

FACILITY LEASE AGREEMENT
BETWEEN THE CITY OF WATERTOWN
AND CODINGTON COUNTY HOCKEY CLUB LLC

2024-2025, 2025-2026, 2026-2027, 2027-2028, 2028-2029 Seasons

THIS AGREEMENT, made this ___ day of _____, 2024 is effective between the City of Watertown, a South Dakota municipal corporation, acting by and through its Parks and Recreation Department (hereinafter called "City"), and _____, a South Dakota limited liability company, (hereinafter called "Jr. Team").

WHEREAS, the City and the Jr. Team agree that the Junior Hockey Team may use facilities at the Prairie Lakes Ice Arena, (hereinafter "Facility") located in the City of Watertown, South Dakota under the following terms and conditions:

1. GRANT OF LEASE. The City hereby grants to the Jr. Team a lease to use the Prairie Lakes Ice Arena (the "Facility") for holding hockey games and other hockey related events. The Jr. Team shall have the right to schedule and produce its events in the Facility.

2. USE OF SPACE. The Jr. Team shall have use of the ice arenas. The Jr. Team will be provided agreed upon space within the Facility's administrative offices for use as team administrative offices, use of locker rooms, and applicable equipment as part of this Agreement. Jr. Team will be responsible for the maintenance, repairs, housekeeping, and appearance of spaces listed herein. The Jr. Team room and allocated administrative space within the City's Facility offices shall allow for designation by signage as Jr. Team space. Any modifications to the space listed herein are at the expense of the Jr. Team, and must be approved, in advance, by the City.

The Jr. Team shall be permitted to utilize the community rooms beginning two hours prior to the start of the game until one-half hour following the game. Following the use of the rooms, suites, loges and patios, the Jr. Team shall leave those spaces in a wiped-clean condition with all debris removed.

The parties also agree that the Driscoll rink may be utilized by other users during any Jr. Team game for small events not to exceed a combined thirty (30) skaters or spectators. For such use, the City will provide a mechanism to identify such users to admission or ticketing; i.e. credentials or wristbands.

3. RESERVED RIGHTS OF CITY. The City retains the right to schedule and promote non-hockey events in the Facility and hockey events that are not in direct competition with the Jr. Team or USA Hockey such as youth or non-professional adult hockey tournaments or other similar events.

4. TERM. The term of this Lease is 5 years. The initial term shall begin July 1, 2024 and end June 30, 2029. The Lease will automatically be renewed for up to three additional 5-year terms unless either party notifies the other in writing of its intent not to renew the Lease at least one hundred and eighty (180) days prior to the expiration of the then current 5-year term; e.g. January 1, 2029. The City may increase the rental fee stated in this agreement at the end of each 5-year term which shall be renegotiated with said increase not to exceed twenty percent (20%). The Jr. Team agrees to remain a

Prairie Lakes Ice Arena tenant, playing all home games at the Prairie Lakes Ice Arena, with no option to relocate the team to another location throughout the term of this agreement.

A. In the event the Jr. Team builds out the Jr. Team space, this lease shall be renewed at the election of the Jr. Team for three additional terms for the amortization of the capital costs incurred for the buildout. In the event this lease is terminated by the City without cause, the Jr. Team shall be entitled to all future rents received from the use of the Jr. Team space toward the pro rata share of the amount paid for the buildout for the remaining unused terms. The amount paid for the buildout that shall be subject to this Section 4.A. shall be determined upon agreement of the Parties at the time of the City's approval of the plans and specifications for the buildout.

5. STARTUP TERM. The Jr. Team shall be permitted to utilize the administrative space as noted in Section 2 prior to the start of the lease term of July 1, 2024 for administrative purposes related to startup of the Jr. Team. Such rate shall be at \$500 per month, with said payment to be made on the 15th of the following month for the prior month's usage.

