

**STMA ARENA BOARD AGENDA
MONDAY AUGUST 13, 2018
ALBERTVILLE CITY HALL
6:00 PM**

- 1. CALL TO ORDER – ROLL CALL**
- 2. ADOPT AGENDA**
- 3. APPROVAL OF THE MINUTES OF JULY 9, 2018 (pg. 1)**
- 4. FINANCE REPORTS**
 - a) Approve the July list of claims as presented in the amount of \$11,121.01 and July report (pgs. 2-4)
- 5. ARENA MANAGER**
 - a) Monthly report (pg. 5)
- 6. OLD BUSINESS**
- 7. NEW BUSINESS**
 - a) STMA YHA Adverting Agreement (pgs. 6-9)
(Motion to approve St. Michael/Albertville Youth Hockey Association Advertising Agreement)
- 8. YOUTH HOCKEY ASSOCIATION**
- 9. ADJOURN**

ST. MICHAEL-ALBERTVILLE ICE ARENA BOARD MINUTES

July 9, 2018

6:00 p.m.

Present: Chairman Walter Hudson and members Jeff Lindquist, Keith Wettschreck, Kevin Kasel, Gayle Weber, and John Vetsch. Also present: City Administrator Adam Nafstad, City Finance Director Tina Lannes, Arena Manager Grant Fitch, Dr. Ann Marie Foucault and Chris Hanson. The meeting was called to order at 6:04 p.m. by Chairman Walter Hudson.

Set Agenda

Members Weber/Kasel **moved** to set the agenda as presented. All voted aye.

Approval of Minutes

Members Lindquist/Weber **moved** to approve the minutes of the May 14, 2018 Board Meeting as presented. All voted aye.

Finance Reports

Members Vetsch/Kasel **moved** to approve the May-June list of claims totaling \$36,474.66 and the June Financial Report as presented. All voted aye.

Arena Manager's Report

Fitch reported that things were going well with no major repairs. The lighting was changed on the rink to LED. Member Vetsch inquired what the savings were making the change over to LED. Fitch reported that the savings would be roughly a quarter of what our electric services are now, plus the time not changing bulbs. Nafstad expanded mentioning that these bulbs were part of a large order the school made so with that savings the estimated payback time would be around 1 year.

Members Kasel/Lindquist **moved** to accept the arena managers' report as presented. All voted aye.

New Business

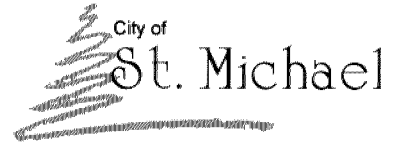
Nafstad updated the board on the recommendation to purchase a hot water heater for the existing rink to match the set up for the new sheet of ice. Currently, the existing rink has a Reverse Osmosis System and not hot water. The new rink will have hot water, but no RO system. Member Weber asked why we couldn't just get one large water heater. Nafstad mentioned that was discussed with the design along with an on demand option and the recommendation from the engineers was two hot water heaters were more efficient. Foucault said she would again ask the architect why two and not one, but also said two was the recommendation. Member Kasel asked why we would change the existing rink from Reverse Osmosis to hot water heater. Nafstad mentioned that the sheets may look different and hot water will improve set times and also for consistency in operations. There was discussion on the compatibility of the hot water heater with the existing RO system, and it was noted that the proposed hot water heater was not compatible with RO. Member Wettschreck inquired about the condition of the existing RO system and its expected life. Fitch explained the system is in good condition and sees no problem continuing to use the system. There was further discussion on the difference in the systems, efficiencies, and the option costs along with the funding of the Capital Improvement Fund. The board saw no reason not to continue using the existing RO system. The board tabled the item and recommended that each representative bring back to their respective boards this information and a request to increase the 2018 annual contribution to \$25,000 instead of \$15,000 to cover the water heater purchase for the existing rink.

Adjourn

Members Kasel/Lindquist **moved** to adjourn at approximately 6:47 p.m. All voted aye.

