see the attached “Exhibit I—Selected Interview Notes” and “Exhibit II— Existing Facility Competition.”

Recommendation

Based on existing conditions and assumptions, Pinnacle recommends the City of North Mankato move forward with plans to build a 44,000-square-foot multipurpose indoor sports facility in North Mankato.

It would include one multisport space that converts to offer combinations of the following: two regulation basketball courts, two futsal courts, four regulation volleyball courts or four elementary-/middle-school size school basketball courts, plus a separate area for three indoor tennis courts. This facility would satisfy current market needs.

A second, larger option (based on available funding and community desire) would allow for construction of an 88,000-square-foot facility that would house one multisport space that converts to offer combinations of the following: four regulation basketball courts, four futsal courts, eight regulation volleyball courts or eight elementary-/middle-school size school basketball courts, plus a separate area for six indoor tennis courts.

The larger facility design would not only meet current market needs, but also allow North Mankato to compete for regional tournaments and larger recreational events as a regional sports tourism destination — particularly for weekend basketball and volleyball tournaments.

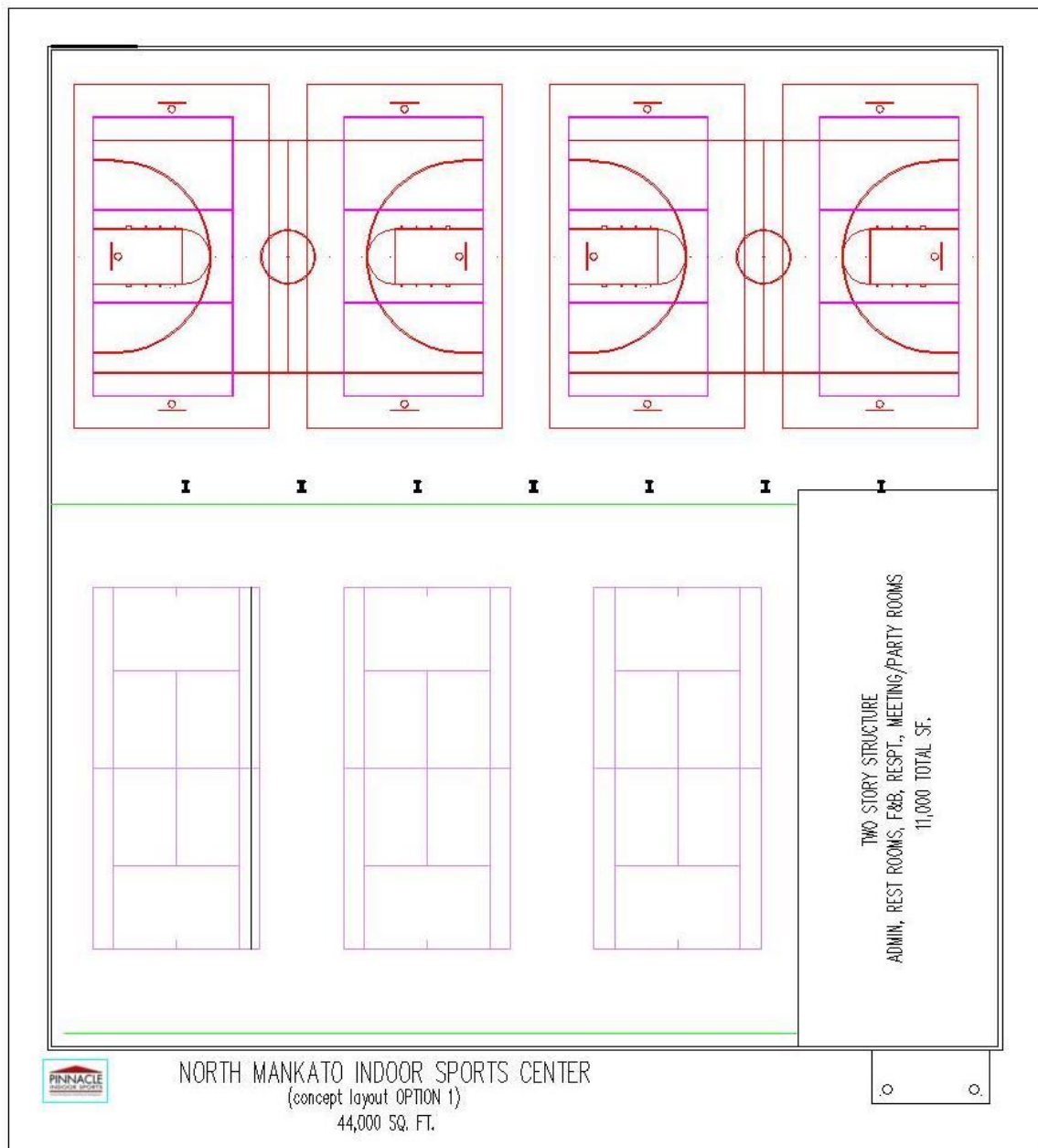
It should be noted that there is not an appreciable difference in the ongoing operating costs of the two options.

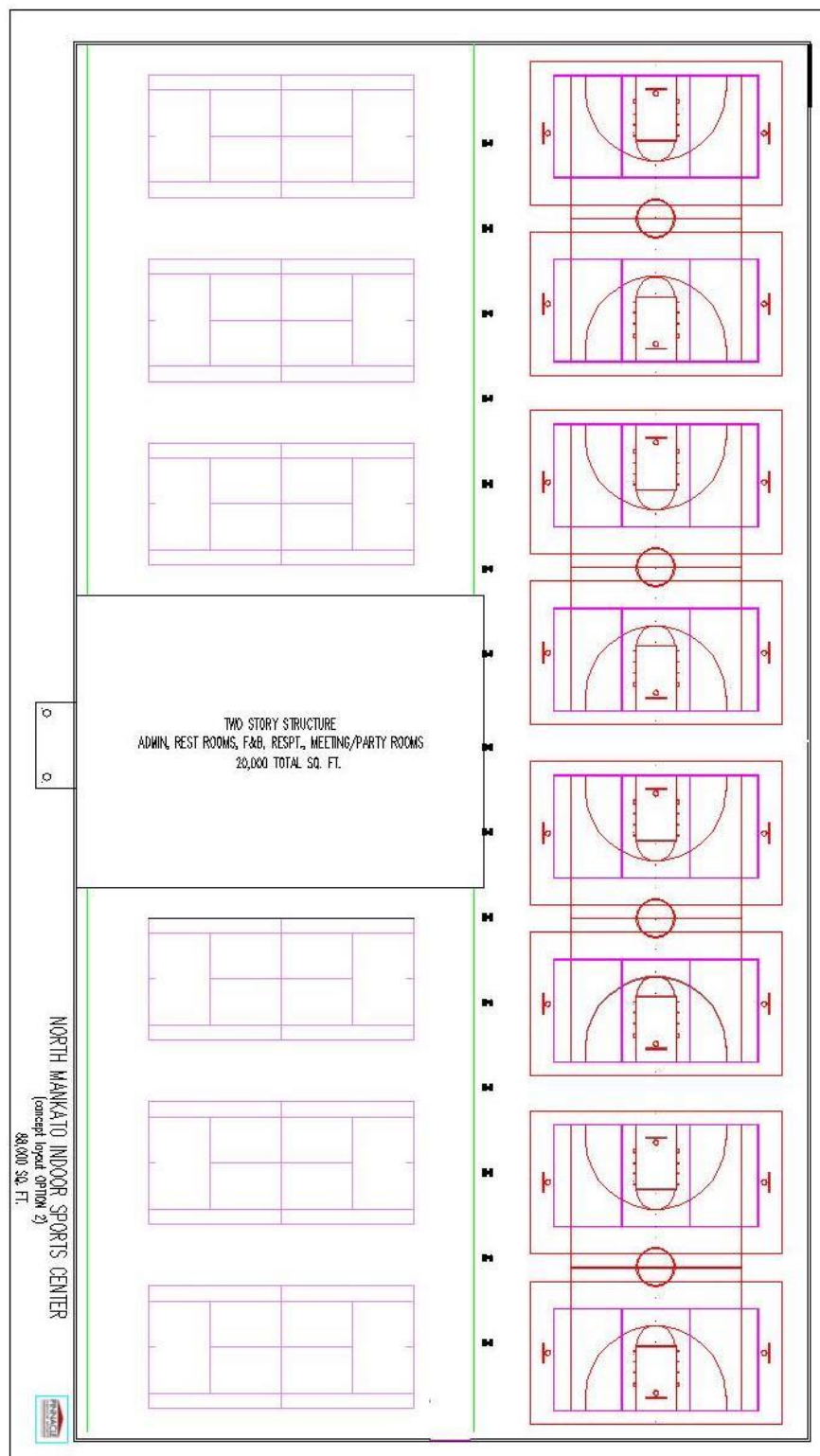
For proposed floor plan configurations and sports utilization examples featuring both options, see proposed floor plans on pages 8 and 9.

For more information, see the attached “Exhibit I—Selected Interview Notes” and “Exhibit II— Existing Facility Competition.”

Next Step

Pinnacle recommends additional community discussions regarding public preference for either a 44,000-square-foot or 88,000-square-foot facility.

Recommended Proposed Floor Plan (44,000 square feet)

Recommended Proposed Floor Plan (88,000 square feet)

Study Overview

As referenced in the Executive Summary, Pinnacle was commissioned to assess the feasibility of building an indoor multipurpose sports facility in the North Mankato, MN, market. Pinnacle's charge was to determine the feasibility of an appropriately designed sports facility with the following goals:

1. Provide an evaluation of potential demand and market support for an indoor sports development
2. Recommend the most beneficial programming mix to balance the largest number of participants and highest revenue generation for the facility
3. Provide design specifications for the right-size facility according to the estimated utilization projections that would put it ahead of local and regional competition.

Assumptions

The conclusions and recommendations of the study are based on the following assumptions:

1. That information received from sources, including other facilities, is accurate and complete.
2. That the supply of these types of facilities in the local and regional market area will not differ significantly from what already exists in the area today.
3. That the general national, state and regional economic outlook will not change markedly.
4. If a facility is developed, it will be of the highest quality, using state-of-the-art equipment, imaginative design and be properly capitalized.
5. If a facility is developed, competent and professional management will operate and market the facility.



The study and resulting recommendations were conducted by Pinnacle Indoor Sports — a leader in the development of sports complexes and recreational facilities in the United States. Pinnacle was founded in 2000 by experienced sports center owners and operators Steve Michener and Norm Gill to respond to the demand for professional planning and financial and management services in the indoor sports facility market. During the past 19 years, Pinnacle has provided sports complex planning, funding support, development, design and construction management, and operational services to more than 300 communities.



Research

Pinnacle Partner Sam Migliano conducted telephone and email interviews with individuals representing various organizations in North Mankato to assess the local and regional sports markets as they relate to development of a proposed indoor facility.

Research conducted for this study included interviews with the following groups:

- Apple Valley Volleyball
- ARJO (Volleyball)
- Belle Plaine Juniors (Volleyball)
- Bethany Lutheran College
- D1 Minnesota (Basketball)
- Greater Mankato Community Tennis Association
- Mankato Area Girls Fastpitch Association
- Mankato Area Pickleball Association
- Mankato Area Public Schools - Mankato West
- Mankato Basketball Association
- Mankato Family YMCA
- Mankato United Soccer Club
- Minnesota Attack Volleyball
- Minnesota Comets (Basketball)
- Minnesota Heat Basketball
- Minnesota Rise (Basketball)
- Minnesota State University, Mankato
- Minnesota Youth Soccer Association
- St. Peter Youth Basketball Association
- USA Volleyball - North Country Region
- Visit Mankato (including Sports Commission + Greater Mankato Growth)
- Waseca Basketball Association

A review of the area's existing facilities also was conducted. Additionally, Pinnacle performed a demographics analysis of the market and compared it to other markets with successful privately financed indoor sports facilities. Finally, a review of national, regional and local sports organization participation rates and trends was undertaken.



The Centre
State College, PA

Methodology

The methodology employed by Pinnacle in conducting this market feasibility study includes a review of quantitative and qualitative data from local and regional sources.

Quantitative Data

This review includes a search of primary and secondary sources to define the North Mankato market relative to the stated objectives and provide lines of inquiry for the next stage of qualitative research.

Specifically, the quantitative research phase gathered information on local, regional and national usage of indoor venues by sports and recreation groups, as well as a demographic study of the defined market.

Additional data gathered provides indications regarding local and regional sports activity trends. The quantitative research provides the following information:

- Regional and local trends in sports participation by targeted sports and activities
- Trends in size and type of indoor facilities by targeted sports in similar communities
- Disposable income/recreational spending patterns by local user groups

Research began within the North Mankato area, examining current recreational sports user groups, as well as sports organizations in the extended market outside the immediate area. The information obtained allowed for assessment of the area's sports venue needs and projected participation patterns of each group.

A wider regional data search using Internet sources, industry websites and publications, and personal contacts was included to evaluate the potential regional draw for special events such as tournaments and other activities. Regional sports and recreation groups were identified and inventoried based on the organizations' number of participants, current activities, facility utilization and participation statistics.

The local and regional demographics were analyzed using the most recent data from Environics Analytics, based on U.S. Census Bureau data (see "Attachment — Detailed Demographics Reports" for background).

Qualitative Data

Qualitative data research seeks to provide information beyond facts, such as personal descriptions/observations, user group intentions and industry trends gathered via personal interaction with potential user groups/area insiders. Focused research was used to explore and understand the real need for (and potential users of) a new facility. The qualitative research phase probed the following:

1. What user groups would benefit from a new indoor sports/recreation facility?
2. What sports and activities do the potential user groups represent?
3. What utilization rate (number of hours) is desired by identified user groups?
4. What time parameters (hours of day, days of week, times of year) are most desired by user groups for facility usage?
5. What types of venues are needed (hard courts, turf)?
6. What size venue is desired/needed by the identified user groups?

To better identify these needs, Pinnacle interviewed the following groups:

Group 1: Local government staff

Group 2: Local and regional sports association representatives

Group 3: Operators of existing sports/recreation facilities

Group 4: Educational leaders and professionals

Group 5: Nonprofit organizations

Pinnacle's approach to researching groups was via telephone interviews and e-mail interviews. Pinnacle introduced the purpose of the study and sought comments on personal, organizational and community needs for the proposed facility as these groups saw them (see "Exhibit I—Selected Interview Notes").

During the interviews, Pinnacle identified potential proponent groups and determined which ones might have interest and financial capability to play a significant project role.

Senior and junior staff members participated in the collection and analysis of quantitative and qualitative data.

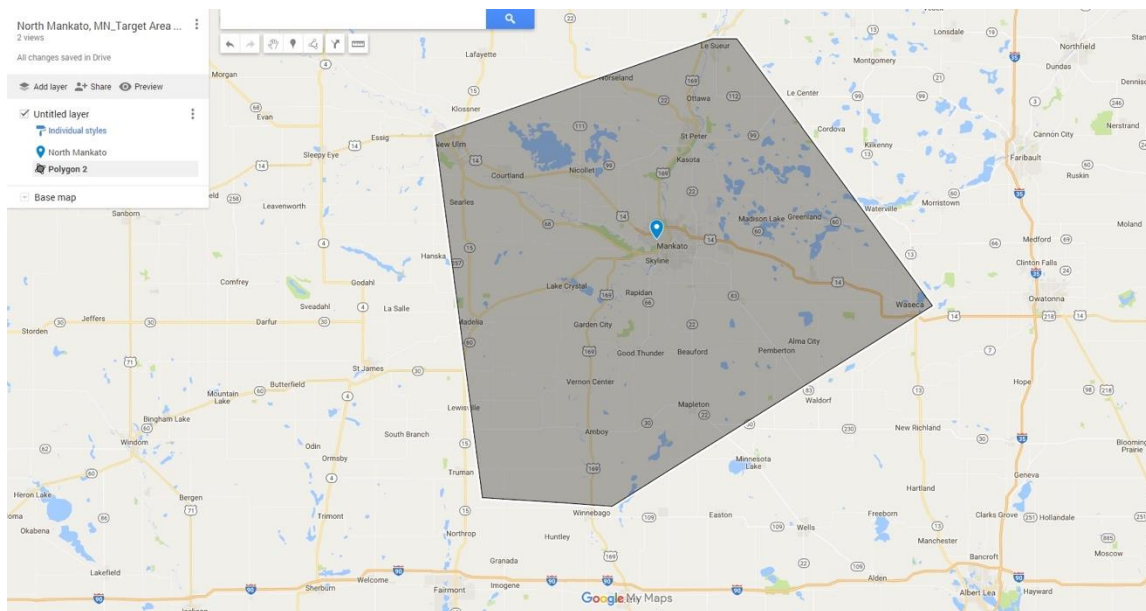
Performance Steps to Assess Feasibility

In order to project the financial performance of the facility, Pinnacle Indoor Sports took three internal steps to assess feasibility. Those steps were:

1. Interview the client to understand the vision and goals.
2. Identify areas in which residents are underserved, based on needs and habits.
3. Analyze existing regional service providers and events to identify areas of opportunities to attract traffic from outside the immediate market area.

Market Area Description

For the purpose of this report, the local market area is defined as an area surrounding Mankato (see map below). Certain activities at a new indoor sports facility — including tournaments, clinics and camps — would likely draw from a broader area throughout the southern Minnesota region. Weekly programming, on the other hand, would draw from a more localized area.