6. RENT. The Jr. Team shall pay to the City \$2,000 per game (regular, and post season) at the Facility during the initial 5-year term of this agreement. Jr. Team shall pay to the City \$1,000 per game for pre-season games. The Jr. Team shall have use of administrative office space, the Jr. Team space, locker rooms for visiting teams, and additional storage to the extent possible in the Facility for the duration of the lease. The per game rent fee includes practice time for the Jr. Team in accordance with Section 10. During the initial term of the lease, the Jr. Team shall pay \$500 per month for July, 2024 and August, 2024. Beginning September 1, 2024, the rent shall be calculated at the \$2,000/\$1,000 per game rate respectively and shall thereafter be paid on a twelve-month schedule of \$4,750 per month. Games beyond the 28 games assumed, including pre-season and post-season shall be added to the following months payment due. Rental payments shall be paid monthly with rent due the 15th of the following month for the prior month's use. The per game rent will include standard game day venue expenses such as: setup, tear down, janitorial services, ice technicians, and equipment owned by the City. Rent shall include utilities (gas, water, electricity, garbage) and internet.

7. PROFIT SHARING. The Jr. Team shall pay 10% of their net profits per season. Net profits shall mean, earnings before interest, income taxes, depreciation and amortization (a/k/a EBITDA). Sales tax included in the face value purchase price of an item shall not be considered as part of the Jr. Team's earnings. The Jr. Team shall provide documentation to, and at the request of, the City Manager or designee supporting the calculation of net profit or lack thereof. The City Manager shall consider the Jr. Team's proprietary financial information confidential and such proprietary information shall not be considered a public record. The Parties agree that the Jr. Team is expected to incur a net loss the first year due to initial startup expenses for the Jr. Team. Therefore, profit sharing shall begin once the net operating loss identified in the first year is recouped from profits in operations. For purposes of profit sharing, the NAHL membership fee and the Jr. Team buildout shall not be included in the calculation of their operating loss. The Jr. Team buildout is addressed in Section 4.A.

8. TICKET SALES. Jr. Team is responsible for all ticket sales and processing for its games and events and shall retain all proceeds therefrom subject to Section 7. Jr. Team shall offer the ability for the tickets to be purchased for all seating areas for all games (pre-season, regular season, and post-season) to certain Donors prior to sale to the general public and Jr. Team's own sponsors. The Jr. Team shall offer to the priority list compiled by the City consisting of specific capital contributors that sponsored portions of the construction of the rink, season opportunities for the suite spaces, the loges and the Northeast Patio. Such offers shall be at the rate offered to the general public. Only after offering such opportunities to those on the list shall the opportunities be offered to others. The list of Donors is attached as Exhibit A.

9. GAME SCHEDULING. The Jr. Team will schedule and play their home games at the FACILITY. The Watertown Hockey Association shall declare the weekend for which it is going to host a SDAHA state tournament by June 15, or by an agreed upon date between the City, Jr. Team and WHA, of each year. The Jr. Team agrees that a primary goal for the rink and the community is to host the SDAHA Boys' Varsity State Hockey Tournament and shall use best efforts to accommodate that opportunity should it arise. The Watertown Figure Skating Club shall declare the weekend for which it is going to host a home competition and a weekend for their annual exhibition show by June 15 of each year or by an agreed upon date between the City, Jr. Team, and WHA. City shall not schedule the aforementioned events during the period following the end of the NAHL regular season schedule to allow for playoff scheduling as referred to in the Facility Acknowledgment Form attached as Exhibit B. The Jr. Team shall then declare its schedule as determined by the NAHL to the City. The home schedules must be provided to the Ice Arena Manager by August 1st preceding the season. The Jr. Team shall pay the per game fee for canceled games unless notice of cancelation is received by the City at least 14 days prior to the scheduled game date or the game is canceled because of weather conditions.