Attest:

Tina L. Lannes, City Finance Director



STMA Ice Arena Budget to Actual July 2018 (Cash Basis)

	2018 Annual Budget	July 2018 Actual	2018 Actual YTD 07/31/18	2018 YTD % of Budget
Income				
Ice Rental	\$419,896.25	\$3,893.00	\$201,778.98	48.05%
Concessions	\$36,857.15	\$11.50	\$20,059.25	54.42%
Other Revenues (Advertising/LMC/Ins Claims)	\$13,000.00	\$0.00	\$0.00	0.00%
Vending	\$1,100.00	\$156.75	\$803.00	73.00%
Open Skate/Hockey, etc.	\$5,000.00	\$285.00	\$1,955.50	39.11%
Interest	\$1,000.00	\$0.00	\$0.00	0.00%
Misc. Revenue	\$1,600.00	\$4.00	\$240.00	
Total Income	\$478,453.40	\$4,350.25	\$224,836.73	46.99%
Expenses				
Salaries, Wages, Taxes & Benefits	\$238,932.91	\$9,019.05	\$82,760.56	34.64%
Supplies (Office, Misc.)	\$1,500.00	\$33.18	\$586.78	39.12%
Supplies (Concession)	\$15,400.00	\$102.08	\$6,833.21	44.37%
Fuel, Misc.	\$1,800.00	\$104.46	\$892.91	49.61%
Professional Services	\$22,000.00	\$142.84	\$14,926.46	67.85%
Sales Tax	\$2,500.00	\$397.11	\$1,960.88	78.44%
Telephone	\$1,500.00	\$106.20	\$775.01	51.67%
Electric	\$75,000.00	\$7,052.76	\$34,450.85	45.93%
Gas	\$20,000.00	\$686.11	\$11,074.93	55.37%
Water	\$25,000.00	\$1,268.89	\$16,839.27	67.36%
Refuse	\$3,000.00	\$0.00	\$1,453.74	48.46%
Insurance	\$12,000.00	\$0.00	\$8,115.00	67.63%
Administration	\$14,625.00	\$1,218.75	\$8,531.25	58.33%
Misc.	\$2,585.00	\$0.00	\$1,682.50	65.09%
Repair Maintenance – Machinery	\$11,000.00	\$480.59	\$6,586.66	59.88%
Repair Maintenance – Building	\$30,000.00	\$1,312.04	\$8,827.26	29.42%
Total Operating Expenses	\$477,942.91	\$21,924.06	\$206,297.27	43.16%
 Net Income/Loss	 \$510.49	 (\$17,573.81)	 \$18,539.46	

STMA ICE ARENA CASH BALANCES AND RECEIVABLES
July 31, 2018

Cash Balance Operations

Cash Balance Operations 1/1/18	\$100,757
Add Revenues (collected in 2018)	\$224,837
Less Expenses	<u>\$(206,297)</u>
Est. Cash Balance Operations 7/31/18	\$119,297

Accounts Receivable (invoiced)

Operations July 31, 2018 - \$13,372.96

Cash Balance Dedicated Capital Improvement Fund

Arena Owner Dedicated Cap. Imp. Fund	
Beginning Balance 1/1/18	\$157,160
Down payment on Zamboni	-\$34,919
Balance 7/31/18	<u>\$122,241</u>