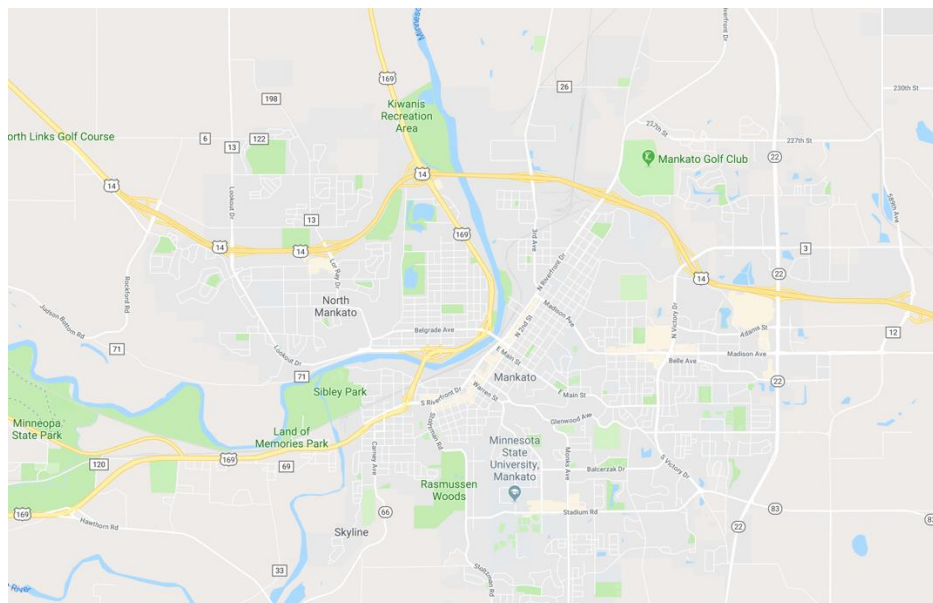
North Mankato, located in Blue Earth and Nicollet Counties in south-central Minnesota, is about a 90-minute drive from Minneapolis/St. Paul. The Minnesota River separates North Mankato from Mankato to the south, and North Mankato is the smaller of the two cities.

Climate

Average temperatures in North Mankato range from a low of 3 degrees Fahrenheit in January to a high of 82 degrees Fahrenheit in July. The city receives an annual average of 31 inches of rain and 39 inches of snow (compared to the U.S. average of 39 inches of rain and 26 inches of snow per year). The number of sunny days per year is 195; the U.S. averages 205 sunny days per year. North Mankato's harsh weather — which can include wind chill factors in the negative digits — often wreak havoc on outdoor sports, especially those with spring seasons.

Transportation

Although many roads lead to North Mankato, U.S Highways 14 and 169 are the two main routes in and out of the city.



Travel

Travel distances to North Mankato from major communities in the area with substantial sports organizations close enough to visit for tournaments or other events include:

<u>City</u>	<u>Distance</u>	<u>City</u>	<u>Distance</u>
Bloomington, MN	72 miles	Minneapolis, MN	83 miles
Rochester, MN	86 miles	St. Paul, MN	97 miles
St. Cloud, MN	108 miles	Mason City, IA	108 miles
Winona, MN	134 miles	Sioux Falls, SD	157 miles
Eau Claire, WI	175 miles	Sioux City, IA	191 miles

Employment

Among the largest employers in the Greater Mankato region are Mayo Clinic Health Systems, interactive print and marketing solutions giant Taylor Corp., and various educational institutions and government agencies.

Unemployment

The unemployment rate in the Mankato-North Mankato region hit a high of 7.1% in March 2010 and dropped to an eight-and-a-half-year low of 1.7% in October 2018. The latest unemployment figure available for the region is 1.7% (October 2018).

Demographic Market Analysis

General Population

The population in the designated market area (see map on page 13) was estimated to change from 142,079 to 146,881 between the 2010 U.S. Census and 2018, an increase of 3.4%. Over the next five years, the population of the designated market is projected to increase by another 2.7%.

By comparison, the U.S. population was expected to increase by 6.6% between 2010 and 2018. That population total is expected to increase by another 3.6% over the next five years.



The number of households in the market area was estimated to change from 54,463 to 57,440 between 2010 and 2018, an increase of 5.5%. Over the next five years, the number of households is projected to increase by another 3.4%.

By comparison, the number of households in the United States was estimated to increase by 7.1% between 2010 and 2018, and by another 3.7% over the next five years.

The size of the population base of the North Mankato market is in line with the population parameters of successful indoor sports facilities in other markets. The past and continued population growth in the area provides a margin of error as to the probability of a sufficient population to support an indoor sports facility.

Age Distribution

The 2018 median age in the North Mankato market is 35.5 years, while the 2018 average age is 38.5 years. In five years, the median age is projected to be 36.4 years.

By comparison, the median age in the United States in 2018 is 38.5, while the average age is 39.4. Five years from now, the U.S. median age is projected to remain at 39.5.

User statistics in other communities indicate that younger populations are more likely to participate in programs at indoor sports centers. That bodes well for a community such as North Mankato, where the population skews younger than the national average. Pinnacle anticipates widespread usage of a proposed indoor sports facility, based on a combination of age demographics, demand and local enthusiasm for this project.

Ethnic Diversity

Of the area's estimated 2018 population, 91.1% were White Alone; 3.1% were Black or African American Alone; 0.4% were American Indian and Alaska Native Alone; 1.7% were Asian Alone; 0.0% were Native Hawaiian and Other Pacific Islander Alone; 1.6% were Some Other Race; and 2.1% were Two or More Races.

Of the United States' estimated 2018 population, 69.8% were White Alone; 12.9% were Black or African American Alone; 1.0% were American Indian and Alaska Native Alone; 5.8% were Asian Alone; 0.2% are Native Hawaiian and Other Pacific Islander Alone; 6.9% were Some Other Race; and 3.5% are Two or More Races.

Education

An estimated 19.6% of the population over age 25 in the market has earned a Bachelor's Degree, 6.1% has earned a Master's Degree, 1.4% has earned a Professional School Degree and 1.7% has earned a Doctorate Degree.

In the United States, 19.2% of the population over age 25 has earned a Bachelor's Degree, 8.4% has earned a Master's Degree, 2.0% has earned a Professional School Degree and 1.4% has earned a Doctorate Degree.

**Income Statistics**

The average household income in the designated market is estimated to be \$77,962 in 2018, while the average household income for the United States is estimated to be \$89,646.

The average household income in the area is projected to increase over the next five years, to \$82,769, and the average household income in the United States is projected to increase to \$98,974 during the same time period.

**Primary Market Area Demographic Summary**

Taken collectively, North Mankato's demographics present a favorable case for the establishment of a new indoor sports facility in the market and suggest that such a facility would be successful, despite household incomes below the national average.

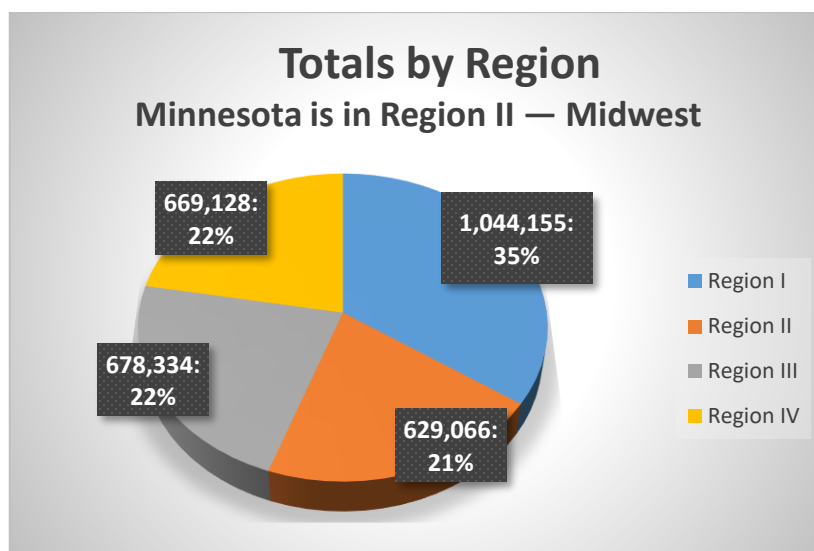
The Recreational/Competitive Sports Communities

Multiple sports communities exist within the target market study area. What follows is a synopsis of some of the major ones.

Soccer

Youth soccer in the United States is highly structured, with the majority of participants registered through the U.S affiliates of the sport's global governing body, Federation International de Futbol Association (FIFA). The United States Soccer Federation (USSF) delegates authority over youth soccer to the United States Youth Soccer Association (USYSA) and its member organizations. Formed in 1974 with 100,000 participants, USYSA now registers more than 3 million players between the ages of 5 and 19.

The USYSA affiliate for the target market area is the Minnesota Youth Soccer Association. The statewide organization boasts 52,000 youth players, with about 70 percent of them from the Twin Cities area. (About 8,000 players in Minnesota belong to the U.S. Adult Soccer Association.) The MYSA currently uses indoor sports facilities to host referee training, coaches' education and Olympic Development Program training.



Source: US Youth Soccer

Among the MYSA members in the North Mankato market is the Mankato United Soccer Club, which provides opportunities for 34 competitive teams (U9-U19) and 500 recreational players. Teams train at local school gymnasiums for a total of 100 hours in January and February, paying only \$5 per hour per court.



According to interviews with individuals associated with the Mankato United Soccer Club, indoor turf space in the market is limited, even with the pending opening of a dome turf facility at Mankato State University in late 2019. The club would be willing to consider a contractual arrangement to guarantee space and reduce the hourly cost of activities at a proposed new indoor facility.

Futsal and Adult Soccer

Futsal is in the early stages of development in the market, and the MYSA is looking for a facility with which to partner and provide futsal training and teams. Mankato United Soccer Club is interested in increasing futsal activity, too. Individuals associated with Futsal and the Adult Soccer League told Pinnacle there is reason to believe North

Mankato can be a regional draw for futsal tournaments.

Adult soccer also is popular but has room to grow. In fact, the North Mankato area may be an untapped market according to those associated with the sport.

See attached “Exhibit I — Selected Interview Notes” for more information on soccer.

Soccer Summary

Demand for an indoor soccer/futsal facility in the North Mankato market is high, and representatives of soccer organizations appear eager to begin leveraging the futsal opportunities an indoor soccer facility would provide.

Volleyball

USA Volleyball is the national governing body for competitive youth club volleyball in the United States, with more than 325,000 members and an estimated 5,300 junior clubs.

In the target area, the North Country Region is the local regional volleyball authority of USA Volleyball, overseeing programs for juniors and adults, with a large percentage of those members coming from the Minneapolis/St. Paul area. The Executive director of the North Country USA Volleyball told Pinnacle that the region would be interested in hosting officials' training, coaches' clinics and other events at a proposed facility in North Mankato, as well as partnering to host tournaments.



Minnesota Attack Volleyball, echoed USA Volleyball's comments and stated there is a need for an additional indoor facility in the area that caters to volleyball. Teams currently train at facilities operated by the Mankato School District, as well as at the St. Peter Community Center, Mankato State University and other area recreation centers. They utilize between eight and 10 volleyball courts for 12 hours per week from November through March, paying between \$30 and \$100 per hour per court.

Other area volleyball clubs Pinnacle interviewed — including ARJO, Apple Valley Volleyball and Belle Plaine Juniors — indicated they would travel to North Mankato to participate in tournaments at a proposed facility.

Adult/Sand Volleyball

Adult volleyball is popular in the market, with park and recreation departments among the entities that host indoor leagues. Sand volleyball is in the early stages of development, and interviews with the Executive Director of the North Country Region suggests that sand courts be part of a proposed facility's plans.

See attached "Exhibit I — Selected Interview Notes" for more information on volleyball.

Volleyball Summary

Although some of the area's competitive volleyball clubs train at other facilities, they say they need more space. Additionally, other clubs from outside the immediate North Mankato area say they would travel to a proposed facility to compete in tournaments. Such factors justify the inclusion of hard courts in this project.

Basketball

Basketball is one of the most popular participatory sports in the United States and is fast gaining popularity around the world. In the United States, the Amateur Athletic Union (AAU) is the largest organizing body for youth basketball — overseeing organizations in several sports, with almost 700,000 members and more than 150,000 volunteers.

In the target market, at least one team is affiliated with AAU: The Minnesota Rise, which uses local school gymnasiums and pays between \$10 and \$15 per hour per court. Meanwhile, Mankato Basketball Association teams (which are not part of AAU) train at local schools in Mankato and occasionally the recreation center in Lake Crystal. They utilize eight to 12 courts from late October to early March for 75 hours per week; the fee is \$7.50 per hour per court on weekdays and \$25 per hour per court on weekends.



Representatives from both clubs also said they would consider a contractual arrangement to guarantee space and reduce the hourly cost of activities in a proposed new facility. So would the St. Peter Youth Basketball Association. A proposed facility would be a major asset to the Greater Mankato area — even though St Peter league teams currently practice for free at local high school gyms.

Other organizations, such as the independent Waseca Basketball Association, also train at local high schools and pay only \$2 per hour per court. Representatives from those teams said they would travel to North Mankato for tournaments.

Pinnacle also interviewed D1 Minnesota, whose director indicated teams would travel to North Mankato for tournaments only if D1 Minnesota were running the tournaments. Minnesota Heat also indicated the club would possibly participate in tournaments at a proposed facility in North Mankato. On the other hand, representatives from the Minnesota Comets said a two-hour-and-15-minute drive to North Mankato likely would be too far for players to travel.

Adult Basketball

Adult basketball is popular in the market, with multiple independent leagues offered.

See attached “Exhibit I—Selected Interview Notes” for more information on basketball.

Basketball Summary

The space needs for competitive, recreational and instructional youth basketball in the market — as well as additional outlets for adult basketball — justify the inclusion of hard courts in this project.

Tennis

Tennis, generally speaking, is a very individual sport, overseen by the United States Tennis Association (USTA) and regional organizations.

In the market area, the local organization is the Greater Mankato Community Tennis Association, which hosts youth, high school and adult tournaments. Representatives from those organizations told Pinnacle that there are about 150 high school tennis players in the market and as many as 400 youth players. He also said that, although an indoor tennis facility in Mankato closed in 2010, Gustavus Adolphus College allows groups to rent its indoor courts for tournaments.



Still, representatives from the Tennis association suggest the market could handle another seven or eight indoor courts for regular usage. To that end, a local resident has verbally committed to donating land for the association to build a new indoor tennis facility for year-round use.

Despite that prospect, the association suggested they would consider partnering with a proposed indoor facility that included tennis programming for tournaments, indoor leagues, court rentals, camps and clinics.

Additionally, the USTA has an established history in the Greater Mankato area, having provided some of the \$70,000 in funding for resurfacing/reconstruction projects for tennis courts at Mankato East and Mankato West high schools a few years ago.

A 2015 report (attached to the end of this report) prepared by the Greater Mankato Tennis Community Association outlined the organization's proposal for an indoor/outdoor "tennis facility hub" and cited competitive imbalances for Greater Mankato area high school tennis teams because the region lacks a quality indoor tennis facility. The report also projected that a new indoor tennis facility would significantly increase participation numbers among college and adult players in the market.

Admittedly, the indoor tennis segment of a multipurpose indoor sports facility can be challenging, but with effective programming strategies that cater to an active tennis community, a new facility in the North Mankato region likely would generate significant usage — especially between Labor Day and mid-May.

Adult Tennis

Outdoor adult tennis is popular in the market, but the GMTCA says no adult tournaments are available in the area, and a proposed new facility could change that. See attached “Exhibit I — Selected Interview Notes” for more information on tennis.

Tennis Summary

Tennis in the North Mankato market is healthy, as evidenced by the Tennis association’s contention that additional indoor playing space is needed beyond that which it plans to develop on its own. A proposed indoor multipurpose facility that includes a tennis component would allow for potential expansion of the local tennis market.

Pickleball

Pickleball, a hybrid of tennis, badminton and ping-pong, is considered one of the fastest-growing sports in the United States, with at least 2.5 million players (including many older adults.)

The sport’s popularity has been a long time coming. With a history dating back to 1965, pickleball most likely began when, according to the USA Pickleball Association website, “Joel Pritchard, [a] congressman from Washington state, and Bill Bell, [a] successful businessman, returned to Pritchard’s home on Bainbridge Island, Wash. (near Seattle), to find their families sitting around with nothing to do. The property had an old badminton court, so Pritchard and Bell looked for some badminton equipment and could not find a full set of rackets. They improvised and started playing with ping-pong paddles and a perforated plastic ball.”



Played indoors or outdoors with a paddle and a plastic ball, the court is the same size as a doubles badminton court, 20 by 44 feet. (The same pickleball court is used for both singles and doubles play.) The court is striped similar to a tennis court with left and right service courts, but there is a 7-foot zone in front of the net, called the “kitchen,” from which players are not allowed to volley.

Most games can be played within 20 minutes, and the social aspect is a key element of the game.

The USA Pickleball Association (USAPA), headquartered in Surprise, AZ, boasts about 30,000 members. In the Mankato area, there are about 170 members of the Mankato Area Pickleball Association — about 70 percent of which are retired adults. Players participate year-round, with the indoor season running from mid-September to April on basketball courts at the YMCA and school gymnasiums. Access to those facilities is limited, though, according to representatives of the association, and they believe there is a need for a new indoor sports facility that includes a pickleball component.

Interviews with local Pickleball representatives indicated to Pinnacle that the association not only would consider a contractual arrangement with a proposed indoor facility to guarantee space and reduce the hourly cost of activities, but it also would be interested in hosting tournaments at the venue. Additionally, the association would consider using the facility on a regular pay-as-you-play basis, occupying it from 8:30 to 11 a.m. every Monday through Friday from mid-September to May.

See attached “Exhibit I — Selected Interview Notes” for more information on pickleball.

Pickleball Summary

While Pickleball’s popularity is increasing, it is still considered an emerging sport. However, the sport’s ability to share programming space with tennis in an efficiently operated indoor space would fill daytime hours and possibly result in tournaments.

Softball

The number of softball players in the United States fluctuated between 9.4 million and 12.5 million between 2006 and 2017.

North Mankato's Caswell Park has a strong reputation and is a recognized destination for softball tournaments. Regarding indoor training space, the Mankato Area Girls



Fastpitch Association (with about 450 participants) has a three-year agreement with a hard-courts facility for use during the winter months, paying \$25 per hour. While that facility satisfies the club's training needs, Representatives from the Association said they would prefer an indoor turf facility be built in the Greater Mankato area.

See attached "Exhibit I — Selected Interview Notes" for more information on softball.

Adult Softball

Adult softball grew quickly, but participation numbers have flattened in recent years.

Softball Summary

The need for an additional indoor turf space for softball training is not great enough to justify the inclusion of turf in a proposed facility. That said, the installation of indoor batting cages and/or pitching lanes at a proposed indoor multipurpose facility could help diversify programming and attract new user groups.

High School Sports Trends

Potential demand associated with any indoor multipurpose sports facility is somewhat dependent on the attributes of the industry as a whole, as well as specific target market segments. This section outlines key high school sports trends that may impact operation of a new multipurpose sports facility.

The following information is from the 2017-18 High School Athletics Participation Survey, conducted by the National Federation of State High School Associations (NFHS).

The number of participants in high school sports increased for the 29th consecutive year in 2017-18, reaching an all-time high of 7.98 million — an increase of 17,351 from the previous year. This data is based on figures from the 51 NFHS member state high school associations, which includes the District of Columbia.

Minnesota ranks No. 10 in total high school sports participation (240,433 boys & girls).

Sports participation by boys and girls each hit record highs, with 4,565,580 boys and 3,415,306 girls.

Here are the top 10 boys' sports for the 2017-18 school year:

- | | |
|----------------------------|-------------------------|
| 1. Football | 6. Cross Country |
| 2. Outdoor Track and Field | 7. Wrestling |
| 3. Basketball | 8. Tennis |
| 4. Baseball | 9. Golf |
| 5. Soccer | 10. Swimming and Diving |

Here are the top 10 girls' sports for the 2017-18 school year:

- | | |
|----------------------------|------------------------|
| 1. Outdoor Track and Field | 6. Cross Country |
| 2. Volleyball | 7. Tennis |
| 3. Basketball | 8. Swimming and Diving |
| 4. Soccer | 9. Competitive Spirit |
| 5. Fast-Pitch Softball | 10. Lacrosse |

Ancillary Revenue Opportunities

Due to the nature of the sports and recreation business, a large number of spectators and sports participants regularly frequent a multipurpose indoor sports facility. This leads to a number of ancillary revenue opportunities that should be explored. They include:

- Sports Performance Training
- Food Service
- Parties
- Facility Rentals
- Retail
- Youth Development Programs
- Corporate Partnerships

Sports Performance Training

Many of the individuals interviewed for this report indicated a desire to see new sports performance training opportunities, and they say their players would consistently use such a facility.



Pinnacle-developed facility

Sports performance training can be implemented and overseen by hired staff in-house, in partnership with an area orthopedic or sports performance medical group or performance trainer, or simply via an independent group leasing space within a facility to carry out this type of activity.

As with any business model, a successful sports performance training facility requires proper management and marketing, as well as consideration of partnerships or franchise opportunities.

Food Service

Food service in sports centers has traditionally been in the form of a small concessions stand and/or vending area. Successful operators know that captive audiences can make for profitable food service operations if done correctly. Hot food options should be offered, along with fountain beverages (which are much less expensive to carry than bottles or cans). Additionally, a strict no carry-in policy should be enforced from Day One. The only exceptions to this policy can be for water bottles and/or private rentals that require more food service options, such as buffet or plate dinners, than are available through current facility offerings.

A proactive marketing campaign also should be employed to package food into “meals” and to offer coupons to current participants as part of a membership program or to include certain food or beverage items with tournament or party packages for groups.

Parties

Birthday, team, school and corporate parties are strong sources of income for any indoor sports center. Parties should be offered in “packages” to help users create the experience they are looking for while helping the facility ensure maximum revenue. In general, parties can be considered facility rental income, as the party customers primarily utilize facility time when conducting their parties.



Pinnacle-developed facility

In addition, opportunities exist to include food and beverage items, party decorations, gifts, staff (party supervisors and on-field attendants), equipment rentals and more — all at a mark-up for extra revenue. Local companies (bakeries, pizza places and party-supply businesses) should be considered for partnership opportunities for parties, similar to food-service partnerships.

Meeting rooms and field space can be used to host parties; specific party rooms are not needed unless a facility has the space available and parties become a much larger portion of total revenue. Parties are a significant source of revenue that should not be overlooked.

Facility Rentals

Traditionally, sports facility rentals are considered only by sports organizations. Additional revenue opportunities, however, also exist via non-sports businesses and organizations looking for open spaces to host staff outings, corporate get-togethers and team-building sessions, or even small expos and trade shows.



Pinnacle-developed facility

Meeting rooms should be designed with sufficient electrical needs for multiple computers and can include built-in overhead projectors, white boards, blackout curtains for windows or doors, and Wi-Fi to ensure that any meeting can be held with ease. Additionally, the facility should be designed with at least one large (14-foot) overhead door, the ability to remove boards on court or turf surfaces as needed for the entrance of large vehicles and equipment, sufficient electrical (in some cases panels that drop from the ceiling), sufficient building egress and air exchange capabilities.

Retail

Retail components can be another source of revenue for indoor sports facilities. Past experience in owning and operating indoor sports facilities has shown that the best retail opportunities are those in which an already established local business leases space from the sports center as a satellite store to their main business.

Pinnacle does not recommend the inclusion of an in-house retail component, opting instead to contact existing retail sports stores to see if any of them would be interested in dedicated space to accommodate an existing or expansion location.

Once a new facility becomes more fully established, a line of apparel could be offered as part of the membership offerings (free T-shirt when signing up, for example) and sold on a limited basis for additional community marketing through the facility's front desk component.

Youth Development Programs and Summer Camps

Daytime programming opportunities for ages 1 to 5 will be an attraction for young families to join the facility and sign up for other activities as children get older.

Similar programs at other facilities have included open playtime, "mommy and me" classes, homeschool association rentals, senior programming and special events.



Pinnacle-developed facility

Additionally, daycare centers, preschools and school groups should be solicited for facility rentals during weekday time slots between 7 a.m. and 3 p.m. These groups also help build the facility's database (via participant insurance waiver forms) for future youth program marketing.

During the summer months, general summer camps (and separate sports-specific camps) can be held during weekday daytime hours for children too old for daycare but not yet old enough to stay home alone. General summer camps with field trips, arts and craft activities, and a variety of sports experiences can provide a significant source of income during the summer months, as can sports-specific camps and training opportunities.

Corporate Partnerships

Corporate marketing partnerships, sponsorships and more modest advertising arrangements for outside businesses normally provide significant revenue that can be in place by opening day, thereby providing critical cash flow as a new facility grows to capacity. That being said, this is the one area of the indoor sports industry that experienced a downturn during the recent Great Recession. Although revenues are not what they once were, interest is returning, and this remains a very viable source of significant high-margin revenue that is often overlooked.

Past experience has shown that commercial arrangements with local businesses in the fields of medical services, auto dealerships, financial institutions, soft drinks and beer, pizza, cellular phones and sporting goods all are prime prospects in competitive situations. Industries catering to new home construction and existing homeowners also generate above-average partnership revenues. Related businesses such as real estate professionals, relocation companies, home-security providers, landscapers and furniture stores are prime prospects, as well.



Pinnacle-developed facility

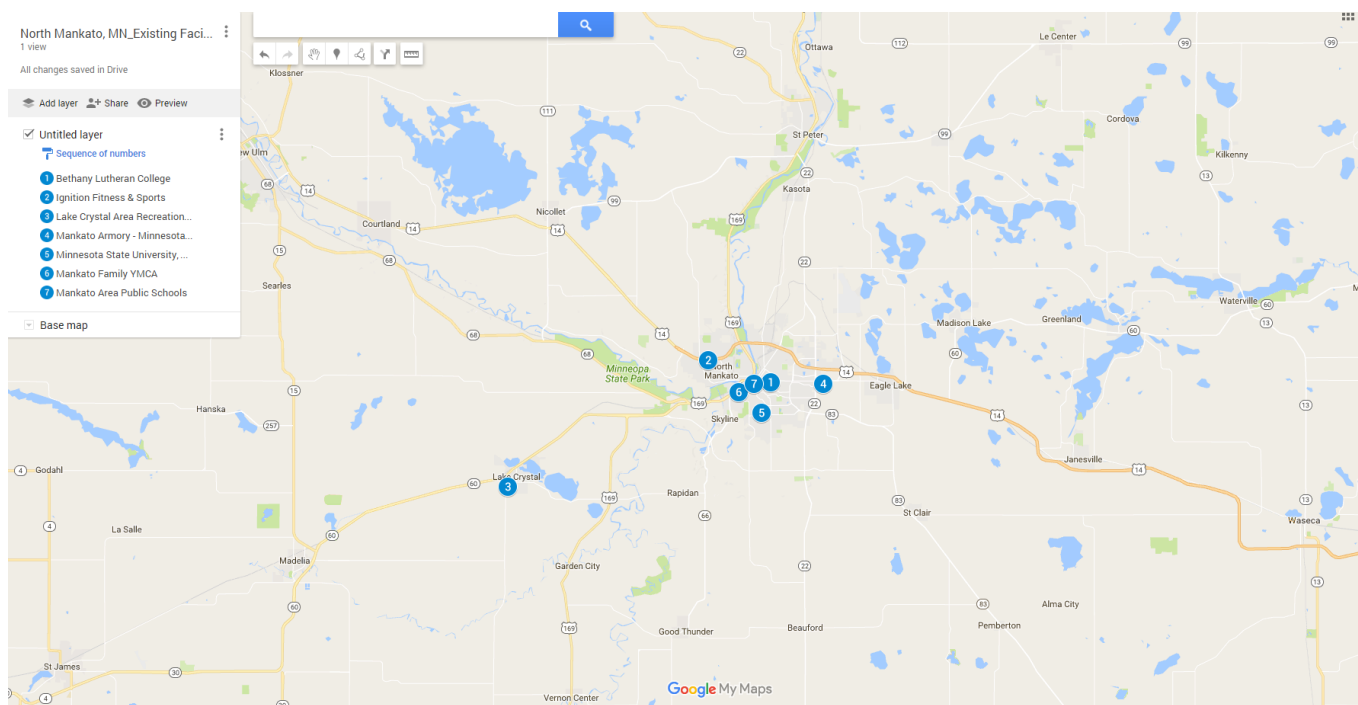
Competition

At least three multipurpose indoor sports facility developments are in the works in the North Mankato market, but two of them target turf sports and/or track and field. Mankato State University plans to open an indoor turf bubble by October 2019, and Bethany Lutheran College is considering construction of an indoor turf and 200-meter track facility/fieldhouse.

Mankato Family YMCA, meanwhile, plans to begin a capital funding campaign in November 2019 for a new facility that could include indoor tennis courts, basketball courts and a 12-lane indoor pool. That project, should it receive the green light, would happen after the design and construction of the City of North Mankato’s proposed indoor facility, giving the recommended project a leg up on any increased competition.

Several Mankato-area sports groups already use indoor gymnasiums at local high schools to meet their indoor sports needs, paying reasonable fees with which the city would have to compete. The proposed facility also would need to provide outstanding service and amenities previously unavailable in the market to make it even more appealing to various user groups.

For complete descriptions of the existing sports facilities in the North Mankato market study area, see the attached “Exhibit II— Existing Facility Competition.”



SWOT Analysis

Through multiple meetings/interviews; a site visit; demographic research; competition and sports asset analysis; tours of competing facilities; and other market research; Pinnacle identified a range of market characteristics and priorities. The primary driver throughout this process was to analyze the potential for a new multipurpose indoor sports recreation facility in the North Mankato, MN, market.

The following is a summary of some key attributes and advantages and potential and existing challenges:

S**Strengths**

- Baseball, softball, soccer and basketball are popular sports in the area
- North Mankato is located relatively close to major highways and/or roadway access
- Population growth in the Greater Mankato market

W**Weaknesses**

- Average household income is below the national average.
- Low price points for indoor facilities via local recreation facilities and schools.

O**Opportunities**

- Strategic alliances/partnerships with local sports organizations
- Excess demand for market-priced court facilities
- Some current indoor facilities rank average to below-average in quality
- Opportunity for extended indoor programming, due to long winters

T**Threats**

- Number of competing facilities in the market
- Other private and/or public sports leagues or programming offered in the market
- Proposed development of new facilities

Contributors to Project Success

Pinnacle identified multiple factors that are potential contributors to project success. Their impact will be quantified in the full financial forecast. These factors include:

- ***Destination Appeal:*** One of the primary factors in attracting programming, tournaments and participants is the appeal of the destination/location.
- ***Public Support:*** Successful public or private facilities begin with key institutional alliances that allow for a high level of support throughout the planning, zoning, construction and ongoing operations processes. There has been a positive response to the project from several key organizations in the local market.
- ***Sports Participation:*** The majority of user groups in the local market displayed enthusiasm for the project.
- ***Market and Demographics:*** The North Mankato market is attractive in terms of population size and age, and it boasts strong sports communities. A proposed facility likely would capitalize on interest and participation as soon as it opens.

Challenges to Project Success

As is the case with many new developments, obstacles must be overcome to create and maintain an economically viable and financially sustainable facility. They are outlined below:

- **Cost to Operate:** As indicated in the financial model provided, there is an ongoing cost to operate an indoor sports facility.
- **Balance of Tournaments vs. Local Programming:** Although there will be limited instances in which local programming competes for time and space, an indoor facility also will fill a local void. Facility management must be clear in its scheduling and messaging, ensuring local users are aware of tournament/event plans and do not expect access when the facility is programmed for the purposes of boosting economic impact.
- **Market Rates:** In order to mitigate the need for ongoing subsidization or financial loss, the operations team must charge full market rate for space.
- **Current Market Amenities:** Some of the market's existing amenities have solid reputations. Additionally, as previously noted, the Mankato Family YMCA is exploring expansion, and Mankato State University plans to open an indoor turf facility by October 2019. Bethany Lutheran College also is considering the addition of an indoor turf facility and fieldhouse. In order to enter the North Mankato market, city officials must be confident in the facility's ability to generate income that meets expectations.

Snapshot: Possible Operating Model

Scope	Includes
Geographic Service Area	North Mankato, MN
Members and Program Participants Served	Athletes (High School) Youth & Teens Adults & Families
Funding/Revenue Sources	Youth & Adult Leagues Youth & Adult Tournaments Adult Sports Sports Performance Training Youth Programing Special Events & Instructional Clinics Summer & Sports Camps Drop-in Play Private & Group Lessons Facility Rentals Food & Beverage Marketing Partners Memberships

Facility Competitor Analysis

Direct Competitor	Substitutable Competitor	Resource Competitor
<ul style="list-style-type: none"> Private indoor sports facilities 	<ul style="list-style-type: none"> Club teams with training facilities Sports performance facilities with turf or court venues Baseball/softball indoor training facilities 	<ul style="list-style-type: none"> Local Schools/Institutions Local Churches & Youth Organizations Parks and Recreation YMCA

Trends Analysis

Types of Trends	Direction of Trend	Comments
Social needs or demands for programs or services	Needs or demands are: (x) Increasing	<ul style="list-style-type: none"> Economic Issues – income disparity Aging population in community
Other trends impacting your community/market		<ul style="list-style-type: none"> Competition from school/community centers for sports/afterschool programs Quality of indoor turf/court venues City population increasing annually

Strategic Market Review

Pinnacle reviews the quantitative and qualitative market research according to historical case studies and then provides an internal grading system using the following criteria:

1=lowest / 5=highest

Focus Criteria	1	2	3	4	5
Vision/Mission <input type="checkbox"/> Supports the client's vision/mission.				x	
Strategic Advantages <input type="checkbox"/> Opportunities for collaborative strategic partnership(s). <input type="checkbox"/> Improves the market position. <input type="checkbox"/> Break even or produce a profit/surplus within 3 years. <input type="checkbox"/> Demonstrates a community benefit. <input type="checkbox"/> Maintains a mix of programs which profits/surplus or breakeven within 2 years. <input type="checkbox"/> Local and/or state political office positive about the project. <input type="checkbox"/> Local user groups would utilize a new indoor sports facility.			x x x	x x	x
Financial Viability <input type="checkbox"/> Appears to make financial sense. <input type="checkbox"/> Estimates of measurable outcomes are available to input in the pro forma financial projections. <input type="checkbox"/> A real need exists with a sense of urgency.			x x	x	
Geographical and Customer Scope <input type="checkbox"/> Will not interfere the service area of other competitors/existing facilities. <input type="checkbox"/> Area provides a welcoming, positive, safe and approachable environment. <input type="checkbox"/> Geographic reach; strong. Demonstrate analysis of unmet needs and underserved groups within the service area.		x	x		x
Positioning in the market place as a Leader or Collaborator <input type="checkbox"/> Demonstrate opportunity for strategic partnerships.				x	

Exhibit I: Selected Interview Notes

North Mankato, MN

Baseball/Softball

- Mankato Area Girls Fastpitch Association

Basketball

- D1 Minnesota
- Mankato Basketball Association
- Minnesota Rise
- Minnesota Heat Basketball
- Minnesota Comets
- St. Peter Youth Basketball Association
- Waseca Basketball Association