10. PRACTICE TIME. The Jr. Team may use the Premier Rink for practices between September 1 of the current season and the end of the current season and playoffs in April. The Jr. Team must be off the ice by 3:00 p.m. to allow for ice maintenance prior to usage by a respective user group (e.g. youth hockey, figure skaters, city events). Practices must be scheduled between the hours of 8:00 a.m. and 3:00 p.m., Monday through Friday. The City may reduce the time reserved for the ice when special events are scheduled. However, if available, the Jr. Team may utilize the Driscoll Rink during those times when a special event is scheduled in the Premier Rink for practice time. The Jr. Team shall provide the Ice Arena Manager a monthly practice schedule not less than 10 days before the beginning of each month. Changes to the schedule after submittal is subject to ice times available and consent of the Ice Arena Manager. Practice cancelations shall be made as soon as practical to the Ice Arena Manager.

11. PERSONNEL. The Jr. Team shall provide all game-related personnel needed for games and practices held at the Facility, including game security but not including concessions and rink operations addressed herein. Jr. Team shall provide a minimum of two (2) persons for security per game or event. Jr. Team agrees that, depending on the circumstances, additional security personnel may be requested by the City and provided by the Jr. Team at its expense.

12. **CONCESSIONS AND BEER SALES.** The City shall operate all concessions at the Facility, the Jr. Team shall receive 25% of the gross sales (excluding applicable sales tax) for all concessions sold at Jr. Team games and events. The City shall operate all alcohol sales at the Facility, and the Jr. Team shall receive fifty (50%) of gross sales of alcohol sold (excluding applicable sales tax) at Jr. Team games and events. The percentage of gross sales for concessions and beer sales at Jr. Team events shall be reviewed after the first hockey season under this Agreement and the concessions share may be amended if the costs of good sold, and labor costs exceed the City's share for the concessions at Jr. Team games and events, and the beer sales share may be amended if the costs of goods sold, labor costs and inventory return costs exceed the City's share for the beer sales at Jr. Team games and events. This review and potential amendment shall only occur after the first year of the hockey season under this Agreement and such timeline and review shall apply to each additional term.

- A. The Jr. Team shall be allowed to offer specialty and premium food concessions not otherwise sold at the concession stand at the mezzanine level or within other areas of the Facility. The Jr. Team will pay a fee of \$100 per vendor per game to be paid as Additional Rent. The Jr. Team shall notify and obtain approval from the Ice Arena Manager, which such approval shall not be unreasonably withheld. The parties further agree that the Jr. Team may make special catered arrangements for the community rooms, suites, loges, patios, and premium seating. The Jr. Team shall pay all expenses associated with those catered arrangements and shall not offer for sale to attendees other than those listed as part of their attendance, food, beverages and other consumables.
- B. The operation of concessions/beer sales provided by City hereunder shall be offered for such periods of time during each day and for such days during each week as may be necessary to meet reasonable demands for said services. City agrees to coordinate its hours of operation for concessions and alcohol sales with Jr. Team taking into consideration game and event schedules, patrons flow and other circumstances. A bi-weekly review of the concession operations during the first three months of the Jr. Team's game season shall be conducted between the City and the Jr. Team. The parties agree that an important part of the operations goal shall be the customer experience inclusive of wait times during times of greatest demand.

13. Novelty Sales/Merchandise. The Jr. Team may sell novelties, apparel, and merchandise during hockey games and shall receive all proceeds therefrom subject to Section 7. Jr. Team is responsible for all set up and tear down of its merchandising areas. Areas in the lobby or the skate room shall be made available for the sale of novelties and merchandise and will be designated by the Ice Arena Manager.

14. Preseason Camps. The Jr. Team shall be allowed to conduct preseason camps at the Facility prior to each season. The dates, times, and fees to be charged shall be the regular hourly rate as adopted by resolution of the City Council on an annual basis. No other USA Hockey Junior level team may be permitted to conduct preseason or tryout camps without the express permission of the Jr. Team, which said consent will not be unreasonably withheld.