STMA Ice Arena Vendor Check Detail Register

CITY OF ALBERTVILLE

July 2018

			Check Amt	Invoice	Comment
Paid Chk#	006486E	7/20/2018			BCBS OF MINNESOTA
E 810-00000-130	Employer Paid Ins (GENERAL)		\$1,439.50	18070228209	Aug 18 Health Ins
Paid Chk#	006498E	7/16/2018			WRIGHT-HENNEPIN COOP ELECTRIC
E 810-00000-381	Electric Utilities		\$27.95	5898	Arena Fire Panel Monitoring
Paid Chk#	006499E	7/16/2018			FERRELLGAS
E 810-00000-212	Motor Fuels		\$104.46	1101747873	Arena Propane
Paid Chk#	006502E	7/16/2018			ABDO, EICK & MEYERS, LLP
E 810-00000-301	Auditing and Acctg Services		\$142.84	402135	Professional Audit/Acct Svcs
Paid Chk#	037896	7/2/2018			CHARTER COMMUNICATIONS
E 810-00000-321	Telephone		\$31.77	01315380624	Arena Charter
Paid Chk#	037913	7/2/2018			METLIFE-GROUP BENEFITS
E 810-00000-130	Employer Paid Ins (GENERAL)		\$185.73		life, dental, stdis, vision
Paid Chk#	037937	7/3/2018			CENTERPOINT ENERGY
E 810-00000-383	Gas Utilities		\$686.11		5898 Lachman Ave 5390131-0
Paid Chk#	037941	7/16/2018			ACE OF ALBERTVILLE - ARENA
E 810-00000-405	Repair/Maint - Buildings		\$3.99	103001/1	coupler hose plastic shutoff
E 810-00000-405	Repair/Maint - Buildings		\$29.99	103106/1	pocket hose tp brass 50'
E 810-00000-405	Repair/Maint - Buildings		\$34.99	103142/1	veg killer 365 RTU wand
Paid Chk#	037946	7/16/2018			ARAMARK UNIFORM SERVICES
E 810-00000-405	Repair/Maint - Buildings		\$16.00	1718938789	MATS
E 810-00000-405	Repair/Maint - Buildings		\$16.00	1718946940	Arena Mats
Paid Chk#	037949	7/16/2018			CHARTER COMMUNICATIONS
E 810-00000-321	Telephone		\$74.43	STMA Ice	Arena
Paid Chk#	037976	7/16/2018			SCR, INC - ST. CLOUD
E 810-00000-405	Repair/Maint - Buildings		\$690.00	C002426	monthly blanket billing
Paid Chk#	037991	7/26/2018			CULLIGAN
E 810-00000-405	Repair/Maint - Buildings		\$310.25		STMA Arena Carbon Tanks
Paid Chk#	037997	7/26/2018			METLIFE-GROUP BENEFITS
E 810-00000-130	Employer Paid Ins (GENERAL)		\$185.73		Emp Life, Dental, Stdis, Vision
Paid Chk#	038001	7/26/2018			STEP SAVER INC
E 810-00000-405	Repair/Maint - Buildings		\$116.46	119955	bulk salt, resin cleaner IRON OUT
Paid Chk#	038003	7/26/2018			XCEL ENERGY
E 810-00000-381	Electric Utilities		\$7,024.81	598799940	5898 Lachman Ave Hockey Arena 51-5873315-4

810 STMA ARENA

\$11,121.01



MANAGER' GENERAL UPDATE

Date: August 13th, 2018
To: STMA Arena Board
From: Grant Fitch, STMA Arena Manager

ARENA RENTAL HOURS – JULY

<u>Name</u>	<u>Prime-time</u>
Youth Hockey	0 hours
Adult Hockey	10 hours
High School Boys/Girls	57.5 hours
Public Skating/OH	15.75 hours
Private rentals AAA	21.5 hours
<u>Learn to Skate</u>	<u>0 hours</u>
Total hours	104.75 hours
Hours July 2017	84.75 hours

Dehumidification: System working well, on hot/humid days there is some minor dripping on east end of rink, but is manageable.

Compressors: #5 had a discharge line crack and lost about 150lbs of R-22 on Wednesday July 18th. Cost covered under SCR maintenance blanket.

Hockey Tournaments: Midwest Hockey Program has two weekends reserved for August 17th, 18th and 19th August 24th, 25th and 26th for a total of 36 games.

STMA YHA: Youth Hockey Clinics start Monday September 10th 2018

Arena Addition: Scheduled to open on November 1.

Staffing: We are advertising for a full-time maintenance and shift supervisor, part-time drivers, and concession workers.