Soccer

- Minnesota Youth Soccer Association
- Mankato United Soccer Club

Tennis & Pickleball

- Greater Mankato Community Tennis Association
- Mankato Area Pickleball Association

Volleyball

- ARJOApple Valley Volleyball
- Belle Plaine Juniors
- Minnesota Attack Volleyball
- USA Volleyball - North Country Region

Other

- Bethany Lutheran College
- Mankato Family YMCA
- Mankato Area Public Schools
- Minnesota State University, Mankato
- Visit Mankato

BASEBALL/SOFTBALL

Mankato Area Girls Fastpitch Association

- There are numerous hard-court locations in the market, but many are very busy during the winter months
- Depending on the type of facility, the proposed development could be a nice addition to the market. Usage costs would be a concern, but adding court space is a good thing for the area
- Availability of indoor space is tight. The club spent two or three months in late 2017 looking for a space for winter training use and found a solid option for three years
- Season is mostly year-round. October and November are the only months during which there are not training or games
- About 450 kids participate in the club
- The club utilizes a gym, and rental fees are \$25 per hour. Additionally, the club has donated resources to improve the space, as the club believes the rental fee is reasonable and wants to help the current owner make improvements (such as better lighting and potentially repainting the space)
- The gym meets most of the club's needs, but there is desire for a dome that could host games during the winter months
- The finance chair thinks more dome-based facilities are needed in the area than hard-court facilities
- Amenities desired at a proposed facility would be 2-3 batting cages, 3-4 pitching lanes, locker rooms, good restrooms, pitching mats, and catching and hitting mats; it also would be nice to see some additional training equipment for strength, speed and agility training
- There is a need for sports performance training
- Adult softball used to be very popular in the market, but youth sports have become the priority for many adults in the market

BASKETBALL

D1 Minnesota

- The club would travel to North Mankato for tournaments, but only if the club were running the event

Mankato Basketball Association

- There are between 270 and 305 players in the club, ages 9-14. About 66% are boys and 33% are girls
- Cost per player is \$250 per year
- This is a competitive program
- Other clubs in the market are St. Peters, Waseca, La Sueur and Lake Crystal. AAU clubs are Minnesota Rise and Minnesota Ice

- Season is October-March; AAU season is April-July
- The YMCA offers a recreational basketball program targeted for kids in grades K-6
- The club has no affiliation with a program such as AAU or USA Basketball
- Teams train at local schools in Mankato and occasionally utilize the recreation center in Lake Crystal. They utilize 8-12 courts from end of October to early March for 75 hours per week for all courts and pay \$7.50 per hour per court on weekdays and \$25 per hour per court on weekends
- Teams do not participate in leagues, only tournaments
- Teams participate in 5-9 tournaments per year. Entry fees are \$175-\$350 per team for 3 games guaranteed. Events are non-sanctioned, and teams travel within a 2-hour driving distance
- What would it take to move training regimens to a proposed facility? Availability and cost
- Availability of indoor space in the market is limited
- The president does believe there is a need for an additional indoor sports facility in the market for the sport, because several groups are competing for gym space for such sports as soccer, volleyball and pickleball
- Courts are available in the market at schools, colleges and the YMCA
- Ideal configuration of a new facility to maximize participation would be:
 - Field/Court Size: 3-4 high school regulation basketball courts
 - Preferred Flooring: Wood or Sport Court
 - Unacceptable Size and Flooring: Anything less than above and, in terms of flooring, tile or cement
 - Other Amenities Desired: Locker rooms, bathrooms, concessions and a scoreboard
- Indoor activities the organization would likely participate in at a new facility:
 - Leagues: Yes, 15-20 teams
 - Rentals: Yes, 6-20 hours per week from late October to early March; the club would have funds to rent the facility
 - Camps/Clinics: Yes, 150 players; club would promote the activities
 - Tournaments: Yes, 15-20 teams; club would like to host them
- The club does host a tournament utilizing 7 courts at Mankato State University, paying \$25 per hour per court
- Participation in adult basketball has decreased over the past 10 years. Adult leagues are held at the YMCA and Mankato Community Recreation Center
- The president believes there is a need for sports performance training in the market; about 25% of players would utilize the service
- The club would have a need for meeting space , a small office space and equipment storage at a proposed facility
- Impression of a proposed facility in the market is positive

- The club would consider a contractual arrangement to guarantee space and reduce the hourly cost of activities
- The president is not aware of any other indoor developments in the market
- Other sports that would impact usage of a new facility = soccer, softball/baseball, lacrosse and volleyball

Minnesota Rise

- The club is affiliated with AAU and Grassroots
- Tournament season is April-July, with the bulk of tournaments in April and May
- The club rents high school gyms for training/practices, but schools have first priority
- The club pays \$10-\$15 per hour per court
- The club does not need office space
- There are 20 teams in the club, which also hosts a multiple 3-on-3 leagues. The summer 3-on-3 league has about 50 teams; the fall league has 100+ teams
- The club is interested in starting up a spring tournament
- The coach also holds individual workout sessions and is looking for places to rent for those activities
- Teams would travel to the Mankato market for events
- The owner does believe there is a need for an additional indoor sports facility in the market for the sport, because of the lack of indoor gym space
- Ideal configuration of a new facility to maximize participation from the sport:
 - Field/Court Size: 3 high school regulation basketball courts
 - Other Amenities Desired: Scoreboards
- Indoor activities that the organization would likely participate in at a new facility:
 - Leagues: No, only participate in tournaments
 - Rentals: Yes, 30-50 hours per week from April-July and 10-15 hours per week from June-July
 - Camps/Clinics: Yes, 30 players; club would promote the activities
 - Tournaments: Club would be interested in hosting one tournament per year
- The club would consider a contractual arrangement to guarantee space and reduce the hourly cost of activities
- The owner thinks regional/local basketball teams would travel to the area for tournaments

Minnesota Heat Basketball

- The club would possibly travel to North Mankato for tournaments

Minnesota Comets

- The club is located about two hours and fifteen minutes from Mankato

- The director can't commit to his club participating in events in North Mankato, simply because of the distance

St. Peter Youth Basketball Association

- There are 10-12 teams (100-150 participants)
- Hard courts available in the market are at schools and St. Peter Community Center
- Impression of a proposed facility in the market is positive. The vice president believes there is a need for recreation facilities, and the proposed facility would be a great asset to the Greater Mankato area
- Availability of indoor space in the market is extremely low, and there are many organizations wanting indoor space
- Basketball season is September to May
- Teams train and utilize school gyms for free; however, there is talk about charging a fee in the near future
- The association does need more indoor space and available times for teams to practice and play
- The vice president believes there is a need for an additional indoor sports facility in the market for the sport
- Amenities desired at a proposed facility would be 6 regulation size basketball courts, racquetball courts, a weight room and indoor golf facilities
- Indoor activities the organization would likely participate in at a new facility are:
 - Leagues: Yes, 10-12 teams
 - Rentals: Yes, from September to April
 - Camps/Clinics: Yes, 120 players
 - Tournaments: Yes, 10-12 teams
- The club would consider a contractual arrangement to guarantee space and reduce the hourly cost of activities, but only if the gym space in St. Peter does not improve
- Believes there is need for sports performance training in the market
- Adult basketball is popular in the market

Waseca Basketball Association

- There are 5 boys' and 5 girls' teams, from grades K-8
- Cost per player is \$20 to \$100 per year
- Season is November to early April
- The club does not have an affiliation with organizations such as AAU
- Teams train at local schools, utilizing 3-4 gyms from November to early April for 10-12 hours per week and pay \$2 per hour per court
- Teams do not participate in indoor basketball leagues

- Teams participate in 3-7 tournaments per year. Entry fees are \$200 per team with 3-games guaranteed. Events are non-sanctioned, and teams travel within a 1-hour driving distance
- Availability of indoor space in the market is limited
- The president does believe there is a need for an additional indoor sports facility in the market for the sport because of the lack of indoor space
- Ideal configuration of a new facility to maximize participation from the sport is:
 - Field/Court Size: 2 high school regulation basketball courts
 - Preferred Flooring: Wood
 - Unacceptable Size and Flooring: Anything less than above and, in terms of flooring, concrete
 - Other Amenities Desired: Turf
- Indoor activities that the organization would likely participate in at a new facility:
 - Leagues: Yes, 5 teams
 - Rentals: Possibly, but travel to Mankato might be an issue
 - Camps/Clinics: Yes, 30 players; club would promote the activities
 - Tournaments: Yes, 10 teams
- Adult basketball participation is minimal in the market. Adult leagues are held at community and recreation centers.
- The president does believe there is a need for sports performance training in the market
- Impression of a proposed facility in the market is positive
- The president said that teams would travel to North Mankato for tournaments and leagues
- Other sports that would impact the usage of a new facility = soccer

SOCCER

Mankato United Soccer Club

- There are 34 competitive teams in the club from U9-U19, plus 500 recreational players
- Fee for recreational players is \$75 per season; fee for competitive players is \$450 per year
- Fall season is August-October; spring season is May-July
- Other clubs in the market are Le Sueur, Lake Crystal, St. Peter, Fairmont and New Ulm
- Member of Minnesota Youth Soccer Association
- Geographic reach of players is Mankato
- Teams used to train at the Armory but don't anymore, because it no longer has turf
- Teams train at local schools (3 gyms) for 100 total hours in January and February and pay \$5 per hour per court

- About 2-3 teams participate in indoor soccer leagues at Soccer Blast in the Twin Cities
- Availability of indoor space in the market is limited
- What would it take to move training regimens to a proposed facility? Decent cost and desired time slots
- The president does believe there is a need for an additional indoor sports facility in the market for the sport, because facility space and size is limited in the area
- Ideal configuration of a new facility to maximize participation from the sport:
 - Field/Court Size: Two regulation futsal size courts
 - Preferred Flooring: Futsal surface
 - Other Amenities Desired: Concessions
- Indoor activities that the organization would likely participate in at a new facility:
 - Rentals: Yes, 6 hours per week from December to mid-March; club would have funds to rent the facility
 - Camps/Clinics: Club might hold camps when the Mankato State University field opens but would consider a futsal camp at the proposed facility
 - Futsal Leagues: Yes, 10-12 teams
 - Futsal Tournaments: Yes, 10-12 teams
- There were no futsal leagues offered in 2018
- The president does believe North Mankato is a regional draw for futsal tournaments and that teams would travel to the area
- Adult soccer is an untapped market, according to the president. There is a local summer adult soccer league called La Liga Rosa with eight teams that plays at Lake Crystal
- The director does believe there is a need for sports performance training in the market; about 12-15 players would participate. One similar service currently operates in the market
- The club does not have a need for office space
- Impression of a proposed facility in the market = positive
- The club would consider a contractual arrangement to guarantee space and reduce the hourly cost of activities
- Other sports that would impact the usage of a new facility = lacrosse, baseball, football and rugby
- The president did indicate the club might offer a futsal league at the new indoor facility/dome at Mankato State University once it opens in late 2019
- The president did indicate a need for an outdoor turf field; club would help pay for capital costs and operational expenses, he said
- A new women's pro team will play under the club umbrella

Minnesota Youth Soccer Association

- There are 52,000 youth players in the state association, with about 70% of registered players coming from the Twin Cities
- There are about 8,000 adult members in the state, as part of the U.S. Adult Soccer Association
- Outdoor season is May to end of October; an Olympic Development Program (ODP) is held in May
- Indoor soccer is unregulated in the state
- The association utilizes indoor sports facilities to hold referee training, ODP training and coaches' education
- The association does not sanction or hold any futsal programming, but a few local affiliates in the Twin Cities run futsal programs
- Futsal is in its early stages of growth in the market
- The association would partner with a proposed facility to promote futsal and market to teams in the association
- The executive director believes there is a shortage of indoor space
- Ideal configuration of a new facility to maximize participation from the sport:
 - Field/Court Size: 1-3 futsal regulation size courts
 - Preferred Flooring: Hardwood
 - Unacceptable Size and Flooring: Anything less than above and, in terms of flooring, concrete
 - Other Amenities Desired: Restrooms and concessions
- Adult soccer is popular in the market
- Impression of a proposed facility in the market is positive

TENNIS & PICKLEBALL**Greater Mankato Community Tennis Association**

- There are 150 high school tennis players and 300-400 youth players in the market
- Outdoor adult tennis and juniors' programs are popular in the market
- Member of USTA
- Indoor season is October to April
- Impression of a proposed facility in the market is positive
- The association hosts youth and adult USTA tournaments from Levels 2-7. Events are held from June to August (3 youth events, 1 adult event, 6 mixers per year)
- An indoor tennis facility in Mankato closed in 2010
- There is an indoor tennis facility at Gustavus Adolphus College. Outside groups cannot rent the courts for training or programming, but they can rent the venue for tournaments. The facility is always busy, according to the president

- Quite a few members travel to the indoor facility at Gustavus Adolphus College during the winter season
- The president believes there is need for an additional indoor tennis facility
- The president believes there is a need for an indoor tennis facility with 7-8 courts and the following amenities: a viewing area, bathrooms and changing rooms
- Pickleball is also popular in the market and growing
- The association does have plans to build an indoor tennis facility. A donor verbally committed to donating land and that option is still on the table
- If an indoor tennis facility were built in the market, it would be used by the association year round
- The association currently charges \$20 to be a member, which includes a spot on mailing and emailing lists. With no indoor tennis facility, it's hard to justify the validity of a membership and donating to the association. Currently, the association keeps a steady list of 150 members
- With no indoor facility, instructors charge \$25-\$30 per hour. Typically, indoor facilities charge \$50-\$75, and the instructor keeps usually 40%-50%
- The association currently hosts 3 USTA youth tournaments in June and July and 6 adult events; it also hosts approximately 14 high school tournaments per year. Some of those events could be indoor tournaments if there were an indoor facility. The association could also host sectional, college, regional, league and other tournaments in an indoor facility. Tournaments participants usually pay \$60 per person
- No indoor tennis leagues are offered at Gustavus Adolphus or in Owatonna; not enough court space is available to allocate up to 6 courts for league play
- No adult tennis tournaments are offered in the area. The two USTA tournaments offered are restricted to players with a certain number of USTA points; as a result, very few Mankato-area players participate
- Indoor activities at a proposed new indoor tennis facility that the association likely would participate in:
 - Indoor Leagues: The proposed facility could have USTA 3.0, 3.5, 4.0, 4.5 gendered leagues. It can do 7.0, 7.5, 8.0, 8.5, 9.0 USTA mixed doubles leagues. The facility also could offer flex singles and doubles leagues there are not associated with USTA. Additionally, the association could run leagues for older adults, such as 60+, 70+ and 80+. Special youth days could be programmed, with Junior Team Tennis programs offered year-round. Other opportunities would a cardio tennis program, age-group lessons and designated nights for men and women
 - Court Rental: Weekdays from 3-10 p.m. could focus on youth and private adult instruction. Retired adults and others with flexible schedules could use the facility from 7 a.m. to 3 p.m. Most clubs have three days per week dedicated to older adults

- Camps/Clinics: An estimated 300-400 kids likely would participate in June and July camps
- Tournaments: When the association hosts a 2-day, level 6 tournament, an average of 80 kids participate. The association's tournaments have more participation than those in Rochester, because it can draw from south and southwest of Mankato. Junior team tournaments hosted by the association typically include an average of 150 kids

Mankato Area Pickleball Association

- There are 170 paid members in the association
- About 70% of those members are retired seniors
- The president has seen growth within the sport
- Players participate year-round, with the indoor season running from mid-September to April
- During the winter, the association plays at the YMCA and local school gyms
 - YMCA: Utilize 4 courts from 8-12 p.m. Monday through Friday and from 1-3 p.m. on Sunday; also from 6:30-9 p.m. on Tuesday and Friday. Participants must be YMCA members
 - School Gyms: Utilize the facilities for 6 hours per week, and each person pays \$30 per session (Fall – Oct to Dec and Winter – Jan to March)
- Availability of indoor space is limited
- The association hosts 1 tournament per year at the YMCA in April. In 2018, the event attracted 80 people; entry fees are \$25 per person
- The president believes there is a need for an additional indoor sports facility in the market for the sport, because there are no recreation centers in the area
- Ideal configuration of a new facility to maximize participation from the sport:
 - Field/Court Size: 6-9 regulation-size pickleball courts
 - Preferred Flooring: Wood or Sport Court
- The association would be interested in utilizing a proposed facility and would prefer a pay-as-you-play model. It would likely utilize the facility from mid-September to April, every Monday through Friday from 8:30 to 11 a.m.
- The association would be interested in hosting a tournament at the proposed facility
- The association would consider a contractual arrangement to guarantee space and reduce the hourly cost of activities

VOLLEYBALL

ARJO

- The club would travel to North Mankato for tournaments and other events

Apple Valley Volleyball

- Currently the club is not set up to participate in tournaments located outside of the southern Minneapolis/St. Paul area, but the commissioner said he certainly would consider participating in a tournament in North Mankato because of the short travel distance

Belle Plaine Juniors

- The club would travel to North Mankato to compete in tournaments
- The Taylor Center at Mankato State University is the only quality volleyball facility south of Bloomington, and the club uses multiple gyms for their tournaments; only a certain number of teams can compete because of space limitations.
- Mankato is the same distance as some of the other cities to which the club travels for tournaments, and with less traffic. A new facility in North Mankato also would provide an opportunity to compete against teams in southern Minnesota.

Minnesota Attack Volleyball

- There are 16 teams in the club, ages 10-18
- Season is November to March
- Member of the Junior Volleyball Association (JVA)
- Teams train at facilities operated by the Mankato School District, as well as the St. Peter Community Center, Mankato State University and other recreation centers. The utilize about 8-10 volleyball courts for 12 hours per week from November-March. Rental fees range from \$30 to \$100 per hour per basketball court
- Availability of indoor space in the market is limited
- Teams participate in 7 tournaments per year. Entry fees for 1-day is \$110 per team and \$590-\$700 per team for 2-day events. Events are sanctioned by USA Volleyball and JVA. Teams travel from between 90 minutes and three-and-a-half hours away
- The director does believe there is a need for an additional indoor sports facility in the market for the sport, because of the lack of indoor space, which forces the club to cut players
- Ideal configuration of a new facility to maximize participation from the sport :
 - Field/Court Size: 4 regulation-size volleyball courts
 - Preferred Flooring: Wood or Sport Court

- Other Amenities Desired: Concessions and spectator seating
- Indoor activities that the organization would likely participate in at a new facility:
 - Leagues: Yes, 14 teams, and the club would be interested in running the league
 - Rentals: Yes, November-May for 12 hours per week
 - Camps/Clinics: Yes, 70 kids, and the club would be interested in running the activities
 - Tournaments: Yes, 16 teams, and the club would be interested in running the activities
- The club would consider a contractual arrangement to guarantee space and reduce the hourly cost of activities
- The director believes there is a need for sports performance training in the market; about 16 teams would utilize the service
- Impression of a proposed facility in the market = positive
- Adult volleyball is popular in the market, with leagues hosted by parks and recreation departments
- Other sports that would impact the usage of a proposed facility = basketball, soccer and lacrosse

USA Volleyball - North Country Region

- There are 19,000 youth and 1,000 adults registered with the region, with a large percentage coming from the Twin Cities area
- Season is October to mid-June
- The region runs officials' training, coaches' clinics and other events, and it would be interested in utilizing a proposed facility for these trainings/clinics
- The region would be interested in partnering with the proposed facility and running tournaments there
- Impression of a proposed facility in the market = positive
- Ideal configuration of a new facility to maximize participation from the sport
 - Field/Court Size: 3-12 regulation-size volleyball courts
 - Preferred Flooring: Taraflex
 - Other Amenities Desired: Concessions, high ceiling, parking and restrooms
- Adult volleyball is popular in the market
- Some indoor leagues are regulated by the region, while others are not
- Entry fees for 1-day tournament range from \$60-\$100 per team; for 2-day events, they are \$275-\$400 per team
- Facilities can host tournaments without any affiliation to a club team provided a representative from the facility is a member of the region

- Sand volleyball is popular, but very few participants are registered with the region
- The executive director believes sand courts should be part of the proposed facility's plans

OTHER

Bethany Lutheran College

- The college's athletics programs need additional indoor sports space
- The college is looking at building an indoor turf and indoor 200-meter track facility/fieldhouse with an outdoor turf field. As of now, the college is waiting on final renderings and would need to present the plan to the board of trustees for approval — as well as secure funding for the project. If the plan falls through, the department would consider adding a dome to its outdoor turf field
- The college rents its indoor court; fees range from \$100-\$150 per 3-hour time block. The director did indicate some rentals are for free for youth groups
- The director believes there is greater need for an indoor turf venue and not more court venues
- College sports teams most in need of indoor space = baseball, softball, tennis, and soccer
- The director stated that an indoor tennis facility closed years ago
- The director indicated the college does not need to utilize a proposed facility if its own project proceeds
- If there were indoor tennis in the proposed facility, the college would utilize the facility for its tennis team for 15 hours per week from late January through March
- The tennis team currently uses indoor courts at Gustavus Adolphus College
- The director would consider a contractual arrangement to guarantee space and reduce the hourly cost of activities
- Impression of a proposed facility in the market = positive
- The director stated that Mankato State University is looking to build an indoor fieldhouse, and he also has heard that the Mankato Tennis Association was (as of about two years ago) considering an indoor tennis facility
- The director believes there is a need for an additional indoor sports facility in the market, because of the lack of indoor space

Mankato Family YMCA

- The Y does have need for more indoor recreational space (hard courts), however the executive director did state that the Y is looking to build a new facility on Mankato's east side
- At this point, the Y has completed a market research and community needs assessment and hopes to begin a capital campaign in November 2019 (if the

financial pro forma comes back positive). The Y is looking to add some of the following elements in the new building:

- Indoor tennis courts
 - Childcare center
 - Four basketball courts
 - Twelve-lane indoor pool
- The Y offers the following youth sports programs:
 - Basketball – Winter
 - Soccer – Spring and fall
 - T-Ball – Spring and fall
 - Flag Football – Spring and fall
 - Each program runs for 7 or 8 weeks
 - On average, there are 120 participants in the youth sports programs
- The fall soccer program is an indoor program
- The Y rents its space to non-members or special events, but that seldom occurs because the space is consistently occupied by YMCA programs
- Sports most in need of indoor space = baseball, softball and soccer
- The executive director is aware that Mankato State University is adding a dome for turf and Bethany Lutheran College is adding a field house
- Indoor hard-court facilities available in the market are at the YMCA and colleges/universities
- The executive director does believe there is a need for an additional indoor sports facility in the market to host tournaments, but he doesn't believe an indoor facility can support itself if it were used only as a practice facility
- The Y would consider further discussions of a partnership for joint use arrangements to utilize space *only if the Y does not open its own new facility*

Mankato Family YMCA

- The Y would have needs for additional indoor recreation programming space
- Youth sports programs that the Y offers:
 - Soccer: February-March = 100 kids
 - Basketball: January-February = 250 kids
 - T-ball and flag football programs are held outdoors
- Adult sports leagues that the Y offers:
 - Basketball: November-February = 8 teams (participation in adult basketball has been declining for the past 10 years)
 - Pickleball: 60-80 people
- The Y offers 12-18 mini-sports programs per year; 15 kids per five-week session
- The youth sports programs are aimed at youth from grades pre-K to 4. Each youth sports program is 8 weeks long

- There is a waiting list for program, because of lack of space
- There are 10,000 members, and the Y is financially strong
- The Y rents out its gyms to non-members for \$50 per hour per court
- Outdoor sports/groups that would have needs for additional indoor sports space beyond those available = soccer, basketball, flag football, softball and baseball
- The director was aware that Mankato State University and Bethany Lutheran College have plans to develop indoor facilities
- Courts available in the market are at the YMCA and schools
- The Y would consider an arrangement with a proposed facility for programming purposes and would utilize the space from October-April for 10-15 hours per week (and possibly in the summer months). The sports director is not sure if the Y would have funds to rent a facility; the CEO would make that decision
- The Y services the Mankato and North Mankato markets
- Impression of a proposed facility in the market = positive
- The director believes there is a need for an additional indoor sports facility in the market, because the area is a strong and consistent sports market

Mankato Area Public Schools - Mankato West

- Varsity teams would have needs for additional indoor space for courts, turf, aquatics and ice = swimming, basketball, volleyball, football and soccer
- The school rents its courts, but the details are handled by the Community Recreation Department
- The school district has no plans to develop additional indoor facilities
- Sports groups or organizations with indoor sports facility needs beyond what is available = basketball, volleyball, soccer, lacrosse, baseball and softball
- The director did hear about the potential of a community recreation center to be built in St. Peter; he also mentioned that Mankato State University is developing an indoor fieldhouse, and the YMCA is looking to build a new facility on the east side of the city
- Courts available in the market are at schools
- Availability of indoor space in the market is tight
- The director believes there is a need for an additional indoor sports facility in the market, because of the lack of indoor space
- The athletic department/school would be interested in renting the following:
 - Courts: In September-October and from November-February for about 15 hours per week
 - The school would have funds to rent the proposed facility
- Impression of a proposed facility in the market = positive
- The school would be interested in a contractual arrangement to guarantee space and reduce the hourly cost of activities
- The school/teams would be able to travel to a proposed facility

Minnesota State University, Mankato

- The university will be opening a turf dome facility in October 2019. The dome will be used in the winter and be removed in the spring/summer for use as an outdoor field
- The needs of the university's varsity, club and intramurals teams are being met
- The university rents out its hard-court venues to outside groups based on availability
- The university will provide community access to the new turf facility; fees will be \$450 for the full field and \$150 for 1/3 field
- The director said the university would need to generate \$300,000 each year in rentals for the new turf dome facility
- The university does not have any plans to develop additional indoor recreational/sports facilities at this time
- Sports in the community most in need of indoor space = basketball, volleyball, pickleball and soccer
- The director is aware that the YMCA is looking to expand and build a new facility
- Hard-court venues in the market are at schools, universities/colleges and the YMCA
- The director also sits on the board of the Sports Commission and did state that there is money available for the development of sports facilities through the local option sales tax
- The university does not have indoor tennis facilities, but the tennis team does rent the indoor facility at Gustavus Adolphus College in St. Peter
- The director believes there is a need for an additional indoor sports facility in the market

Visit Mankato

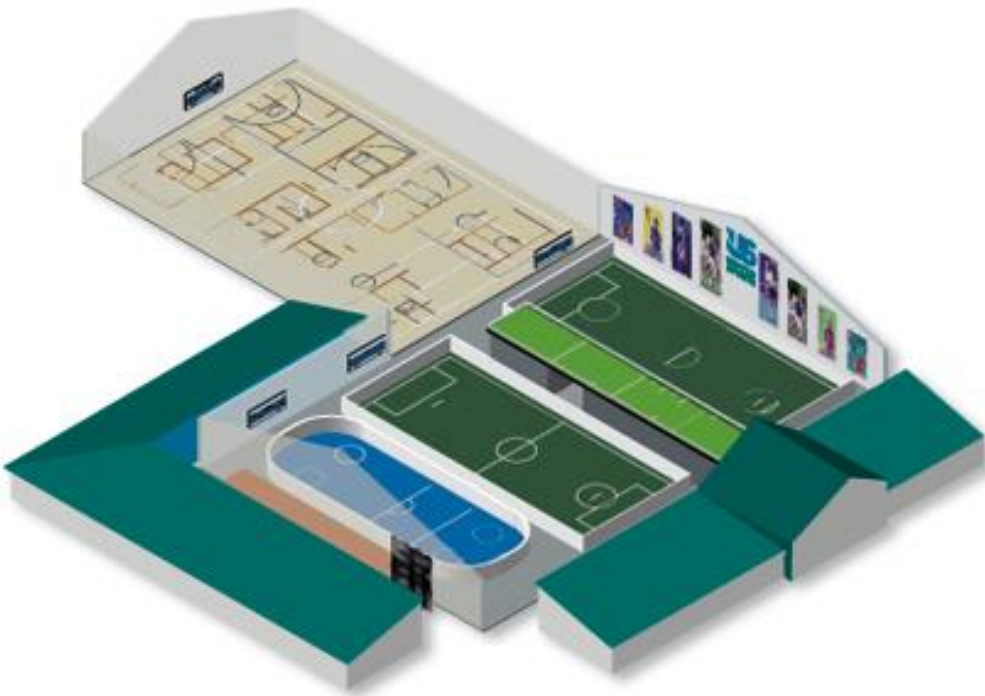
- There are 15 hotels in the market
- The Sports Commission estimates \$17.2 million in economic impact
- Average overnight visitor spending is \$165-\$175 per day
- The Sports Commission is becoming more active in trying to bring more sporting events to the market
- The busy season for conventions is fall/winter with summer being the slowest season
- The commission would help promote a proposed facility and assist with group sales efforts, but it would need to re-establish a relationship with the City of Mankato
- The commission supports local sports such as adult and youth volleyball, baseball and softball, BMX, basketball, mountain biking and gymnastics
- All three see a need for more basketball courts and tennis courts

Exhibit II: Existing Facility Competition

North Mankato, MN

Facilities are evaluated according to several criteria, including:

Functional Planning:	Design:	Site:
<ul style="list-style-type: none">• Plan and/or facility efficiency• The facility entry• The indoor facility circulation/traffic flow and;• Use of space	<ul style="list-style-type: none">• Interior finishes• Detailing and color schemes• Use of natural and artificial lighting and;• Building materials/structure	<ul style="list-style-type: none">• Location of the sports complex/facility• Ease of access to the facility site/location and;• Safety of the facility and the parking lot



Name	Mankato Armory - Minnesota National Guard
Address	100 Martin Luther King Jr. Drive, Mankato, MN
Website	

Focus Criteria	Below Average/No	Average	Above Average/Yes
Exterior Facility Signage			X
Ample Parking Lots			X
What is the image portrayed by the facility			X
Parking Lot Lighting			X
Member Service Desk	X		
Staff person assigned at the front desk and was greeted	X		
Cleanliness of the facility			X
Interior lighting of the facility		X	
Surface of the sports venue	X		
Marketing material available on programming	X		
Facility is situated in a good area in terms of safety and ease of access			X
Is the facility easy to find and / or enter the site		X	
Quality of Website	X		
Offer on-line registration for programs	X		
Spectator seating around the field(s)/hard court(s)	X		
Hours of Operation posted in the facility	X		
Marketing Partners surrounding the facility	X		
Climate Controlled			X



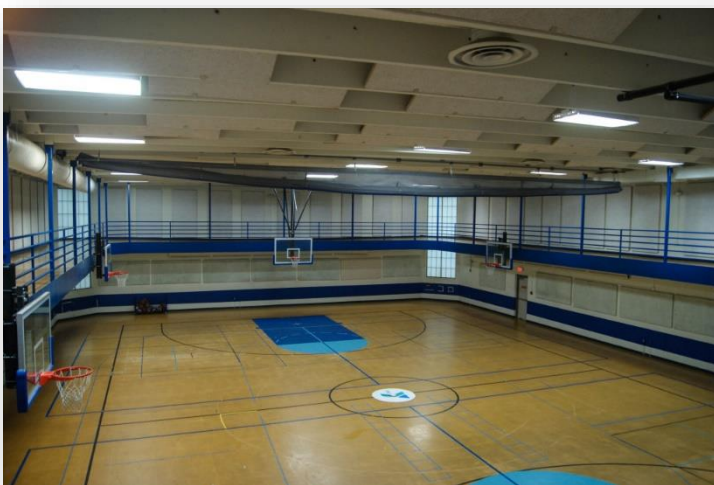
Name	Minnesota State University, Mankato (Myers Field House)
Address	118 Myers Field House, Mankato, MN
Website	https://www.mnsu.edu/campusrec/facilities/myers.html

Focus Criteria	Below Average/No	Average	Above Average/Yes
Exterior Facility Signage			X
Ample Parking Lots			X
What is the image portrayed by the facility			X
Parking Lot Lighting			X
Member Service Desk	X		
Staff person assigned at the front desk and was greeted	X		
Cleanliness of the facility			X
Interior lighting of the facility			X
Surface of the sports venue	X		
Marketing material available on programming	X		
Facility is situated in a good area in terms of safety and ease of access			X
Is the facility easy to find and / or enter the site			X
Quality of Website			X
Offer on-line registration for programs	X		
Spectator seating around the field(s)/hard court(s)			X
Hours of Operation posted in the facility			X
Marketing Partners surrounding the facility	X		
Climate Controlled			X



Name	Mankato Family YMCA
Address	1401 S Riverfront Drive, Mankato, MN
Website	https://mankatoymca.org

Focus Criteria	Below Average/No	Average	Above Average/Yes
Exterior Facility Signage			X
Ample Parking Lots			X
What is the image portrayed by the facility			X
Parking Lot Lighting			X
Member Service Desk			X
Staff person assigned at the front desk and was greeted			X
Cleanliness of the facility			X
Interior lighting of the facility			X
Surface of the sports venue		X	
Marketing material available on programming			X
Facility is situated in a good area in terms of safety and ease of access			X
Is the facility easy to find and / or enter the site			X
Quality of Website			X
Offer on-line registration for programs			X
Spectator seating around the field(s)/hard court(s)	X		
Hours of Operation posted in the facility			X
Marketing Partners surrounding the facility	X		
Climate Controlled			X



Local Competition



Name	Bethany Lutheran College
Address	700 Luther Drive, Mankato, MN
Website	https://www.blc.edu
Venues	2 basketball/volleyball courts, elevated track



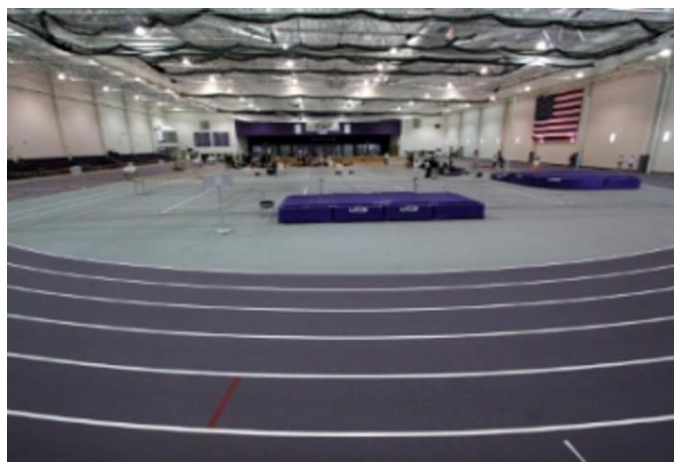
Name	Ignition Fitness
Address	1960 Commerce Drive North Mankato, MN
Website	http://www.ignitionmankato.com/
Venues	1 turf field and batting cages



Name	Lake Crystal Recreation Center
Address	621 W Nathan St., Lake Crystal, MN
Website	www.lcarc.com
Venues	1 basketball/volleyball court

Local Competition

Name	Minnesota State University, Mankato - Bresnan Arena / Otto Recreation Center / Schellberg Gym
Address	Mankato, MN
Website	https://www.mnsu.edu/campusrec/facilities/
Venues	6 basketball courts and 8 volleyball courts