15. Advertising.

- a. *Dasher Advertising Signs.* The Jr. Team shall be entitled to all proceeds from their lease of dasher advertising signs in the Premier Rink subject to Section 7. All signs shall be subject to the approval of the City's designated representative which approval shall not be unreasonably withheld. The Jr. Team shall assume responsibility for all costs and expenses associated with the creation, installation and maintenance of the dasher advertising signs. Dasher advertising signs will be allowed to be displayed year-round. The Jr. Team may utilize all but six (6) dasher advertising sign placements, which are to be used by the City for capital donor commitments and/or City advertising. The City reserves the right to lease or use those dasher advertising locations not utilized by the Jr. Team.
- b. *On-Ice Logos.* The Jr. Team shall be entitled to all proceeds from their lease of on-ice logos in the Premier Rink, subject to Section 7, except for the logo center ice for First Premier Bank/Premier Bank Card and two (2) locations selected by the City for Prairie Lakes Healthcare System/Prairie Lakes Ice Arena. All logos shall be subject to the approval of the City's designated representative. The Jr. Team shall assume responsibility for all costs and expenses associated with the creation, installation, and maintenance of the logos except for the Center Ice logo used by First Premier, and the Prairie Lakes Healthcare System/Prairie Lakes Ice Arena. Such logos shall be of a vinyl inlay design. The on-ice logos will be allowed in the ice year-round. The City reserves the right to lease or use those on-ice logo locations not utilized by the Jr. Team during any season for whatever purposes it deems appropriate and will consult with the Jr. Team about placement location.
- c. *Banners.* The Jr. Team shall be allowed to sell and is entitled to all proceeds from their lease of permanent banners placed inside the Premier Rink. All banners and their location shall be subject to the approval of the City's designated representative. The Jr. Team shall assume responsibility for all costs and expenses associated with the creation, installation, and maintenance of these banners. The permanent banners will be allowed to be displayed year-round. The City reserves the right to use two (2) permanent banner locations for whatever purposes it deems appropriate and will consult with the Jr. Team about the number and placement locations.
- d. *Temporary Signs.* The Jr. Team shall be entitled to all proceeds from its temporary sign rentals. All such signs shall be subject to approval by the City. All temporary signs shall be put up and taken down at a time designated by the Ice Arena Manager and will take into consideration dates and times of when other events are scheduled but shall be able to remain up through a weekend homestand unless a specific event necessitates their removal.
- e. *Scoreboard Digital Advertising.* The Jr. Team shall be entitled to all proceeds from the sale/rent of digital scoreboard advertising during Jr. Team games and events. All such advertising shall

be subject to approval by the City. Jr. Team is responsible for all costs associated with the digital advertising content.

f. *Termination of Advertising Rights.* The right to receive proceeds from all advertising shall expire immediately at such time that the Jr. Team terminates their affiliation with the City and upon expiration of this lease.

g. *Additional Advertising Rights.* The parties further agree that additional advertising shall be permitted as developed by the Jr. Team subject to the approval of the City and meeting the goal of maintaining the Prairie Lakes Ice Arena's appearance subject to the City's sole discretion.

h. *Prairie Lakes Orthopedic and Rehabilitation.* Jr. Team acknowledges and understands that the City is a party to an agreement with Prairie Lakes Health Care System (PLHCS) making Prairie Lakes Orthopedic and Rehabilitation the "Official Sports Medicine Provider" for the Prairie Lakes Ice Arena. Subject to that agreement, the Jr. Team shall make a public announcement at all events held at the Arena that PLHCS is the "Official Sports Medicine Provider for the Prairie Lakes Ice Arena." Jr. Team shall print the PLHCS sports medicine team on athletic rosters with the tagline, "Orthopedic and Sports Medicine coverage provided by Prairie Lakes Healthcare System." The City may provide PLHCS the opportunity to establish booth and displays at Jr. Team events for marketing purposes. Jr. Team shall provide any sponsorships or advertising it wishes to engage in with another health care provider so that the City may submit same to Prairie Lakes Healthcare System for approval under its agreement. The Jr. Team shall adhere to the applicable requirements contained in the Ice Arena Official Sports Medicine Provider Agreement entered into between the City and PLHCS which is available upon request. The Jr. Team acknowledges that the City is also subject to a Naming Rights Agreement with Prairie Lakes Healthcare System and Jr. Team is advised that certain sponsorships and advertising developed by the Jr. Team may be affected by the Naming Rights Agreement on a case-by-case basis. A copy of the agreement is available upon request.

