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Title: RESOLUTION AUTHORIZING AN AGREEMENT WITH THE DULUTH CROSS-COUNTRY SKI CLUB ACCEPTING THE DONATION OF \$430,000 AND ADDITIONAL FUNDS, IF RAISED, TO BE USED FOR PHASE I OF THE GRAND AVENUE NORDIC CENTER PROJECT.

Sponsors:

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Attachments: 1. Exhibit 1

Date	Ver.	Action By	Action	Result
5/14/2018	1	City Council	adopted	Pass

RESOLUTION AUTHORIZING AN AGREEMENT WITH THE DULUTH CROSS-COUNTRY SKI CLUB ACCEPTING THE DONATION OF \$430,000 AND ADDITIONAL FUNDS, IF RAISED, TO BE USED FOR PHASE I OF THE GRAND AVENUE NORDIC CENTER PROJECT.

CITY PROPOSAL:

WHEREAS, the Grand Avenue Nordic Center, when completed, will include 5.4 km of cross country ski trails, 3.3 km of which will be equipped with state-of-the-art snowmaking and lighting for the trails that will provide a dependable, season-long venue for recreational skiing, youth activities, and regional high school events (the "Project");

WHEREAS, the Project will be completed in multiple phases, and Phase I of the Project shall be that project as bid by City pursuant to City Bid No.18-0084 (the "Phase I Project");

WHEREAS, the City and the Duluth Cross-Country Ski Club ("DXC") will jointly fund the Phase I Project with their respective amounts and desire to memorialize their respective financial commitments for the Phase I Project through the agreement authorized under this resolution; and

WHEREAS, DXC has committed to donate approximately \$430,000 in cash in hand to defray a portion of the cost of construction of the Phase I Project and has further committed to use its best efforts to raise additional donations to further defray said costs and to transfer any such funds so raised to City.

NOW, THEREFORE, BE IT RESOLVED, that the proper city officials are hereby authorized to execute an agreement, substantially in the form attached as Exhibit 1, with DXC, accepting the donation of \$430,000 and any additional funds raised in connection with the Project under the terms and conditions set forth in Exhibit 1; funds to be deposited into Fund 452-030-4660-HANDHTAX-1506 (Tourism & Recreational Projects, Finance, Gifts & Donations, Half & Half Tax Projects, Nordic - Lower Spirit).

STATEMENT OF PURPOSE: This resolution authorizes the execution of an agreement with the Duluth Cross-Country Ski Club ("DXC") for the acceptance of a donation of the \$430,000 and any additional funds raised in connection with the Grand Avenue Nordic Center (the "Project"). Under the terms of the agreement, the City agrees to award and enter into a construction contract with a contractor selected by City for the construction of the portion of the project known as "the Phase I Project" no later than October 1, 2018. City shall be responsible for contract administration and for all costs associated in connection with the Project.

Soon after passage of this resolution, DXC will deliver \$430,000 to the City to defray: (a) a portion of the City's

costs of constructing the Phase I Project; (b) the City's costs for design and engineering services related to the Phase I Project; (c) the cost of equipment purchased for the Phase I Project; and (d) other costs incurred by City in connection with the construction of the Phase I Project. DXC will also use its best efforts to secure the following additional donated funds: \$125,000 by November 1, 2018 and \$195,000 by March 31, 2019.

Going forward through and after the completion of the construction and financial obligations undertaken by the parties in the agreement attached as Exhibit 1, the City and DXC will both use their best efforts to cooperatively promote and operate the Project, including the Phase I Project, in a manner consistent with the intent of the Duluth Cross Country Ski Trail Master Plan.