Name	Minnesota State University, Mankato-Myers Field House
Address	Mankato, MN
Website	https://www.mnsu.edu/campusrec/facilities/
Venues	8-lane 200-meter indoor track with 4 basketball/volleyball/ tennis/badminton courts



Name	Mankato Area Public Schools
Address	10 Civic Center Plaza, Mankato, MN
Website	www.isd77.org
Venues	4 basketball courts / 5 volleyball courts

North Mankato, MN
Facility Analysis Summary

Facility Name	# of Fields/Courts	Field/Court Dimensions	Mezzanine Viewing	Air Cond.	Heating	Locker Rooms	Retail	Alcohol	Food Service	Rental Rates
Mankato Armory - Minnesota National Guard	1 Turf Field	113x78 ft.	No	Yes	Yes	No	No	No	No	\$50 per hour
Minnesota State University, Mankato (Myers Field House)	4 Volleyball Courts 4 Basketball Courts 1 Batting Cage 1 Indoor Track	Volleyball – 30'x 60' H.S. Basketball – 94' X 50' Batting Cage – 60 ft. 200-meter track	No	Yes	Yes	Yes	No	No	Yes	-
Mankato Family YMCA	2 Volleyball Courts 3 Basketball Courts	Volleyball – 30'x 60' H.S. Basketball – 94' X 50'	No	Yes	Yes	Yes	No	No	No	\$50 per hour

North Mankato, MN_Existing Faci... ⋮

1 view

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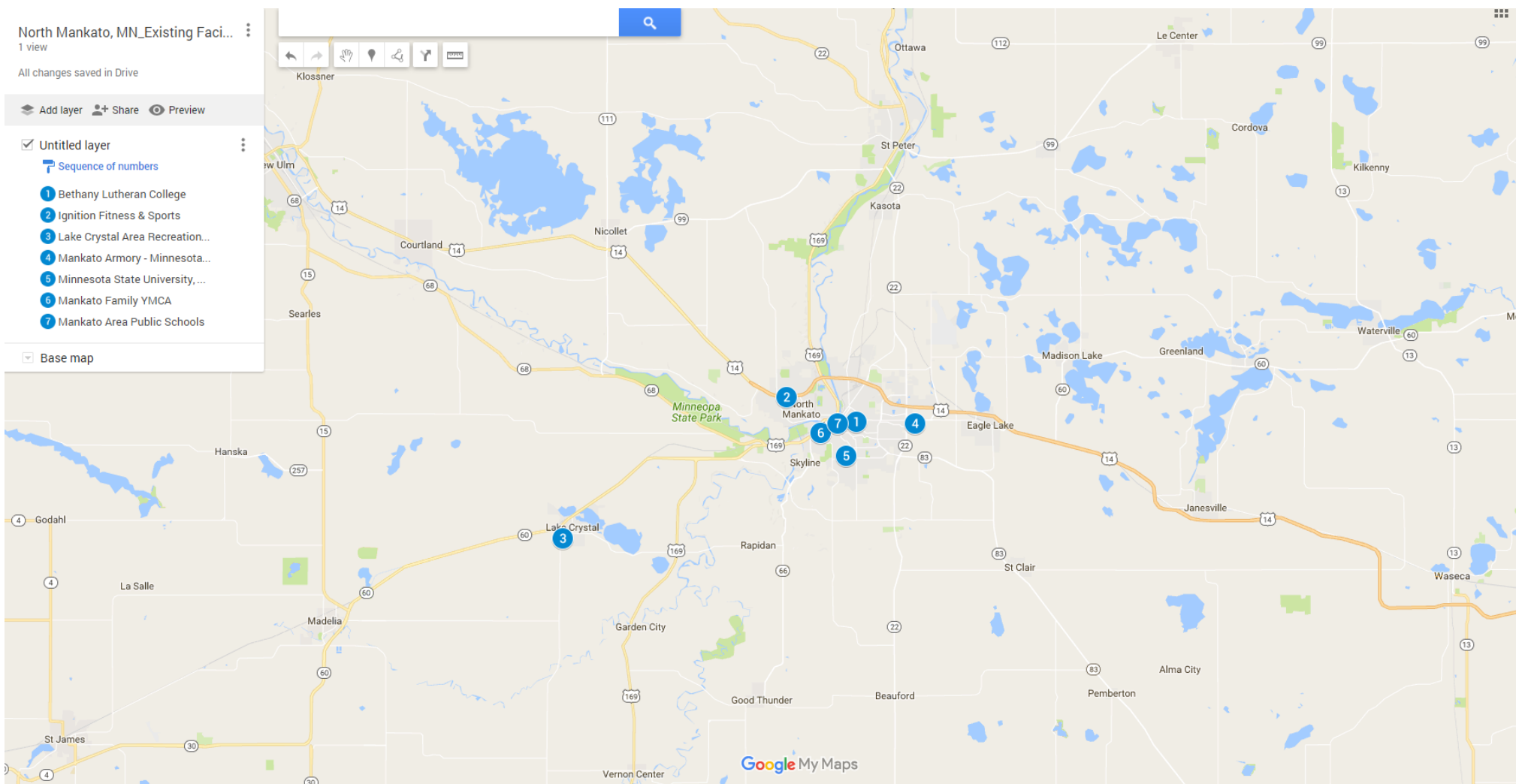
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Sequence of numbers

- 1 Bethany Lutheran College
- 2 Ignition Fitness & Sports
- 3 Lake Crystal Area Recreation...
- 4 Mankato Armory - Minnesota...
- 5 Minnesota State University, ...
- 6 Mankato Family YMCA
- 7 Mankato Area Public Schools

Base map



CITY OF NORTH MANKATO

REQUEST FOR COUNCIL ACTION



Agenda Item # 10B	Dept: Finance Department	Council Meeting Date: 3/4/19																												
TITLE OF ISSUE: Consider Solar Garden Subscription Program Contract from US/Solar.																														
BACKGROUND AND SUPPLEMENTAL INFORMATION: The Finance Director will review the proposed contract.																														
<i>If additional space is required, attach a separate sheet</i>																														
REQUESTED COUNCIL ACTION: Approve the US/Solar Garden Subscription Program Contract.																														
For Clerk's Use: Motion By: _____ Second By: _____ Vote Record: <table style="margin-left: 40px; border: none;"> <tr> <td style="text-align: center;">Aye</td> <td style="text-align: center;">Nay</td> <td></td> </tr> <tr> <td style="text-align: center;">_____</td> <td style="text-align: center;">_____</td> <td>Oachs</td> </tr> <tr> <td style="text-align: center;">_____</td> <td style="text-align: center;">_____</td> <td>Whitlock</td> </tr> <tr> <td style="text-align: center;">_____</td> <td style="text-align: center;">_____</td> <td>Steiner</td> </tr> <tr> <td style="text-align: center;">_____</td> <td style="text-align: center;">_____</td> <td>Norland</td> </tr> <tr> <td style="text-align: center;">_____</td> <td style="text-align: center;">_____</td> <td>Dehen</td> </tr> </table>	Aye	Nay		_____	_____	Oachs	_____	_____	Whitlock	_____	_____	Steiner	_____	_____	Norland	_____	_____	Dehen	SUPPORTING DOCUMENTS ATTACHED <table style="width: 100%; border: none;"> <tr> <td style="text-align: center;">Resolution</td> <td style="text-align: center;">Ordinance</td> <td style="text-align: center;">Contract</td> <td style="text-align: center;">Minutes</td> <td style="text-align: center;">Map</td> </tr> <tr> <td style="text-align: center;"><input type="checkbox"/></td> <td style="text-align: center;"><input type="checkbox"/></td> <td style="text-align: center;"><input checked="" type="checkbox"/></td> <td style="text-align: center;"><input type="checkbox"/></td> <td style="text-align: center;"><input type="checkbox"/></td> </tr> </table> Other (specify) Report _____ _____ _____ _____		Resolution	Ordinance	Contract	Minutes	Map	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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PROPRIETARY AND CONFIDENTIAL

US Solar Flat Rate SunscriptionSM Agreement

This Flat Rate SunscriptionSM Agreement (this "**Agreement**") is entered into by and between US Solar LLC (together with its successors and assignees, "US Solar" or "we") and the Subscriber described below (together with any permitted transferees, "Project Subscriber" or "you") (each a "**Party**" and collectively the "**Parties**") and is effective as of the date signed by the Parties (the "**Effective Date**").

Project Subscriber:		US SolarSM:	
Name and Address	City of North Mankato 1001 Belgrade Avenue Mankato, MN 56003 Kevin McCann	Name and Address	US Solar LLC 100 N 6 th Street, Suite 218C Minneapolis, MN 55403 Attention: MN CSG Notices
Phone	(507) 625-4141	Phone	(612) 294-6978
E-mail	kmccann@northmankato.com	E-mail	info@us-solar.com
Premises and Account Numbers	See Exhibit C.		
Community Solar Garden Allocation	An amount of solar generating capacity expected to produce 400,000 kWh, equal to 42% of Project Subscriber's average annual electricity consumption ("AAEC") (net of any other distributed generation resources serving a relevant Premises) over the prior twenty-four (24) months with respect to its eligible Account and Premises numbers, allocated to multiple projects. Project Subscriber's AAEC is equal to approximately 952,356 kWh.		

This Agreement sets forth the terms and conditions of your subscription to the Community Solar Garden(s) described in **Exhibit B** (individually and collectively, as context requires, a "**Project**") and installed at the Community Solar Garden Site(s) described in **Exhibit B** (individually and collectively, as context requires, a "**Project Site**"). Capitalized terms not otherwise defined herein shall have the meaning ascribed to them in the Standard Contract for Solar Rewards Community contract ("**SRC Contract**").

The exhibits listed below are incorporated by reference and made part of this Agreement.

- Exhibit A** Definitions
- Exhibit B** Project(s) and Project Site(s)
- Exhibit C** Bill Credit Types, Customer Accounts, and SunscriptionSM Rates
- Exhibit D** Estimate of Subscribed Energy
- Exhibit E** [Reserved]
- Exhibit F** Form of SRC Contract
- Exhibit G** Form of Agency Agreement
- Exhibit H** Project Subscriber Data

ARTICLE 1 SUBSCRIPTION

1.1 Subscribing to Project Capacity. You are subscribing to the Community Solar Garden Allocation ("**CSG Allocation**") identified for each Project on the front page of this Agreement on the terms and conditions set forth herein.

1.2 Bill Credit Value. As more fully detailed in the SRC Contract, your CSG Allocation entitles you to receive a Bill Credit against your monthly retail electrical bill equal to the product of (i) the amount of your Subscribed Energy for each Production Month, and (ii) your applicable Bill Credit Rate. Bill Credits are the dollar amounts paid by NSP to you as a credit on your retail electric bill to compensate you for your beneficial share of the solar electricity produced by the Project and delivered to NSP from the Project.

1.3 Bill Credit Rate. Bill Credit Rates are found in the CSG Tariff. The Bill Credit Rates in effect as of the Effective Date are as follows:

Customer Class	Bill Credit Type	Bill Credit Rate per kWh (AC) for Energy Delivered to Company
Residential Service	Standard	\$0.13539
	Enhanced – Solar Gardens > 250 KW (AC)	\$0.15539
	Enhanced – Solar Gardens ≤ 250 KW (AC)	\$0.16539
Small General Service	Standard	\$0.12844
	Enhanced – Solar Gardens > 250 KW (AC)	\$0.14844
	Enhanced – Solar Gardens ≤ 250 KW (AC)	\$0.15844
General Service	Standard	\$0.10515
	Enhanced – Solar Gardens > 250 KW (AC)	\$0.12515
	Enhanced – Solar Gardens ≤ 250 KW (AC)	\$0.13515

Your Bill Credit Rate will be updated annually (or otherwise as provided by order of the MPUC) during the Term only to reflect any updates in the applicable retail rate (labeled the "Standard" rate in the chart above) with respect to your customer class, as reflected in the CSG Tariff. The amount of the CSG "Enhanced" rate premium over the Standard rate reflects the value of the Project's RECs sold and delivered by us to NSP. Per the CSG Tariff, the amount of CSG "Enhanced" rate premium over the Standard rate will not change over the Term. Please see Exhibit C for your account by account Bill Credit Type and SunscriptionSM Rates.

1.4 Subscribed Energy. The estimated amount of Subscribed Energy produced by your CSG Allocation over the Term is set forth in Exhibit D.

1.5 SunscriptionSM Rate and Payments.

- (a) Your SunscriptionSM Rate for each Project for each Production Month shall be equal to the greater of (A) (i) the Enhanced Bill Credit Rate for the given billing cycle for each of your General Service accounts and Small General Service accounts, as applicable less (ii) \$0.01/kWh and (B) \$0.11296/kWh. Please see Exhibit C for additional details about Bill Credit types, current Bill Credit Rates, and current SunscriptionSM Rates.

(b) The monthly payment amount you owe to US Solar (each, a “**SunscriptionSM Payment**”) is equal to the product of (i) your Subscribed Energy produced in a given Production Month, and (ii) your SunscriptionSM Rate.

(c) SunscriptionSM Payments will be invoiced monthly, beginning the first month after the Date of Commercial Operation (“**COD**”) of each particular Project, and you agree to make the full monthly SunscriptionSM Payment within twenty (20) days of receiving our invoice.

1.6 No Additional Funds. The SunscriptionSM Payments represent full payment by you for your CSG Allocation subscription, and we shall not have any right to compel you to advance or pay any additional funds for the construction or maintenance of the Project or your CSG Allocation.

1.7 Ownership Limitation. Project Subscriber is not purchasing, and US Solar is not selling or transferring to Project Subscriber:

- (a) Any ownership or lien in any specific modules or tangible component of the Project;
- (b) Any ownership or membership interests or rights in US Solar or any entity which owns or may subsequently own the Project (for each Project, a “**Project Owner**”) or any financial rights or distributions associated with such ownership;
- (c) Any right to any payment by NSP to US Solar or the Project Owner with respect to Unsubscribed Energy;
- (d) Any right to manage, direct, control or operate the Project, US Solar or Project Owner; or
- (e) Any RECs produced by the Project or any payment by NSP to US Solar or Project Owner with respect to the RECs.

1.8 Term. The term of the Agreement (“**Term**”) shall begin on the Effective Date and shall end, with respect to each Project, twenty five years after the COD of such Project unless otherwise provided for in this Agreement or to allow for any extension provided under the related SRC Contract.

ARTICLE 2 STANDARD CONTRACT FOR SOLAR REWARDS COMMUNITY

2.1 SRC Contract. With respect to each Project, US Solar or the applicable Project Owner will enter into the SRC Contract once offered by NSP. Please see Exhibit F for the form of SRC Contract. Among other things, the SRC Contract provides for the following:

- (a) US Solar acting as the Community Solar Garden Operator;
- (b) Sale and delivery to NSP of all electricity and RECs generated by the Project for a term of twenty five (25) years;
- (c) Allocation to Subscribers by NSP of Bill Credits in exchange for delivery by US Solar, or the applicable Project Owner, of the electricity and RECs generated by the Project; and
- (d) US Solar ensuring compliance with the Community Solar Garden Statutory Requirements (“**Eligibility Requirements**”), which include eligibility requirements relating to both the Project and Subscribers.

2.2 Subscriber Agency Agreement and Consent Form. Attached to the SRC Contract is a Subscriber Agency Agreement and Consent Form ("**Agency Agreement**") that you will be required to sign. Please see Exhibit G for the form of Agency Agreement. Among other things, the Agency Agreement provides for the assignment of energy and RECs to NSP and provides information regarding the following:

- (a) Data access, control, and disclosure;
- (b) Contacting NSP about certain questions regarding your Bill Credits; and
- (c) Contacting US Solar about questions regarding this Agreement, NSP's data policies, and Project-related items.

ARTICLE 3 ELIGIBILITY AND EXCESS BILL CREDIT PURCHASE

3.1 Eligibility Data. You acknowledge that the account data contained in Exhibit H is complete and accurate and that US Solar may use the data for purposes of confirming your conformance with the applicable Eligibility Requirements. You agree to provide US Solar and the applicable Project Owner with any additional information we request to determine, verify, or confirm your eligibility at any time during the Term.

3.2 Authorization to Access Data. You authorize US Solar and the applicable Project Owner to use all eligibility data set forth in Exhibit H, as well as your electric bills for each Eligible Address for the most recent twenty-four (24) months, to assist US Solar and the applicable Project Owner in confirming your eligibility.

3.3 Credit Information. Subject to the confidentiality and privacy provisions of Section 8.1, you agree to provide US Solar with information reasonably necessary for US Solar, the Project Owner, or its Financing Parties to confirm your creditworthiness.

3.4 Excess Bill Credit Purchase. As per the SRC Contract, any excess Bill Credits (i.e., Bill Credits in a billing period that exceed the amount you owe NSP for your regular retail service in that period) will be carried forward and credited against all charges for at least a twelve (12) month cycle. Under the SRC Contract, NSP will be required to purchase from you all such Bill Credits with the billing statement that includes the last day of February and restart the credit cycle the following period with a zero credit balance.

ARTICLE 4 US SOLAR RESPONSIBILITIES

4.1 Design and Implementation. We agree to develop, design, finance and construct the Project(s), including, but not limited to, site acquisition, the filing of interconnection applications and procurement of an interconnection agreement with NSP, the selection and procurement of Project components, and the installation and testing of all Project components.

4.2 Application Process. We shall submit each Project to NSP for approval as a Community Solar Garden ("**CSG**") in accordance with the CSG Tariff and shall provide all information required by NSP to determine the completeness of our application and technical viability of each Project. Once offered by NSP, we (or the applicable Project Owner) shall enter

into the SRC Contract, interconnection agreement, and other agreements with NSP that may be necessary to qualify each Project as a CSG and for the Project to operate and deliver energy to NSP.

4.3 Timeliness. In keeping with the time requirements set forth in the SRC Contract, we shall use commercially reasonable efforts to finish construction and installation of each particular Project within twenty four (24) months after NSP has deemed complete our CSG application with respect to such Project.

4.4 Eligibility Compliance. US Solar is responsible for confirming compliance with the Eligibility Requirements, including verification of the eligibility information you have provided to US Solar.

4.5 Maintenance. We will maintain the Project in a prudent manner and in accordance with industry standards throughout the Term. We will provide you with notice of any material repair or replacement event that is reasonably anticipated to exceed one hundred eighty (180) days.

ARTICLE 5 FURTHER INFORMATION

5.1 Unsubscribed Energy. Unsubscribed Energy will be purchased by NSP from the Project in accordance with the SRC Contract and Applicable Laws.

5.2 Reserves. US Solar will establish reserve funds available for use to maintain the Project and pay Project operating expenses such as taxes, maintenance, insurance, and management services for the Term.

5.3 Other Agreements and Documents.

(a) Upon your request we will provide the following when and as available:

- i. Copy of the SRC Contract between NSP and the Project Owner;
- ii. Copy of the solar module warranty;
- iii. Certificate(s) of insurance; and
- iv. Long-term maintenance plan.

(b) We will provide you with any other information that you may request, or that we may be required to deliver, under the CSG Tariff.

(c) You agree to sign an acknowledgment of receipt of any such materials.

5.4 Information Sharing. The Parties acknowledge the Agency Agreement contains certain provisions relating to "Subscriber Account Information" and "Subscriber's Energy Use Data" and agree to adhere to those provisions.

5.5 Fair Disclosure. You acknowledge that, prior to entering into this Agreement and becoming a Subscriber, we fairly disclosed to you the future potential costs and benefits of your Subscription and provided you with a copy of the SRC Contract. US Solar will comply with all other requirements of the MPUC and CSG Tariff with respect to communications with you.

5.6 Taxes. You recognize that neither we nor NSP makes any representations or warranties concerning the taxable consequences, if any, to you with respect to your Bill Credits, your SubscriptionSM Payments, or your participation in the Project. We are responsible for paying the Minnesota Solar Energy Production Tax, if any, as in effect as of the Effective Date under Minnesota Statutes 272.0295. You are responsible to either pay or reimburse us for any and all other Taxes assessed on the generation, sale, delivery, or consumption of your Subscribed Energy or your Bill Credits.

5.7 Securities Laws. Neither we nor NSP makes any representations or warranties concerning the implication of any federal or state securities laws with respect to this Agreement or your CSG Allocation. Neither this Agreement nor your CSG Allocation has been registered under the Securities Act of 1933, as amended, or any state securities laws. US Solar does not believe this Agreement or the CSG Allocation constitute a security governed by such laws but, in the event any such securities laws may apply, Project Subscriber represents that, as of the Effective Date, it is an "accredited investor" as that term is defined in Rule 501 of the Securities and Exchange Commission under the Securities Act of 1933, as amended. Project Subscriber agrees that it is not entering into this Agreement or acquiring the Bill Credits for the purpose of making a market in such interests or trading them on any securities market or equivalent thereof which might fall within the scope of such laws. You are urged to seek your own professional advice on these matters.

ARTICLE 6 TRANSFERABILITY

6.1 General. This Agreement and your Bill Credits are your personal property. Your ability to continue to receive Bill Credits is dependent upon your continuing compliance with the applicable Eligibility Requirements and your payment of the SubscriptionSM Payments. This Agreement and the Bill Credits are transferable only as set forth below. This Agreement and the Bill Credits are not transferable by you, whether voluntarily or by operation of law, at any time when you are in default under this Agreement, unless as approved by US Solar.

6.2 Sale or Transfer to Other Eligible Subscribers. You may voluntarily sell or transfer this Agreement, or any portion of your CSG Allocation (but not less than the minimum set by Eligibility Requirements), for any reason (but not more than once in any twelve (12) month period) and to any person or entity who, at the time of the sale or transfer meets applicable Eligibility Requirements for the relevant Project(s). Any amounts you collect from a transferee in respect of your transfer of this Agreement, or any portion of your CSG Allocation, belongs to you. Neither US Solar nor a Project Owner will have any claim or right to any such amounts you may receive.

Your sale or transfer of your CSG Allocation for any Project is expressly conditioned upon:

- (a) US Solar receiving at least ninety (90) days' prior written notice identifying the prospective purchaser or transferee, providing the physical address at which it takes electric service from NSP, the NSP account number and all other information needed to determine its eligibility to be a Subscriber, as well as any other subscriptions in the relevant Project or other CSGs held by the proposed transferee, and any solar facility owned or leased by the proposed transferee at the address associated with the proposed transfer;

- (b) Receipt by US Solar of authorizations from the proposed transferee needed to access their NSP account data, and receipt by US Solar of usage data at the proposed transferee's address needed to calculate its historic electrical usage;
- (c) Determination by US Solar that the proposed transferee is eligible to be a Subscriber in the relevant Project and that its participation as a Subscriber will not cause the Project to fail any Eligibility Requirement or otherwise fail to comply with any Applicable Laws or contractual obligations to NSP;
- (d) The proposed transferee's (i) express written assumption of this Agreement or execution and delivery of a new subscription agreement with US Solar as to the CSG Allocation on terms acceptable to US Solar, including the cure of any prior defaults arising under this Agreement; and (ii) execution of an Agency Agreement or any other document reasonably required by US Solar or NSP to effectuate the transfer and maintain compliance with the Eligibility Requirements;
- (e) The proposed transferee meeting our credit requirements; and
- (f) US Solar receiving any applicable Cover Cost Amount from Project Subscriber.

US Solar shall notify NSP of any such transfer so that NSP may change the applicable Subscriber benefits to apply to the transferee's retail NSP electric account.

6.3 Relocation/Sale of Eligible Address.

- (a) If during the Term you move from an Eligible Address and are no longer the NSP account-holder at that address, you may transfer all or part of your CSG Allocation to another Eligible Address of yours (new or existing) conditioned on the following:
 - i. You provide us with at least ninety (90) days' notice of such transfer; and
 - ii. We determine that the new address, including the prior electrical usage at that address, will allow for the transferred CSG Allocation to continue to meet the applicable Eligibility Requirements.
- (b) If during the Term you move from or sell an Eligible Address and are no longer the NSP account-holder at that address, and you are not relocating to a new Eligible Address or do not have sufficient subscription capacity at another Eligible Address, before moving you must either:
 - i. Sell or transfer the relevant portion of your CSG Allocation in accordance with Section 6.2. If requested by you, we will use commercially reasonable efforts for up to one hundred eighty (180) days to assist you in this process; or
 - ii. Cancel the relevant portion of your CSG Allocation pursuant to Section 10.1 (a)(iii) below.
- (c) You are obligated to maintain compliance with the applicable Eligibility Requirements and to notify us if you plan to be out of compliance. You acknowledge that your failure to maintain compliance with the applicable Eligibility

Requirements may result in NSP not paying you Bill Credits and our cancellation of the relevant CSG Allocation.

- (d) This Agreement confers to us no right to interfere with, or require our consent to, your sale or transfer of your real property.

ARTICLE 7 FINANCING

7.1 Consent. We may, without your prior consent, in whole or in part, (i) assign, mortgage, pledge or otherwise collaterally assign our interests in this Agreement and the Project to any Financing Party, (ii) directly or indirectly assign this Agreement and the Project to a Project Owner or an affiliate or subsidiary of ours, (iii) assign this Agreement and the Project to any entity through which we are obtaining financing or capital for the Project; and (iv) assign this Agreement and the Project to any person succeeding to all or substantially all of our assets. In the event of any such assignment (other than a collateral assignment), we shall be released from all our liabilities and other obligations under this Agreement (only upon assumption of our obligations hereunder by the assignee). However, any assignment of our rights and/or obligations under this Agreement shall not result in any change to your rights and obligations under this Agreement. A Financing Party may assign its interest at any time, and without your consent, to another person or another Financing Party. If the Financing Party or its successor becomes the owner of our interest by foreclosure or otherwise, it may sell or transfer that interest to any third party without your consent.

7.2 Changes. You acknowledge that we may obtain construction and long-term financing from one or more Financing Parties. Both Parties agree in good faith to consider and to negotiate changes or additions to this Agreement that may be reasonably requested by the Financing Parties; provided, that such changes do not alter the fundamental economic terms of this Agreement. In connection with any assignment by us (or the Financing Parties, as described below), you agree to execute any consent, estoppel or acknowledgement in form and substance reasonably acceptable to such Financing Parties. If this Agreement applies to more than one Project, you also agree to execute a separate Agreement for each Project if requested by us in connection with such assignment.

7.3 Notice and Opportunity to Cure. You may not terminate or suspend your performance due to our Event of Default unless you have given the Financing Parties prior written notice of your intent to so terminate or suspend this Agreement. In your notice you will describe the circumstances giving rise to our default, and provide the Financing Parties with the opportunity to cure the default within thirty (30) days after receipt of such notice or any longer period provided for in this Agreement. If our default reasonably cannot be cured by the Financing Parties within the period provided and the Financing Parties commence and pursue to cure of such default within that period, the period for cure will be extended for a reasonable period of time under the circumstances, but not to exceed an additional sixty (60) days. The Parties' respective obligations under this Agreement will otherwise remain in effect during the cure period. If the Financing Parties or an assignee (including any buyer or transferee) acquires title to or control of our assets and within the applicable time periods cures all defaults under this Agreement existing as of the date of such change in control in the manner required by this Agreement and which are capable of cure by a third party or entity, then such Financing Parties or third party transferee will no longer be in default under this Agreement, and this Agreement will continue in full force and effect.

ARTICLE 8

PRIVACY; CONFIDENTIALITY; PUBLICITY

8.1 Subscriber Data. Other than in accordance with the Agency Agreement, US Solar will not disclose Project Subscriber's Account Information, Subscriber Energy Usage Data, Bill Credits or any other personal information of Project Subscriber to any person except (i) to NSP, to the extent required by Applicable Laws or the SRC Contract, for the purpose of administration of the Project, Project CSG eligibility, and Project Subscriber CSG eligibility; (ii) to attorneys, accountants, advisors, and agents of US Solar to the extent necessary for them to render advice or perform professional services associated with the Project or this Agreement; (iii) as otherwise required by Applicable Laws.

8.2 Publicity. The Parties shall coordinate and cooperate with each other when making public announcements related to the execution and existence of this Agreement or related to Project Subscriber's participation in a Project, and each Party shall have the right to promptly review, comment upon and approve any publicity materials, press releases or other public statements by the other Party that refer to, or that describe any aspect of, this Agreement. Notwithstanding the foregoing, the Parties agree to the use each other's logos in their respective marketing materials.

ARTICLE 9

DISPUTE RESOLUTION

9.1 NSP Disputes.

- (a) Any dispute or question which you have with respect to the application by NSP of the Bill Credits to your retail electric bill, in particular the applicable Bill Credit Rate that NSP used to determine the amount of your Bill Credits, shall be directed by you to NSP for resolution. You may request that US Solar assist you in this respect. You acknowledge that your obligation to make your SunscriptionSM Payments is independent of the amount of your Bill Credits.
- (b) All disputes arising with respect to the contract between NSP and US Solar shall be resolved by negotiation and, in the absence of a resolution, by the Minnesota Public Utilities Commission ("MPUC"), as per the SRC Contract. Any issue or dispute identified by you with respect to NSP's actions with respect to the Project or the Bill Credits other than as described in Section 9.1(a) shall be referred to US Solar. If the dispute or question is not resolved to the Project Subscriber's satisfaction, you have the right to refer the issue directly to the MPUC at the following address:

Minnesota Public Utilities Commission

121 7th Place East, Suite 350
St. Paul, MN 55101
Tel: (651) 296-7124
Toll free: (800) 657-3782
Fax: (651) 297-7073
consumer.puc@state.mn.us

9.2 Disputes between Parties.

- (a) Any dispute or issue a Party may have arising from or related to this Agreement, which are not resolved by communications between Project Subscriber and US Solar representatives in person, over the phone, or electronically shall be submitted to the other Party in writing. Each Party shall assign an officer or senior management executive to address or negotiate a resolution with the other Party. The Parties agree to attempt to reach a resolution of such dispute within ten (10) days or such longer period as the Parties may agree.
- (b) We shall perform any calculation called for hereunder and do so in a commercially reasonable manner and in accordance with industry accepted standards. Any dispute regarding the results of any such calculation shall be resolved by having an independent consultant having nationally recognized credentials, such as Navigant Consulting, Inc. or Leidos, Inc., perform the calculation at the disputing party's expense. Such consultant's results shall be binding on the Parties absent manifest error.
- (c) Any dispute arising from or relating to this Agreement not resolved by the Parties under Section 9.2(a)-(b) above shall be arbitrated in Minneapolis, MN. The arbitration shall be administered by JAMS in accordance with its Comprehensive Arbitration Rules and Procedures, and judgment on any award may be entered in any court of competent jurisdiction. If the Parties agree, a mediator may be consulted prior to arbitration.

ARTICLE 10
CANCELLATION EVENTS; EVENTS OF DEFAULT; REMEDIES

10.1 Cancellation Events.

- (a) You may cancel all or part of your CSG Allocation relating to a particular Project to the extent that:
 - i. Construction of that Project is not completed within twenty-four (24) months of our receipt of NSP determining that Project's CSG application is complete, as extended by Force Majeure, and additional Project capacity does not exist;
 - ii. That Project becomes ineligible, in whole or in part, as a CSG during the Term and the related SRC Contract is terminated, and additional Project capacity does not exist; or
 - iii. You become aware that, due to relocation or other material changes, your CSG Allocation will no longer satisfy the applicable Eligibility Requirements and you elect not to sell or transfer, or cannot sell or transfer, your CSG Allocation to another eligible NSP customer.
- (b) We may cancel all or part of your CSG Allocation relating to a particular Project to the extent that:

- i. You fail to meet the applicable Eligibility Requirements at any time during the Term;
 - ii. Your CSG Allocation is transferred by operation of law as defined in Section 10.7 to an ineligible person or entity and is not sold to an eligible transferee within the time provided;
 - iii. Prior to the start of Project construction, we are not able to confirm your creditworthiness; or
 - iv. Prior to the start of Project construction, we determine to terminate the development of Project(s) for which your CSG Allocation relates, and additional Project capacity does not exist.
- (c) In addition to the circumstances set forth in Sections 10.1(a) and 10.1(b), either Party shall have the option to cancel, without fee or penalty, all or part of your CSG Allocation relating to a particular Project effective as of (i) the tenth (10th) anniversary of the COD of such Project and (ii) the twentieth (20th) anniversary of the COD of such Project (each a "Cancellation Option Date"). To exercise such option, the exercising Party must deliver written notice to the other Party at least three (3) months prior to (but no more than 6 months prior to) the applicable Cancellation Option Date, which notice must set forth the portion of your CSG Allocation to be cancelled. If a Party fails to deliver such notice during the applicable notice period, the option to cancel shall terminate with respect to the applicable Cancellation Option Date and your CSG Allocation shall continue in full force and effect in accordance with the terms of this Agreement.
- (d) Cancellation will be effective upon written notice by the cancelling Party to the other Party, including a description of the circumstances giving rise to the Cancellation Event and the specific portion of CSG Allocation canceled.

10.2 Events of Default. Each of the following events shall be an Event of Default under this Agreement:

- (a) A Party breaches any material representation or warranty or fails to perform a material obligation set forth in this Agreement and does not cure such breach or failure within thirty (30) days of written notice of the breach from the non-defaulting Party.
- (b) With respect to Project Subscriber, failure to make any SunscriptionSM Payment when due, and failure to cure the default within ten (10) days after written notice of such failure from US Solar.

10.3 Cancellation Remedies.

- (a) In the case of a cancellation pursuant to Sections 10.1(a)(i) or (ii) or 10.1(b)(iii) or (iv), you will owe nothing with respect to the amount of CSG Allocation cancelled.
- (b) In the case of a cancellation pursuant to Sections 10.1(a)(iii) or 10.1(b)(i) or (ii) (each, a "**Covered Cancellation Event**"), you will be responsible for paying the Cover Cost Amount, if any, with respect to the amount of CSG Allocation cancelled, subject to the following:

- i. We will use commercially reasonable efforts for up to one hundred eighty (180) days after such cancellation ("**Cancellation Replacement Period**") to secure one or more Eligible Transferee who will subscribe to the entire cancelled portion of your CSG Allocation at no less than your SunscriptionSM Rate. If we are successful, your Cover Cost Amount will be zero.
 - ii. To the extent during the Cancellation Replacement Period we are unsuccessful in securing one or more Eligible Transferees who will subscribe to the entire cancelled portion of your CSG Allocation, the Unsubscribed Energy rate provided for in the CSG Tariff will be used in lieu of a transferee SunscriptionSM Rate for purposes of determining the Cover Cost Amount.
- (c) During the Cancellation Replacement Period and before paying any Cover Cost Amount or other cancellation related amounts, you will be responsible for making SunscriptionSM Payments that will be deemed to equal the full amount of your SunscriptionSM Payments had no cancellation occurred.
 - (d) At the end of the Cancellation Replacement Period, we will determine the Cover Cost Amount and other amounts owing by you and provide you written notice of same. These amounts will become due and payable by you within ten (10) days of your receipt of this notice.
 - (e) After paying the Cover Cost Amount, your remaining SunscriptionSM Payments will reflect your appropriately reduced CSG Allocation.
 - (f) You will be responsible for reimbursing us for any costs we reasonably incur in identifying an Eligible Transferee who will subscribe to the cancelled portion of your CSG Allocation and in the execution of related documentation.
 - (g) Upon cancellation of the entire CSG Allocation, we may terminate this Agreement in its entirety.