16. Miscellaneous Charges and Items

In addition to the Facility rent and other fees stated in this Agreement, the Jr. Team will be responsible for paying the following expenses and charges:

- A. The Jr. Team will pay all standard team business expenses such as advertising, insurance, and any catering needs incurred by the Jr. Team.
- B. Jr. Team will pay additional venue expenses associated to "special promotional events" such as concerts, parties, etc. that may add expenses incurred by Jr. Team to a typical game.
- C. The cost of any additional personnel of the City, other than management staff, needed to facilitate the Jr. Team's event, (not included in the listing above); stagehands, score keepers, reader board operators, organist, or other forms of musical entertainment.
- D. The cost of any additional furnishings or fixtures requested by the Jr. Team.
- E. Jr. Team is responsible for all sales tax on tickets sold by Jr. Team and on media trade tickets.

- F. With the exception of the priority premium seating sales above to Donors, the Jr. Team shall have priority for use of the ice patio, loge, and luxury suite areas as a part of the base per game and ice rental fees for Jr. Team games and events. All non-furniture items shall be removed by the Jr. Team from the ice patio, loge, and luxury suites after use and at a time designated by the Ice Arena Manager. Any food and beverage charges incurred during use by the Jr. Team are at the expense of the Jr. Team.
- G. The Jr. Team shall be permitted to reserve for its own use the ice patio on the Northwest Corner of the rink.
- H. Any applicable licensing fees including, but not limited to fees charged by ASCAP, BMI, SESEAC, or other similar organizations.

17. Conditions and Alterations of Facility. The City shall have the continuing responsibility and obligation to maintain the Facility and agrees to keep the Facility in good repair with the exception of normal wear and tear. The Lessee shall not damage, injure, deface, or otherwise mar the Facility, or permit others to do so. If the Lessee or its officers, employees, agents, or invitees cause damage to the Facility, the Lessee agrees to pay to repair or restore the Facility to its original condition. The Jr. Team shall not make any alterations or improvements to the Facility, apart from trade fixtures in the Jr. Team space, without the express written consent of the City.

If the Jr. Team or its officers, employees, agents alter or make improvements to the Facility without the City's consent, the City may require that:

- A. The Jr. Team, at its sole expense, remove such alteration or improvement and restore the Facility to its original condition; or
- B. The City remove such alternation or improvement and restore the Facility to its original condition. In such instance, the Jr. Team will reimburse the City for the cost of such work and the City can withhold an amount equivalent to the cost of such work from any payments to the Jr. Team in order to satisfy any amounts due and owing.
- C. The City may require the improvements, alterations, or fixtures installed by the Jr. Team remain upon expiration of the Agreement and shall become the property of the City.

18. Buildout of the Jr. Team Room. City has built the shell of the Jr. Team space in accordance with the plans and specifications of the overall construction of the Prairie Lakes Ice Arena. The Jr. Team shall be allowed to build out the interior of the Jr. Team space at its own cost and expense. The interior layout and improvements to the Jr. Team space shall be provided to the City for approval. The Jr. Team shall buildout the Jr Team space in accordance with all applicable City ordinances, building codes, and regulations. It is understood between the parties that the renewal terms of this lease are in consideration of the cost of buildout of the Jr. Team space and allowance for amortization of the capital costs incurred by Jr. Team. All work conducted shall not interfere with the overall operation of the Facility and use of the Facility by other user groups.