Advertising Agreement: Included on the agenda is the latest draft of the advertising agreement for the Board's consideration. The agreement is for 5 years and proposes to charge \$12,000 in year one and \$20,000 annually thereafter. \$20,000 is consistent with the pro forma for the two-sheet facility. The discounted rate for the first year helps YHA transition their advertising operations to include the two sheet facility.

Arena Projects:

- Painted Locker-rooms #1, #3, #4 and #5
- Weight room cleared out and weights taken to middle school west
- Ice scheduled for all JV/Varsity boys and girls games for the 2018-19 season
- Youth Hockey Try-outs scheduled for September and October 2018

Operations: No major repairs at this time.

St. Michael/Albertville Youth Hockey Association Advertising Agreement

THIS AGREEMENT is made on the _____ day of _____, 2018, by and between the St. Michael/Albertville Youth Hockey Association (STMAYHA), the St. Michael – Albertville Ice Arena Joint Powers Board (“Arena Board”), and Independent School District No. 885 (“School District”).

WHEREAS, The Arena Board is currently managing an ice arena (“Joint Arena”) jointly owned by the School District, the City of Albertville and the City of St. Michael; and

WHEREAS, The School District is constructing an addition to the ice arena (“Arena Addition”) located on property owned by the School District in Albertville, Minnesota and to be managed by the Arena Board; and

WHEREAS, STMAYHA is currently selling advertising space for the Arena Board at the Joint Arena; and

WHEREAS, the parties desire that STMAYHA also sell advertising space for the Arena Board on a portion of the available space in the Arena Addition;

NOW, THEREFORE, the parties agree as follows:

1. As to advertising in the Joint Arena, STMAYHA agrees to:
 - a. Sell sign advertising space for the Arena Board within the arena, but only on the locations as described on the attached Exhibit A (“Exiting Arena Advertising Space”).
 - b. Administrate yearly contracts (new and renewals) for all sign advertising at the Joint Arena.
 - c. Handle billing and collections for all sign advertising at the Joint Arena.
 - d. Print/produce all sign advertisements for the Joint Arena including, but not limited to banners, dasherboard, on-ice and ice resurfacers at quoted rates.
 - e. Reimburse the Arena Board the cost for each blank lexan piece provided by the Arena Board to STMAYHA for sign purposes.
 - f. Pay for installation and removal of signs on the ice resurfacing machines.

2. As to advertising in Joint Arena, the Arena Board agrees to:
 - a. Install/remove all sign advertisements in the Joint Arena in a timely manner as requested by STMAYHA (except for signs mounted on the resurfacing machines), provided however that the Arena Board shall have the discretion to determine when to remove the ice for installation of on-ice signs.
 - b. Repair and maintain the lexan on dasherboard ads (but STMAYHA shall be responsible for printing new dasherboard signs when existing signs are damaged).
 - c. Repair and maintain cable system for banner ads.
 - d. Communicate any install or removal of advertising to the Sponsorship Coordinator of STMAYHA.