10.4 **Default Remedies.** In the event a defaulting Party fails to cure an Event of Default within the applicable cure period, the non-defaulting Party may:

- (a) With respect to an Event of Default by Project Subscriber:
 - i. We may terminate this Agreement immediately by notifying you in writing.
 - ii. We may direct NSP to remove you as a subscriber with respect to the Project, and you will no longer receive Bill Credits associated with the CSG Allocation.
 - iii. You will owe the Cover Cost Amount, if any.
 - 1. We will use commercially reasonable efforts for sixty (60) days after your Event of Default ("**Default Replacement Period**") to secure one or more Eligible Transferee who will subscribe to your entire CSG Allocation at no less than your SunscriptionSM Rate. If we are successful, your Cover Cost Amount will be zero.
 - 2. To the extent during the Default Replacement Period we are unsuccessful in securing one or more Eligible Transferee who will subscribe to your entire CSG Allocation, the Unsubscribed Energy rate

provided for in the CSG Tariff will be used in lieu of a transferee SunscriptSM Rate for purposes of determining the Cover Cost Amount.

- iv. You will owe an amount equal to the SunscriptSM Payments that would have been payable by you during the Default Replacement Period absent the Event of Default.
- v. At the end of the Default Replacement Period, we will determine the Cover Cost Amount and other default-related amounts owing by you and provide you with written notice of same. These amounts will become due and payable immediately by you upon your receipt of this notice.
- vi. You will be responsible for reimbursing us for any costs we reasonably incurred in attempting to identify an Eligible Transferee and in the execution of related documentation.
- vii. Upon termination of this Agreement, we shall have no further obligations to you hereunder.

(b) With respect to an Event of Default by US Solar:

- i. Prior to the COD of the final Project, you may terminate this Agreement at any time by notifying us in writing.
- ii. After the COD of the final Project, you may terminate this Agreement only if our default results in your CSG Allocation not producing any Subscribed Energy for one hundred eighty (180) consecutive days or more.
- iii. Upon termination, you shall have no further obligation to us except for obligations arising or accruing prior to termination.

10.5 No Consequential Damages. No Party shall be liable to the other Party for any indirect, special, punitive, exemplary, incidental, or consequential damages, whether arising in contract, tort, under statute, or in equity, and each Party waives its rights to any such damages. In no event will the Cover Cost Amount constitute, or be deemed to constitute, indirect, special, punitive, exemplary, incidental, or consequential damages.

10.6 No Warranty; Exclusive Remedies. NO WARRANTY OR REMEDY, WHETHER STATUTORY, WRITTEN, ORAL, EXPRESS OR IMPLIED, INCLUDING WITHOUT LIMITATION WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE, OR WARRANTIES ARISING FROM COURSE OF DEALING OR USAGE OF TRADE SHALL APPLY. The remedies set forth in this Agreement shall be the Parties' sole and exclusive remedies for any claim or liability arising out of or in connection with this Agreement, whether arising in contract, tort (including negligence), strict liability or otherwise.

10.7 Involuntary Transfers. Upon transfer of title or control of the Eligible Address or your CSG Allocation, or portion thereof, due to bankruptcy, foreclosure or operation of law for other reasons, you or the transferee must notify US Solar immediately. During any period of time in which a trustee, receiver, or creditor is in possession of the Eligible Address and assumes responsibility as the account-holder with NSP at the Eligible Address, such transferee shall be deemed to have succeeded to your rights and obligations under this Agreement at the Eligible Address during the period of its possession. Upon the transfer of title to the property at the Eligible Address and the CSG Allocation to a creditor or other third party, the transferee shall notify US Solar of the transfer. If the transferee(s) meet all relevant Eligibility Criteria, the transfer shall be

treated as a sale or transfer of the CSG Allocation to such transferees upon completion of the conditions set forth in Section 6.2. If the transferee does not meet the transfer conditions, then the transferee(s) shall be required immediately to sell or transfer the CSG Allocation or applicable portion to an eligible buyer in accordance with Section 6.2.

ARTICLE 11 MISCELLANEOUS

11.1 Notices. Notices, or other documents required or permitted by this Agreement must be given by personal delivery, reputable overnight courier, email, or U.S. certified mail postage prepaid and shall be sent to the respective parties at the address listed on the first page of this Agreement. Notice shall be deemed delivered (i) the day of delivery, if delivered by hand during the receiving party's regular business hours or by e-mail before or during the receiving party's regular business hours, (ii) upon the date of actual delivery or refusal shown on the courier's delivery receipt if sent by overnight courier, and (iii) on the fourth business day after deposit in the U.S. mail if sent by certified mail. Any party may change the address for notice by notice to the other party.

11.2 No Third Party Beneficiaries. Nothing in this Agreement shall be construed to create any duty to, or standard of care with reference to, or liability to, any person not a party to this Agreement. Excepting the rights of Financing Parties and assignees expressly provided for herein, no provision of this Agreement is intended to nor shall it in any way provide any rights to any third party or inure to the benefit of any third party so as to constitute any such person a third party beneficiary under this Agreement, or of any one or more of the terms of this Agreement, or otherwise give rise to any cause of action in any person not a party to this Agreement.

11.3 Entire Agreement; Amendments. It is mutually understood and agreed that this Agreement, and the Exhibits attached hereto, constitutes the entire agreement between Project Subscriber and US Solar and supersedes any and all prior oral or written understandings, representations or statements, and that no understandings, representations or statements, verbal or written, have been made which modify, amend, qualify or affect the terms of this Agreement. This Agreement may not be amended except in a writing executed by both parties; provided, however, that, US Solar may amend Project and Project Site information and allocate your CSG Allocation among Projects and Project Sites (prior to relevant CODs) without Project Subscriber's prior consent.

11.4 Governing Law. This Agreement is made in Minnesota and shall be governed by the laws of the State of Minnesota.

11.5 SRC Contract and CSG Tariff. This Agreement contains summaries of, and makes reference to, certain provisions of the SRC Contract and CSG Tariff. While we believe these summaries and references to be accurate and fair, any conflict between such summaries and references shall be resolved in favor of the relevant provisions contained in SRC Contract and CSG Tariff. You are urged to review these documents.

11.6 Waiver. Neither Party shall be deemed to have waived any provision of this Agreement or any remedy available to it unless such waiver is in writing and signed by the Party against whom the waiver would operate. Any waiver at any time by either Party of its rights with respect to any matter arising in connection with this Agreement shall not be deemed a waiver with respect to any subsequent or other matter.

11.7 Relationship of Parties. The duties, obligations and liabilities of each of the Parties are intended to be several and not joint or collective. This Agreement shall not be interpreted or construed to create an association, joint venture, fiduciary relationship or partnership between the Parties or to impose any partnership obligation or liability or any trust or agency obligation or relationship upon either Party. US Solar and Project Subscriber shall not have any right, power, or authority to enter into any agreement or undertaking for, or act on behalf of, or to act or be an agent or representative of, or to otherwise bind, the other Party.

11.8 Severability. Should any provision of this Agreement be or become void, illegal or unenforceable, the validity or enforceability of the other provisions of the Agreement shall not be affected and shall continue in full force. The Parties will, however, use commercially reasonable efforts to agree on the replacement of the void, illegal or unenforceable provisions with legally acceptable clauses which correspond as closely as possible to the sense and purpose of the affected provision and the Agreement as a whole.

11.9 Counterparts. This Agreement may be executed in two or more counterparts and by different parties on separate counterparts, all of which shall be considered one and the same agreement and each of which shall be deemed an original.

(SIGNATURE PAGES TO FOLLOW)

City of North Mankato

US Solar LLC

Signature: _____ Signature: _____

Printed Name: _____ Printed Name: _____

Title: _____ Title: _____

Date: _____ Date: _____

EXHIBIT A

DEFINITIONS

1. **Applicable Laws.** Any law, statute, rule, regulation, ordinance, order (including orders issued by the MPUC), tariff, judgment, or other legally binding restriction or ruling issued by a governmental authority which is applicable to the Project, US Solar, Subscribers, CSGs or this Agreement.
2. **Bill Credit Rate.** A dollar amount per kilowatt-hour reflected in the CSG Tariff with respect to specific classes of NSP customers to be used for determining a Subscriber's Bill Credit.
3. **Cancellation Event.** One or more event described in Section 10.1(a)-(b).
4. **Cover Cost Amount.**
 - (a) With respect to a sale or transfer by you pursuant to Section 6.2, the positive difference, if any, of:
 - i. the net present value (using a discount rate of 4%) of the projected payments by you over the Term post-transfer with respect to the transferred portion of your CSG Allocation, had this Agreement remained unchanged for the remaining Term (plus any other amounts previously accrued and owed by you); minus
 - ii. the net present value (using a discount rate of 4%) of the projected payments to be made by your transferee with respect to the transferred portion of your CSG Allocation over the remaining Term.
 - (b) With respect to a Covered Cancellation Event, the positive difference, if any, of:
 - i. the net present value (using a discount rate of 4%) of the projected payments by you over the Term post-cancellation with respect to the cancelled portion of your CSG Allocation, had this Agreement remained unchanged for the entire Term (plus any other amounts previously accrued and owed by you); minus
 - ii. the net present value (using a discount rate of 4%) of the projected payments to be made by an Eligible Transferee (or, as applicable, by NSP for the Unsubscribed Energy associated with the portion CSG Allocation not transferred) with respect to the cancelled portion of your CSG Allocation over the remaining Term.
 - (c) With respect to an Event of Default by you, the positive difference, if any, of:
 - i. the net present value (using a discount rate of 4%) of the projected payments by you over the Term post-default, had this Agreement remained unchanged with respect to your entire CSG Allocation for the entire Term (plus any other amounts previously accrued and owed by you); minus
 - ii. the net present value (using a discount rate of 4%) of the projected payments to be made by an Eligible Transferee (or, as applicable, by NSP for the Unsubscribed Energy associated with the portion CSG Allocation not transferred) with respect to the entire CSG Allocation over the remaining Term.

5. **CSG Tariff.** The Solar Rewards Community Program tariff of NSP's rate book, as amended or updated and any successor thereto.
6. **Eligible Address.** A Subscriber's NSP service address that meets the Eligibility Requirements.
7. **Eligible Transferee.** A person or entity who meets the applicable Eligibility Requirements and meets the conditions set for in Section 6.2(a)-(e)
8. **Financing Party.** A person or persons providing construction or permanent financing in connection with construction, ownership, operation and maintenance of the Project, or if applicable, any person to whom the ownership interest in the Project has been transferred, subject to a leaseback of the Project from such person.
9. **JAMS.** JAMS, formerly known as Judicial Arbitration and Mediation Services, Inc.
10. **MPUC.** Minnesota Public Utilities Commission.
11. **NSP.** Northern States Power Company, a wholly owned subsidiary of Xcel Energy Inc.
12. **SunscriptionSM Rate.** A dollar amount per kilowatt-hour with respect to the Subscribed Energy produced by Project Subscriber's CSG Allocation, as set forth in Section 1.5(a), used for determining Project Subscriber's SunscriptionSM Payments.
13. **Taxes.** Any federal, state, or local ad valorem, property, occupation, generation, privilege, sales, use, consumption, excise, or transaction tax, other taxes, regulatory fees, surcharges, or other similar charges, but does not include any income taxes imposed on US Solar for payments made by you and received by us under this Agreement.

Any conflict in the meaning of a term used both herein term and in the SRC Contract shall be resolved in favor of the meaning given to such term in the SRC Contract.



PROPRIETARY AND CONFIDENTIAL

EXHIBIT B

PROJECT(S) AND PROJECT SITE(S)

USS Brude Solar LLC
USS Rapidan Solar LLC

EXHIBIT C

BILL CREDIT TYPES, CUSTOMER ACCOUNTS, AND SUNSCRIPTIONSM RATES

Account Number	Premise Number	Account Type
51-6964078-0	302524623	General Service
51-6964078-0	302658252	General Service
51-6964078-0	302810022	Sm Gen Svc (Metered)
51-6964078-0	303137492	General Service
51-6964078-0	303154720	Municipal Pumping Svc
51-6964078-0	303273694	Sm Municipal Pump Svc
51-6964078-0	303289424	Municipal Pumping Svc
51-6964078-0	303296668	General Service
51-6964078-0	303414304	General Service
51-6964078-0	303437318	General Service
51-6964078-0	303452120	General Service
51-6964078-0	303704515	Peak Controlled Service
51-6964078-0	303814900	General Service
51-6964078-0	304195616	Sm Gen Svc (Metered)

General Service subscription rate: \$0.1249/kWh

Small General Service subscription rate: \$0.1481/kWh

Bill Credit Value. We make no representation or warranty as to the likelihood that any Bill Credits will create any specific amount of economic benefit at any time or over any period of time or over the Term of this Agreement as a whole, or that the Bill Credits will create a positive economic benefit to you. The estimate of potential benefits contained herein are based on a number of assumptions about estimated Subscribed Energy Bill Credit Rates, Applicable Laws currently in place, NSP's retail electrical rates, and a number of other factors beyond the control of US Solar. Any estimate by US Solar herein or elsewhere given to Project Subscriber as to any expected benefit to Project Subscriber from the Bill Credits at any time or over any period of time is purely an estimate based on the information available to US Solar and related assumptions at the time and is not a guarantee that any positive economic benefit will accrue to Project Subscriber from the Bill Credits or that any specific amount of benefits will accrue to Project Subscriber at any time, or over any period of time, or over the Term of the Agreement.

EXHIBIT DESTIMATE OF SUBSCRIBED ENERGY

400,000 kWh in year 1.

Production. US Solar makes no representation or warranty as to the likelihood that the Project will generate any specific amount of electricity or sufficient electricity so as to create any specific or minimum Bill Credits to Project Subscriber during any period of time or over the Term of the Agreement as a whole. The production estimate described herein is based on a number of assumptions about expected solar insolation at the Project Site, and performance of the modules and other Project equipment, the accuracy of production estimating software and other factors affecting possible production which are not within the control of US Solar. Circumstances experienced at the Project will deviate from historical data and other assumptions and projections. The actual production of energy of electricity by the Project and delivery of energy, including Subscribed Energy, by the Project is also subject to lack of sunlight, other adverse weather, equipment failures, curtailments or outages by NSP, Force Majeure events, and other events beyond the control of US Solar. The production estimate and any other estimate communicated by US Solar to Project Subscriber of expected energy production from the Project at any time or over any period of time is purely an estimate based on the information available to US Solar at the time and is not a guarantee that any such production will occur or that any particular amount of Subscribed Energy will be received by Project Subscriber at any time or over any period of time, including the Term of this Agreement.

EXHIBIT E

[RESERVED]



PROPRIETARY AND CONFIDENTIAL

EXHIBIT F

FORM OF SRC CONTRACT

This is a standard contract from Xcel (template can be found on Xcel's website at <https://www.xcelenergy.com/staticfiles/xcel/Marketing/Files/MN-SRC-Standard-Contract.pdf>). To be executed and inserted as Projects near construction.



PROPRIETARY AND CONFIDENTIAL

EXHIBIT G

FORM OF AGENCY AGREEMENT

This is a standard contract from Xcel (template can be found on Xcel's website at <https://www.xcelenergy.com/staticfiles/xcel/Marketing/Files/MN-SRC-Subscriber-Agency-Agreement.pdf>). To be executed and inserted as Projects near construction.

EXHIBIT H

PROJECT SUBSCRIBER DATA

1. Project Subscriber (name as shown on NSP account) City of North Mankato
2. NSP service address (Eligible Address): See Below
3. NSP account number: See Below
4. Average annual electrical consumption: 952,356 kWh ("AAEC")
5. 120% of AAEC: 1,142,827 kWh

<u>Account Number</u>	<u>Premise Number</u>	<u>Address</u>
<u>51-6964078-0</u>	<u>302524623</u>	<u>1001 BELGRADE AVE</u>
<u>51-6964078-0</u>	<u>302658252</u>	<u>1001 BELGRADE AVE (library)</u>
<u>51-6964078-0</u>	<u>302810022</u>	<u>1100 SOUTH AVE</u>
<u>51-6964078-0</u>	<u>303137492</u>	<u>50 SHERMAN ST</u>
<u>51-6964078-0</u>	<u>303154720</u>	<u>495 MARVIN BLVD (sewage pump)</u>
<u>51-6964078-0</u>	<u>303273694</u>	<u>1013 1/2 OAK TERRACE DR</u> <u>(sewage lift)</u>
<u>51-6964078-0</u>	<u>303289424</u>	<u>1008 N RIVER DR</u>
<u>51-6964078-0</u>	<u>303296668</u>	<u>600 WEBSTER AVE (recycling</u> <u>center)</u>
<u>51-6964078-0</u>	<u>303414304</u>	<u>1001 BELGRADE AVE</u>
<u>51-6964078-0</u>	<u>303437318</u>	<u>103 W WHEELER AVE</u>
<u>51-6964078-0</u>	<u>303452120</u>	<u>610 WEBSTER AVE</u>
<u>51-6964078-0</u>	<u>303704515</u>	<u>903 BELGRADE AVE</u>
<u>51-6964078-0</u>	<u>303814900</u>	<u>1139 CENTER ST</u>
<u>51-6964078-0</u>	<u>304195616</u>	<u>1525 TOWER BLVD</u>