- A. All alterations, installations, additions and improvements made upon or for the benefit of the leased areas, including the buildout of the Jr. Team space, by either party are, the property of City and unless City otherwise elects (by giving notice thereof to Jr. Team not less than thirty days prior to the expiration or other termination of this Lease), shall remain upon and be surrendered with the leased spaces as a part thereof at the expiration or sooner termination of this Lease. Furniture, trade fixtures, equipment and personal property which is acquired by Jr. Team at its expense shall remain its property and shall be removed prior to the end of the lease term and Jr. Team shall promptly repair any damage caused by such removal.
- B. Jr. Team will prevent the filing of any construction or other liens or encumbrances against the leased space, or any part thereof by reason of work, labor, services or materials supplied or claimed to have been supplied to Jr. Team. Jr. Team agrees to promptly pay all sums of money in respect of any labor, services, materials, supplies, or equipment furnished or alleged to have been furnished to Jr. Team in, at or about the Premises or furnished to Jr. Team's agents, employees, contractors or subcontractors, which may be secured by any construction, materialmen, supplier's, or other type of lien against the Facility. In the event of the receipt of any notice of intention to claim such a lien, a demand for payment, or a construction lien statement, Jr. Team shall immediately notify City thereof, and shall either: (a) cause the same to be discharged of record within ten (10) days thereafter; or (b) if in good faith Jr. Team determines that such lien should be contested, Jr. Team shall furnish such security as may be necessary and required to (i) prevent any foreclosure proceeding or other action against the City or Facility or any portion thereof during the pendency of the contest.

19. Indemnity. Both parties agree to hold harmless, defend and indemnify each other; its officers, employees and agents, from and against any and all demands, claims, and/or damages to persons or property, losses, and liabilities (collectively "Claims"), to the extent that such Claims arise out of or are caused by the negligence or willful misconduct of the other its officers, agents, employees or players in connection with the rights granted by this Agreement.

20. Insurance. The Jr. Team shall purchase and maintain at its own expense commercial general liability insurance in an aggregate amount of \$5,000,000/\$1,000,000 per occurrence and Damage to Premises of \$1,000,000 per occurrence with an Excess Umbrella of \$5,000,000. Jr. Team shall name the City as an additional insured including for defense and indemnification purposes. A certificate showing this insurance coverage and the City's position as an additional insured shall be filed with the City Clerk prior to the City's execution of this agreement. The policy and certificate shall indicate that the insurer is to provide the City with at least 30 days' notice of its intent to cancel the policy. This lease shall immediately terminate upon expiration of this liability insurance policy and shall be considered a "for cause" breach of this Agreement.

The Jr. Team will provide the City with a complete copy of its insurance policy, including any exclusions or riders and an updated certificate of insurance showing proof of coverage at least twenty (20) days prior to the expiration of its current policy or at any time a copy is requested by the City. The policies issued under this provision shall be occurrence based and not claims made, nor shall they

contain exclusions of coverage relating to sporting events, open floor performers, volunteers, off premises activities, pyrotechnics, or fireworks unless such exclusions are expressly approved by the City. The City, and the officers, agents, and employees of the City shall be named as additional insureds on the Jr. Team's liability insurance policies. The insurance of the Jr. Team shall be Primary and Non-Contributory to that of the additional insureds. Any policy limits will in no way limit the liability of the Jr. Team. The policies shall be endorsed to provide that the Jr. Team and its insurers waive all rights of subrogation against the City.

The Jr. Team will maintain workers compensation insurance in a type and amount as required by South Dakota Law. The Jr. Team will provide the City with proof of such coverage, at least annually, or at any time a copy is requested by the City

The Jr. Team and City will evaluate the amount of liability coverage upon the expiration of the initial term of this Agreement. The City may require the Jr. Team to obtain additional coverage or to increase the minimum amount of coverage at that time. The City agrees the types of amounts of insurance coverage required will be consistent with the amount and types of coverage required of other NAHL Junior teams.

21. General Conditions Regarding Use of the Facility.

- A. The Jr. Team agrees it will conduct its activities with full regard for public safety. The Jr. Team shall comply with all applicable federal, state, and local laws. The Jr. Team will comply with all lawful orders of law enforcement, the fire department, or other municipal authorities and will not do, or allow to be done, anything that would violate such law, ordinances, regulations, or orders.
- B. In allowing the Jr. Team's use of the Facility, the City does not relinquish its right to control the management thereof and to enforce all necessary and proper rules for the management and operation of the Facility. The City, through its employees and agents, may access all areas of the Facility at any time and on any occasion. The City reserves the right to eject, or cause to be ejected, any objectionable person.
- C. The Jr. Team shall not use the Facility, or permit the Facility to be used, by any of its officers, employees, agents, guests, or invitees, for any unlawful or immoral purpose or in any manner so as to injure persons or property in, on, or near the Facility. If the City believes, in its sole discretion, that such prohibited acts are reasonably likely to occur, or that the licensed event could pose an imminent safety risk to the event participants, Facility patrons, or Facility staff, the City may in its sole discretion take any legal means necessary to prevent such occurrences, up to and including the immediate termination of this Agreement.

22. Merger. This Agreement constitutes the final expression of the parties' Agreement and the complete and exclusive statement of the terms agreed upon. This Agreement supersedes all prior negotiations, understandings, agreements, or representations. Furthermore, no waiver, consent, modification, or change of terms of this Agreement shall bind either party unless in writing and signed

by both parties. Such waiver, consent, modification, or change shall be effective only in the specific instance and for the specific purpose given.

23. Non-assignability. Neither the City nor the Jr. Team shall assign their liabilities, duties, or obligations under this Agreement without prior written consent of the other party.

24. Governing Laws. This Agreement shall be interpreted and construed under the laws of the State of South Dakota.

25. Alternative Dispute Resolution. In the event there is a dispute arising out of this lease agreement the parties hereby agree that they shall participate in mediation to resolve the dispute.

26. Acknowledgment. By executing this Agreement, the parties acknowledge that they: (a) enter into and execute this Agreement knowingly, voluntarily and willingly of their own volition with such consultation with legal counsel as they deem appropriate; (b) have had a sufficient amount of time to consider this Agreement's terms and conditions, and to consult an attorney before signing this Agreement; (c) have read this Agreement, understand all of its terms, appreciate the significance of those terms and have made the decision to accept them as stated herein; and (d) have not relied upon any representation or statement not set forth herein. Both parties wish to avoid any development or administrative delays associated with a legal challenge to any of the terms of this Agreement. As such, both parties agree that they will not challenge the legality of any term or condition found within this Agreement and specifically waive any and all legal objections they may have to any such term or condition. Notwithstanding any provision in this Agreement to the contrary, this clause will survive the termination or expiration of this Agreement.

27. Severability. The parties agree that if any term or provision of this contract is declared by a court of competent jurisdiction to be illegal or in conflict with any law, the validity of the remaining terms and provisions shall not be affected, and the rights and obligations of the parties shall be construed and enforced as if the contract did not contain the particular term or provision held to be valid.

ACKNOWLEDGED AND AGREED TO BY THE PARTIES AS EVIDENCED BY THEIR AUTHORIZED SIGNATURES BELOW.

CITY OF WATERTOWN _____

Amanda Mack, City Manager

_____, Authorized Member

ATTEST

Kristen Bobzien, Finance Officer

EXHIBIT A

The following Donors, in the order provided below, shall be offered the opportunity to purchase premium seating arrangements including tickets to all games of the Jr. Team prior to any sale of same to the general public or other potential sponsors of the Jr. Team.

1. Prairie Lakes Healthcare System
2. First Premier Bank/Premier Bankcard
3. Watertown Ford/Bobcat/Scott & Jodi Driscoll

In the event a Donor does not fulfill a pledge requirement, the City shall notify Jr. Team to remove the Donor from the priority list.