

**FIRST AMENDMENT TO  
ZOO MANAGEMENT AGREEMENT  
BETWEEN  
THE CITY OF DULUTH  
AND THE  
ARROWHEAD ZOOLOGICAL SOCIETY, INC.**

THIS AGREEMENT, effective as of the date of attestation by the City Clerk, is made by and between the CITY OF DULUTH, a municipal corporation organized and existing under the laws of the State of Minnesota (“City”), and the Arrowhead Zoological Society, Inc., d/b/a Lake Superior Zoological Society, a 501(c)(3) Minnesota non-profit corporation (“Society”). The City and Society collectively are hereinafter referred to as the “Parties.”

WHEREAS, pursuant to the authorization of City Council Resolution No. 16-0475, the Parties entered into a “Zoo management Agreement” for the operation of the Lake Superior Zoological Gardens (the “Zoo”), which agreement is hereinafter referred to as the “Agreement”; and

WHEREAS, the City has since received a Grant from the State of Minnesota (the “State Grant”) in the amount of \$380,000 (the “Grant Funds”) to be used to assist in funding the operations of the Zoo

WHEREAS, THE Parties are desirous of making the following amendments thereof related to funding to be available to the Society for said operations.

NOW THEREFORE, in consideration of the mutual covenants and conditions hereinafter contained, the Parties hereto hereby agree as follows:

1. That Subparagraph 3 of Paragraph A of Article V of the Agreement is hereby amended to read as follows:

3. Unless otherwise agreed to by the parties, the maximum amount of expenses to be reimbursed by the City pursuant to Section V.A. in any calendar year shall not exceed an amount equal to: (1) the Gross Revenue generated from operations of the Premises and paid to the City

during such calendar year, (ii) Five Hundred Ten Thousand and no/100ths dollars (\$510,000.00) from funds appropriated by the City Council, including the tourism tax (“City Funds”), and up to Three Hundred Eighty Thousand and 00/100s dollars Grant Fund as described in Paragraph 5. below (the Gross Revenues, the City Funds and the Grant Funds are sometimes collectively referred to as the “Compensation”). It is understood and agreed between the parties that in the event the Zoo does not utilize a portion of the Compensation in any year during the Term of this Agreement, that such unused amount will be carried-over to the next year and added to the Compensation for the Society’s use as provided for herein.

2. That Article V of the Agreement is hereby amended by adding a new Paragraph 5. Thereto which reads as follows:

5. City has been awarded the State Grant to assist in funding the operations of the Zoo. City shall make funds available to Society to reimburse it for qualifying costs of operation as authorized by the Agreement and by the terms and conditions of the State Grant, up to the amount of the State Grant, subject to the availability of Grant Funds under the terms of the State Grant. Society agrees that it shall be bound to perform all of the City’s obligations to the State of Minnesota under the State Grant except to the extent that it cannot do so by reason of the nature of such obligations, in which case Society will use its best efforts to assist City in meeting such obligations.

3. That in all other respects, the Agreement, together with all of its terms, covenants and conditions, is hereby affirmed in its entirety.

IN WITNESS WHEREOF, the parties have hereunto set their hands the date and date hereinafter set forth.

**CITY OF DULUTH**

**ARROWHEAD ZOOLOGICAL SOCIETY, INC.**

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

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

Attest: \_\_\_\_\_  
City Clerk

Printed Name: \_\_\_\_\_  
Its: \_\_\_\_\_

Date Attested:

\_\_\_\_\_

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

Countersigned:

Printed Name:

\_\_\_\_\_

Its: \_\_\_\_\_

City Auditor

Approved as to form:

\_\_\_\_\_

City Attorney