3. As to advertising in the Arena Addition, STMAYHA agrees to:
 - a. Sell sign advertising space for the School District within the arena, but only on the locations as described on the attached Exhibit B (“Addition Advertising Space”).
 - b. Administrate yearly contracts (new and renewals) for all sign advertising on the Addition Advertising Space.
 - c. Handle billing and collections for all sign advertising on the Advertising Space.
 - d. Print/produce all sign advertisements for the Addition Advertising Space. All signs shall be installed using a mounting system approved by the School District.
 - e. Pay all costs associated with installation and removal of signs.
 - f. Shall be responsible for printing new signs when existing signs are damaged.
 - g. Comply with all School District advertising policies. Any sign found by the School District to be in non-compliance with School District polices will be removed and STMAYHA will be responsible for all costs.
4. As to advertising in the Arena Addition, the Arena Board agrees to:
 - a. Install/remove all sign advertisements in the Arena Addition in a timely manner as requested by STMAYHA.
 - b. Communicate any install or removal of advertising to the Sponsorship Coordinator of STMAYHA.
5. As to advertising in the Arena Addition, the School District shall
 - a. Promptly respond to any requests from STMAYHA for approval of installation of advertising within the Arena Addition.
 - b. Provide STMAYHA with an updated copy of the School District’s advertising policy, along with any updates of such policy as the policy is updated.
6. No sign advertisements can be installed in the Arena Addition prior to November 1, 2018, unless otherwise approved by the School District.
7. STMAYHA shall pay the Arena Board \$12,000 for the first year and \$20,000 per year thereafter for the rights to sign advertising in the Addition Advertising Space and Existing Arena Advertising Space, initially due upon the effective date of this Agreement and thereafter on the anniversary of such date.
8. The Arena Board retains all rights to non-sign advertising such as printed paper flyers, ads in paper programs, ads on receipts, ads on memorabilia or other physical materials sold or distributed to the public, and all signs that advertise products sold at the Ice Arena by Arena Board personnel or volunteers in service to the Arena Board.
9. The School District reserves the right to sell and place advertising on the scoreboard and on those areas of the Arena Addition marked on Exhibit C as “School District Advertising Areas.”
10. The Arena Board retains all rights to sign advertising associated with ATMs, electronic concession menu boards, electronic locker room assignment boards, and exterior electronic reader boards.

11. **Term.** This agreement is for a term of five (5) years and will automatically renew for successive one-year periods unless a notice of termination is given within Thirty days (30) prior to the expiration of this agreement.
12. **Default.** In the event STMAYHA does not comply with the terms of this Agreement, the Arena Board shall notify the STMAYHA of such non-compliance via registered mail to the following address: _____. If STMAYHA fails to comply with the terms of the agreement within 30 days following the mailing of such notice, the Arena Board may terminate this Agreement. After such termination, the Arena Board and STMAYHA shall prorate the \$20,000 annual payment and all payments received by the STMAYHA for any existing advertising contracts effective in the year of termination or thereafter. Proration shall be made from the last anniversary date of this Agreement to the date of termination, with the Arena Board receiving that portion of the \$20,000 payment applicable to such period and the STMAYHA receiving that portion of the advertising contract revenue applicable to such period. The Arena Board shall receive that portion of the advertising contract revenue applicable to that portion of the year during which this Agreement is not in force, and the Arena Board shall refund to STMAYHA that portion of the \$20,000 payment (if paid by STMAYHA) that is applicable to that portion of the year during which this Agreement is not in force.
13. **Effective Date.** This Agreement shall be effective upon passage by the Arena Board and signature by its chairman and approval by the STMAYHA and execution by its sponsorship coordinator.

IN WITNESS WHEREOF, the parties do hereby set their hands and seals on the date set forth above.

(Sponsorship Coordinator, STMAYHA)

(Chairman, Arena Board)

EXHIBIT A – Existing Arena Advertising Space

Sign advertising space in the Existing Arena shall be limited to the following:

- 32 – 3’ x 8’ inner board ads
- 18 – 4’ x 8’ wall ads on north wall
- 10 – 3’ x 8’ outer board ads
- 1 – 8’ x 10’ wall ad near the bleachers on the west end of the rink
- 2 – 8’ x 17’ on-ice ads
- 1 – 3’ x 14’ wall ad on east wall (scoreboard wall)
- 3 – 3’ x 25’ wall ads on south wall (bleacher wall)

EXHIBIT B – Addition Advertising Space

Sign advertising space in the Arena Addition shall be limited to the following:

- One row of ads on the north wall.
- The ads shall be of equal size and spaced evenly across the north wall.
- The School District shall approve the size and height of the ads.
- All ads shall be printed on material approved by the School District.
- The mounting system used to fasten the ads to the wall shall be approved by the School District.

EXHIBIT C – School District Advertising Areas

School District Advertising Areas are those areas attached to or adjacent to the scoreboard as shown below:

