

**SPECIAL AGENDA
CITY COUNCIL MEETING
Bonners Ferry City Hall
7232 Main Street
267-3105
November 9, 2023
5:30 pm**

OLD BUSINESS

1. **GOLF- (action item) [attachment]** Discuss and consider the contract for the new golf course manager.
2. **GOLF- (action item) [attachment]** Discuss and consider process for selecting the next golf course manager for Mirror Lake Golf Course.

ADJOURNMENT



MEMO

CITY OF BONNERS FERRY
OFFICE OF THE CITY ADMINISTRATOR

TO: City Council and Mayor
FROM: Lisa Ailport, City Administrator
DATE: 11/7/2023
RE: 2024 Golf Contract and Solicitations

The attached contract and job description, which will be used to solicit interested parties for the golf operations and manager at Mirror Lake Golf Course, is prepared for your review and comments. At the previous Council meeting, council directed staff to meet with the outgoing Contractor and report back any suggested changes to the master contract. In our discussions with the outgoing golf manager, it was his perspective that the following areas should be addressed in order to solicit a PGA Golf Professional.

- Base Rate should be increased to attract the attention of PGA Pros. It was also his opinion that the base rate wasn't enough to pay his employees adequate wages. Although, he did have employees who accepted the positions for \$10-\$15/hour.
- He believed the section relating to the Driving Range (III B5) should be reworked. It was his opinion that the city should allow the contractor to use city owned equipment to maintain the driving range but did not offer any suggested cost sharing or revenue sharing. Based on his recollection he was receiving around \$8-9,000 per year in revenue, but his costs ate up any "profit" for him. I asked him if he had submitted his P/L statements for 21-23 and he didn't remember.
- Under section III C7, relating to the responsibility for the electric costs being borne by the contractor, he felt wouldn't be liked by applicants. However, he acknowledged that during the last 4 years it has been fine for him.
- Under section V. A, He questioned whether taxes were included with the contractor's payment. *Staff has confirmed that the net revenue that is shared, is after sales tax is removed from the total. Each week the golf contractor submits their report of sales and sales tax to be paid and also their commission to be received.*
- The next comments were specific comments in the contract that pertained to him or his wife's behavior. Those sections are removed for discussion purposes and staff does not expect those to continue in the future contract, unless the attorney finds it necessary (ex. Section VII. 6.)
- Lastly, it was the Contractor's opinion that section XIII was new and he felt it was a red flag for any professional taking over the course.

In response to the Contractor's opinions on the golf contract, staff offers the following for consideration by the Council.

First, relating to the base rate. It is the opinion of Staff that if Council were to consider increasing the base rate that they do so cautiously. The current contract is set up to incentivize the contractor to bring in

more rounds of golf with the 80/20 split of proceeds. By raising the base rate and adjusting the split (100/0 or 90/10), the result may not change provided the play remains the same. However, if an increase to the base rate occurs and no adjustments are made to the split, the city could end up losing all its revenue used to reinvest back into the course.

Staff has provided the Council with a 23-year P/L report with capital investments made. If each year there was a high level of surplus (after capital spending and saving), then it might be wise to adjust the base rate to attract more interest in the position.

However, if you review the P/L statement, you'll note that over the 22-year period (excluding last season) the total profit from the course is roughly \$167,000 (\$7,500 per year). Over that same period there were six (6) years where the course ran at a loss, six (6) additional years that expenses were 90% or greater of revenue and eight (8) of those years' expenses ran between 82% and 89% of revenues. Of that same time frame, only four (4) years had revenues less than 80% of expenses.

This means that if the Council were to increase the base rate and keep the same profit sharing, expenses would most certainly go up and the city could find it much more difficult to support the golf course on only the revenues it makes, much less make any capital investments. This would likely lead to the taxpayers supporting the golf course with property tax dollars.

In the end, the only way the city can pay more to a golf contractor is to either increase the revenues by increasing the costs of play, or by increasing play.

Next the existing contractor felt that the driving range section should be reworked. It was his opinion that limiting use of the city owned equipment on the course was a big red flag to future professional looking to operate the course.

It was the opinion of the former Mayor that subsidizing the profit of an independent contractor was not in the interest of the city. That is to say, if the city were to allow the Contractor to use city equipment on a portion of the course that it was not receiving any value back in the form of rent or revenue share, meant that the residents were subsidizing the bottom line of the contractor. According to the Golf Contractor, he receives roughly \$8-9,000 each year on the driving range and his contention that there is no business market that supports purchasing a piece of equipment to maintain that portion of the course, given the profit margin that is made off the range. However, with the range, the Golf Contractor can sell time on the range as well as offer lessons. It is Staff's opinion that undoubtedly, the range does offer a Contractor a fuller experience at a course, than it would be to not have it.

The current Golf Contractor has extended the bounds of play as a means to address this issue and he still uses/used city equipment to maintain the new course boundaries.

The optics of subsidizing a private businesses profit or bottom line needs to be equalized with the public's interest. While staff has no real great suggestions here, wherever Council lands on this issue to be to address both the functional use of the range with the Contractor's business model/plan and the public's interest. Returning to a profit sharing model may be the best solution to achieve the best end result, however, there may be other suggestions amongst the council members that are worth considering.

Next of the bulleted points made, is the requirement that the Golf Contractor pay the electric bill for the club house.

I can say with absolute confidence that this requirement should stay with the future Golf Contractor. There were years where staff would inspect the closure of the club house in late fall or early winter and would find the Golf Contractor had left lights on in the building, his personal food and beverages plugged in and kept out there and/or his personal carts plugged in. The electric bill was extremely high for the winter months with no activity occurring and it became apparent that because the city was paying the electricity for the building that the Contractor was using that for storing his personal/business belongings. Since the burden has shifted back to the Contractor, the savings to the public has occurred.

It is staff recommendation that this section of the contract remain as written.

Jumping to the last bullet point regarding section VIII, Breach of Contract terms. The Golf Contractor felt this section was also a big red flag to future professionals. It was also the Golf Contractor's opinion that this section was new, from the previous contract. However, after review of the 2014 contract, the section is referenced as Section XI, not VIII.

After discussions with the Attorney, it does not appear that this section should be removed and thus will likely stay as part of the future contract.

Last Remarks

Outside of the bullet points listed above, the Golf Contractor referenced several times in our conversation that the existing contract would prevent a reasonable golf professional from being interested in the contract. In fact, the Contractor referenced more than once that "No One" would be interested in the position by way of the current contracts' construction.

However, if it doesn't work or hasn't worked, then why would the Golf Contractor continue to operate at Mirror Lake if the contract wasn't lucrative enough?

I argue that, while there might be some areas that could be addressed or improved upon, the contract has worked and will continue to work with a future Contractor. This is only more substantiated with the sales numbers that the Golf Contractor himself provided and are used in the job announcements, "*Sales from the Driving Range, Cart Rentals, Golf Course Fees, Merchandise, Food and Beverage and other small miscellaneous areas are as follows: 2019 - \$243,811, 2020 - \$271,348, 2021 - \$343,849, 2022 - \$377,231, and 2023 (YTD) - \$429,363.*"

As the Council will note, when the new contract went into effect, the first year's sales increased \$27,537 over the previous year and up \$72,500 the following year. Again in 2022, sales increased \$33,382 over the previous year and while we don't have the final numbers year, this year's sales are up \$52,132 over the previous year. If you look at the overall sales from 2020 to 2023, the overall sales increased by \$185,552!

While this might not directly point to the fact that the contract caused this, it most certainly can be shown that it did not prevent the success of the Contractor at Mirror Lake. With that said, staff recommends that Council be cautious about making sweeping changes to this contract, and to limit any financial burden on the city property taxpayers to make up the short comings that benefit the Contractor.

Please let me know if you have any questions.



MIRROR LAKE GOLF COURSE GOLF & OPERATIONS MANAGER

Pay:	Based on Contract Negotiation
SERVICE GROUP:	Independent Contractor
OPENING DATE:	11/9/2023
CLOSING DATE:	Continuous- Opened Until Filled
JOB SUMMARY:	
The City of Bonners Ferry is seeking interest in an Independent Contractor to serve as Golf Course manager at the City owned Mirror Lake Municipal Golf Course. The current contract with the current PGA Professional is due to expire in December of 2023.	

1. BACKGROUND and COURSE INFORMATION

Mirror Lake Golf Course was first established in 1974 and was designed by James Kraus. The course was established by the city through a land and water conservation grant. The grant stipulates how the course is to operate and how it is to remain a recreational-use for the community of Bonners Ferry and surrounding population.

Mirror Lake Golf Course is an amazing municipal golf course, is preferred by many golfers in the area, and was featured in the PBS documentary, *Idaho Fairways*, <https://www.pbs.org/video/outdoor-idaho-idaho-fairways/> in 2010.

The course is a 9-hole regulation length golf course featuring 6,001 yards of fantastic golf from the longest set of tees for a par of 72. Mirror Lake Golf course is located outside the city limits of the town of Bonners Ferry and features amazing views of the Cabinet and Selkirk Mountains. It is located thirty (30) miles south of the Canadian border in an outdoors person's paradise with easy access to Schweitzer Mountain Ski Resort, Lake Pend Oreille, and other popular tourist destinations.

The course has a full-service Pro Shop, snack bar, including beer, wine, and liquor, driving range, putting green, and a fleet of 18 golf carts. The current PGA Head Professional / Golf Course Superintendent has been on staff for 21 years and has made great strides in improving the course.

Sales from the Driving Range, Cart Rentals, Golf Course Fees, Merchandise, Food and Beverage and other small miscellaneous areas are as follows: 2019 - \$243,811, 2020 - \$271,348, 2021 - \$343,849, 2022 - \$377,231, and 2023 (YTD) - \$429,363.

2. SCOPE OF SERVICES AND DUTIES

The City anticipates a golf manager as the sole responsible party in maintaining, managing and keeping all golf facilities, including snack bar and food and beverages open and operational during the golf season, and longer if possible. The future manager shall also employ all staff needed to fully implement all of the course requirements. The golf season is tied specifically to the frost season of the region, which runs from October-April (may extend by 30-days or be shortened by 30-days, weather dependent).

The following list of services is provided as a minimum guide only. The Manager shall provide a detailed description of services that will be provided to the City. It should be understood that the City reserves the right to negotiate the final Scope of Services with the successful Applicant. The required Scope of Services includes, but is not limited to:

1. Delivering high-quality golf course services and conducting business in a manner accepted and established by the United States Golfers Association (“USGA”) and the City of Bonners Ferry.
2. Operate the golf course in an orderly manner with a commitment to exceptional customer service.
3. Attend necessary meetings; including Council Meetings with golf-related agenda items, City golf-related functions, and golf course operations meetings.
4. Maintain the golf course and related facilities in good and neat order, condition, and repair in accordance with the accepted USGA and American guidelines and Golf Course Superintendents Association of America (“GCSAA”) standards.
5. All equipment, furnishings, signs, and advertising shall be in keeping with the appropriate standards of décor at the golf course. The successful applicant agrees that all equipment, furnishings, and improvements provided shall meet the requirements of all applicable building, fire, pollution, and other related codes.
6. Pro Shop - Customer service including register operations, merchandise sales, tee-times bookings, starter services, and the day-to-day custodial services, maintenance, and repairs of the equipment.
7. Concessions - All aspects of the food and beverage operations, restaurant and event rentals, on-course concessions, including alcohol beverage service, all permits, codes, and other regulations of the City, Boundary County, and the State of Idaho.
8. Programming - Special events, tournaments, league play, individual, and group play.
9. Advertising - Market and promote the course and amenities, including strategy, budget, media, types, frequencies, promotions, and any other relevant information.
10. Capital Investment - Identify what level of financial commitment, that you would be willing to provide and what facility improvements you currently see as the most necessary.
11. Formulation and implementation of operating programs, business plans, and budgets.
12. Collection and accounting of all revenues in a timely and secure manner.
13. Payment and accounting of all expenses in a timely manner.
14. Preparation of daily, monthly, and annual financial operating statements.

3. MANAGER RESPONSIBILITIES

It is the intent of the city to enter a contract based tentatively on the following structure.

- i. Professional services of the Manager.
- ii. Maintenance and Operations of the 9-Hole golf course, including
 - a. Minimum course standards
 - b. Practice range maintenance
 - c. Private lessons
 - d. High School golf programs
- iii. Management of Club House and associated food and beverage sales.
- iv. Financial reporting and accounting responsibilities.
- v. Use and care of City equipment and maintenance requirements of city owned facilities and equipment.
- vi. Requirements to maintain proper insurances requirements and indemnification of the City.
- vii. Fees and Payments.
- viii. Responsibilities of the Manager and those of the City
- ix. All other areas deemed appropriate by the City Council and to fully execute a contract on behalf of the city.

The Golf Manager shall operate the golf course facilities in a professional and friendly manner. A point of sales system (POS), such as Tee Snap POS, or an equivalent POS shall be used to track all of the sales, rounds of golf played, cart rentals, driving range proceeds and other items as allowed within the given software. The cost of operating such POS is the responsibility of the Golf Manager.

It is expected that the Golf Manager enforce and interpret the current USGA rules and regulations. The Manager shall provide starter and marshaling services, assume responsibility for the maintenance of the carts, cooperate with the City in scheduling play time for regional high school golf programs and provide restaurant services throughout the golf season.

Applicants with experience in dedicated youth programs such as “First Tee” are encouraged to apply.

4. QUALIFICATIONS AND TERMS

A preferred golf manager is one who can show a history of successful management practices involved with the management of a 9 or 18-hole golf course.

It is the intent of the city to enter into a five (5) year contract beginning on January 1, 2024, and running to December 31, 2029. Thereafter, the Manager shall have the option to extend the term automatically for up to five (5) additional one (1) year terms unless terminated by either party.

5. SUBMITTAL REQUIREMENTS

A. LETTER OF TRANSMITTAL

The letter must contain the following statements and information:

1. Applicant’s name, address, email, and telephone number submitting the proposal.
2. A brief biography of the applicant including education, golf professional experience, and marketing experience.

B. GENERAL VENDOR INFORMATION

The applicant is encouraged to provide a business plan for the Mirror Lake Golf Course. This proposal should include anticipated incomes from all activities at the golf course, an advertising plan, and proposals to ensure growth of the course. If a payment to the City or an additional stipend or management fee is required, please include that in the proposal.

C. REFERENCES

1. Provide name, title, address, and telephone number of three or more references of clients whom you have provided similar services to.
2. Describe the actual services provided and the length of tenure providing services to each client referenced.

D. APPROACH

In two pages or less, provide the following:

1. Describe your approach and methodology to providing golf services. Include how you will apply experience and city resources to meet the project objectives.
2. Summarize your proposal and your company's qualifications. Additionally, you may articulate why your company is pursuing this work and how it is qualified to perform it. Include any other pertinent information that helps determine your overall qualifications.

The City of Bonners Ferry reserves the right to accept, reject, or request changes in submissions. The City will work closely with the selected company or individual to develop or refine a detailed scope of work, schedule for completion of tasks and costs associated with completed work included in the contract documents. The City is not liable for any costs incurred by the responding companies prior to contract issuance.

AGREEMENT WITH INDEPENDENT CONTRACTOR

THIS AGREEMENT, by and between the CITY OF BONNERS FERRY, a municipal corporation of the State of Idaho, "CITY," and _____
"OPERATOR."

THE PARTIES SPECIFICALLY ACKNOWLEDGE AND AGREE THAT THIS IS A PUBLIC COURSE, AND NOT SUBJECT TO PRIVATE RESTRICTIVE USES;

WITNESSETH:

WHEREAS, the City owns a nine (9) hole golf course with accompanying clubhouse located on U. S. Highway #95, approximately two miles south of the municipal limits of the City, and the City desires to contract for two (2) years ending December 31, 20____, for the operation thereof by the OPERATOR upon the terms and conditions hereinafter set forth;

I. GENERAL CONDITIONS:

A. Definitions:

1. Operator: _____. An independent contractor and not an employee of the City.
2. City: The City of Bonners Ferry, Boundary County, Idaho.
3. Season: The official golf season shall run from May 1 through October 31, but may be adjusted at the discretion of the Operator based on weather conditions.
4. Golf Committee: The Golf Committee, as established by the Bonners Ferry City Council, pursuant to Bonners Ferry City Code § 2-3-1.
5. Course: Mirror Lake Public Golf Course.
6. Concessions Revenue: Any revenue collected directly related to the operations of the food and beverage concessions including all revenue from the selling or serving of food or beverage (including alcoholic beverages).
7. Data: Any data or information requested by the City Clerk, City Administrator, City Auditors, Mayor or Council concerning Mirror Lake Golf Course.
8. City Administrator: The City Administrator of the City of Bonners Ferry, as hired by the City of Bonners Ferry.
9. City Clerk/Treasurer: The City Clerk/Treasurer as appointed by the City Council pursuant to Bonners Ferry City Code § 1-7A-1 and 1-7A-2.
10. City Auditors: The independent financial auditors of the City of Bonners Ferry, employed by the City pursuant to Idaho Code § 67-450B.

B. Data

1. All requested data relevant to the operation and success or failure of the business shall be provided to the City by the Operator upon request from the Mayor, City Council, City Clerk, City Attorney or City Administrator.
2. The City may withhold payment to the Operator if the required information is not provided in a timely manner.

3. All information and data relevant to the operations and success or failure of the business shall be considered confidential in nature, with disclosure limited only to the Mayor, City Clerk/Treasurer, City Administrator, City Attorney, City Auditors, and City Council. Public disclosure shall be exempt under Idaho Code §9-340, unless otherwise consented to by the Operator.
 4. At any time discussion of the data referred to herein is required between the City Council and the Operator, such discussion would be open to the public. Therefore, it is understood that the Operator shall request an Executive Session with the City Council to hold this discussion in private. Failure to request an Executive Session will be deemed to be consent by the Operator to public disclosure of such data as discussed.
- C. Financial Records:
1. The Operator shall submit the financial records of the business to the City Clerk/Treasurer by no later than January 31 of each calendar year:
 - a. Any and all information necessary to perform an audit, including payroll data; and,
 - b. Profit and loss information for Concessions operations.
 - D. The Operator shall be solely responsible for hiring, training, and supervising all assistants and other employees as are necessary to satisfactorily perform his duties under this agreement.
 - E. The Operator shall attend all meetings of the Golf Committee as requested.
 - F. The Operator and the Golf Committee shall maintain effective communications with the City Administrator and City Council as necessary to enhance the quality of overall operations and maintenance of the City's golf course and clubhouse.
 - G. The Operator, in conjunction with the City Administrative staff, shall propose to the City Council recommended changes in the fee structure following each season for the upcoming year. Council as a body may impose new rates regardless of whether the Operator suggest rates.
 - H. The Operator shall conform his conduct to all applicable laws and regulations, including but not limited to, payment of payroll taxes, provision of worker's compensation coverage, and obtaining and maintaining all applicable licenses.
 - I. The Operator's responsibility shall extend through the golf season and for such period of time immediately prior and subsequent as necessary to prepare the course for seasonal operations and to conclude each season's activities.
 - J. The Operator shall, at his expense, maintain such records as are directed by the City Clerk/Treasurer so as to provide meaningful cost and revenue data on the major elements of his operations, including revenue and expense breakouts for each major element of operations. This shall include, at minimum, cost-revenue data for the 1) driving range, 2) pro shop merchandising, 3) concession operations, 4) daily and seasonal passes and cart path fees, and 5) cart and equipment rentals.
 - K. All services and facilities shall be offered and operated on a non-discriminatory basis to all members of the public in conformance with the fees and rules

established by the City of Bonners Ferry.

- L. The City Administrator shall be the City's representative for the administration of this contract.
- M. The Operator shall have the right to utilize the name and trademarks of "Mirror Lake Golf Course" for purposes of advertising, merchandising, or other promotional efforts related to the Course in conformance with the policies of the City.
- N. In no event shall the Operator alter or improve any portion of the Golf Course, except as otherwise expressly permitted under this Agreement.
- O. Operator is entering into this Agreement as an independent contractor to provide the services set forth in this Agreement. By entering into this Agreement, Operator acknowledges that it is acquiring no rights whatsoever in the Golf Course, or any portion thereof (including the Improvements and any trade names, trademarks, logos, emblems and similar identifying matters) or the Equipment and Supplies, except a nonexclusive and revocable license to enter upon the Golf Course and use the Equipment and Supplies, if and to the extent reasonably necessary to carry out its obligations pursuant to this Agreement. Operator further agrees that it will not assert, in any legal action or otherwise, any additional right or interest in the Golf Course, or any portion thereof (including the Improvements and any trade names, trademarks, logos, emblems and similar identifying matters) or the Equipment and Supplies, and will not record any lis pendens or any similar notice of lien against the Golf Course, or any portion thereof (including the Improvements and any trade names, trademarks, logos, emblems, and similar identifying matters) under any circumstances.

Commented [LA1]: Taken from Lewiston's contract.

II. PROFESSIONAL SERVICES OF THE OPERATOR:

A. Duties—Control of Golf Play:

1. The Operator shall be responsible for collection and remitting all fees associated with play at the City's Course, including daily fees, seasonal pass fees, trail fees, and punch card fees. Operator shall also remit said collected fees each Friday before the first and third Tuesday to the City with a proper accounting on City's form with a copy of the weekly golf registration book.
2. The Operator shall accept tee time reservations and schedule regular play during the Season.
3. The Operator shall monitor play and players upon the course so as to ensure the timely progression of play, observation of golf etiquette, and preservation of turf conditions.
4. The Operator shall provide an adequate supply of score cards and pencils sufficient for play during the Season. The Operator may include advertising on the score cards to defray costs.
5. The Operator shall enforce course rules as promulgated from time to time by the City Council.
6. The Operator shall have the authority to remove anyone from the course who willfully violates course rules and regulations.
7. All fees charged shall be enforced by the Operator after set by resolution

of the City Council.

8. The Operator will willingly enforce all policies and rules as established by the City Council in the daily operations of the course with the public.
9. It is agreed that the Operator will maintain the following data:
 - a. Daily Tee Sheet Log
 - b. Season Pass and Punch Card Sales
 - c. Trail Fees

B. Duties—Tournaments

1. The Operator shall be responsible for setting dates of tournament play. Notice of course closures for the public due to tournaments will be made available as soon as reasonably possible.

C. Duties—Concessions and Bar

1. The Operator shall have the exclusive right to operate a Restaurant/Concession Area, which shall include the following duties, as well as any other necessary duties implied herein:
 - a. To hire, fire, and supervise all employees engaged in the operation of the business of restaurant and concessions including bartending, waiting, food preparation, and cleaning persons; to be responsible for wages and ensuring compliance with all state and federal labor laws.
 - b. To provide the necessary food, beverages, and consumable supplies used in the restaurant/concessions at his sole expense.
 - c. To determine the prices charged for food and drink served in the restaurant/concessions.
 - d. To make available on a yearly basis, a profit and loss statement for the restaurant/concessions and bar operations in a form satisfactory to the City Clerk, including full statement of expenses and profit, by November 15th of each year.
 - e. To reasonably ensure that employees and patrons do not smoke while in the building.
 - f. To reasonably ensure that employees do not consume alcohol while working.
 - g. To ensure all employees are dressed professionally and are clean, courteous, and efficient.
2. The Operator may obtain a liquor by the drink license, beer license, and wine license from the State of Idaho and Boundary County, and may operate, at his sole expense, a bar on such occasions as the Operator deems feasible. All expenses shall be the Operator's sole responsibility and he shall retain all profits thereof. Operator shall not neglect their other duties herein for service in the bar.
3. The City of Bonners Ferry specifically leases to the Operator the clubhouse as described in this agreement for the purpose of dispensing alcoholic beverages, including liquor by the drink for the term of this contract.

D. Duties—Golf Course Labor and Maintenance

1. Operator shall, at his expense, perform all ongoing and routine labor and maintenance on the golf course premises including, but not limited to, all duties and responsibilities outlined in "Appendix A" attached hereto and

incorporated by reference.

2. Operator shall perform all tasks listed in “Appendix A” in a workmanlike manner and as a reasonable and prudent golf course manager would.
3. Operator shall maintain all equipment in a prudent manner and in accordance with industry standards, including but not limited to, greasing, lubricating, and checking the fluids in all machines each time they are used or daily.

E. Duties—Other

1. The Operator shall make themselves available to the City’s Golf Committee for information and consulting purposes so as to facilitate their position as advisors to the City Council. The Operator shall likewise cooperate with the City Administrator and other City departments as to deal appropriately with Course conditions and repairs.
2. The Operator shall be responsible for the ongoing marketing and promotion of play at the Course. The Golf Committee and City Administrator shall review the Operator’s marketing plan yearly. As part of this marketing plan, Operator will acquire, at its expense, Teesnap or a comparable program with which to conduct marketing and course management. Operator shall submit said plan by April 1st of each year, reviewable yearly by September 30th. All advertising by the Operator shall contain the Land and Water Conservation Service logo or designation. Advertising will include identifying areas as being publicly owned and operated as a public outdoor recreational facility.
3. The Operator shall cooperate with the City’s Auditors.

III. FACILITY OPERATIONS AND MAINTENANCE:

A. Pro Shop:

1. The Operator shall have the exclusive right to operate the area set aside in the clubhouse for the purpose of displaying and merchandising golf and sporting equipment, accessories, and apparel. The Operator shall maintain a level of inventory throughout the season sufficient to permit an adequate selection for patrons of the Course.
2. Operator shall stock Pro Shop at his own expense and shall retain all profits thereof.
3. Operator must make available on a yearly basis, a profit and loss statement for the Pro Shop operation in a form satisfactory to the City Clerk, including full statement of expenses and profit, by November 15th of each year.

B. Driving Range:

1. The Operator shall operate and maintain the driving range located at the Course. The parties to this agreement agree and acknowledge that title to all fixtures is exclusively in the City.
2. The Operator shall provide, at his expense, an adequate number of range balls for use on the driving range.
3. The Operator shall collect all driving range fees and shall be entitled to retain twenty percent (20%) of fees collected. Eighty percent (80%) shall be remitted to the City in exchange for the use of the City’s mowers and other maintenance materials relating to the operation and maintenance of the driving

range.

4. Operator must make available on a yearly basis, a profit and loss statement for the driving range in a form satisfactory to the City Clerk, including full statement of expenses and profit, by November 15th of each year.

C. Clubhouse:

1. The Operator accepts the Clubhouse in its current condition. The Operator may, at his expense, provide and install equipment, appliances, fixtures, and or other improvements to the area under the Operator's control with written approval of the City Administrator or the City Council, Unless otherwise agreed to, all items installed by the Operator shall become part of the inventory listed in Section VII, part B
2. The Clubhouse must be kept in a presentable manner for public occupation including cleanliness and organization.
3. The Operator shall provide janitorial services for the Clubhouse, including but not limited to: window cleaning, cleaning carpets as necessary, and cleaning of restrooms, storage, dining, and kitchen areas.
4. The Operator shall, as necessary, see that grounds around Clubhouse including deck, parking lot, sidewalks, and practice green are policed and cleaned as necessary.
5. The Operator shall ensure that the kitchen and dining facility are kept clean and attractive. Operator shall be responsible for obtaining any required food handler's licenses.
6. The Operator shall, at his expense, provide all supplies and tools necessary for carrying out maintenance responsibilities in the Clubhouse including cleaning supplies, light bulbs, paper products, and like consumables.
7. The Operator shall be responsible for the cost of the electric utility service to the Clubhouse.

D. Golf Cart and Club Rental:

1. The Operator shall provide, each day the course is open, at least four (4) sets of right-handed rental clubs and one (1) set of left-handed rental clubs shall be available for reservation, rental, or use by golf course patrons.
2. The Operator shall provide, each day the course is open, a minimum of twelve (12) power drive carts, all in good repair, for rental to golf course patrons.

Commented [LA2]: Is this getting to specific?

E. Golf Course Maintenance:

1. The Operator shall perform all Course maintenance as dictated in "Appendix A," attached hereto and incorporated by reference herein.
2. The City and Operator shall collaborate on the removal of trees and tree stumps on and around the Course.

F. Golf Course Equipment

1. In cases where due to lack of routine maintenance or care is caused by the Operator or his agent's malfeasance or nonfeasance, the Operator shall be responsible for costs of maintenance, repair and or replacement of unit at their costs.

IV. RESPONSIBILITIES OF THE CITY:

- A. The City shall, at its sole expense, provide the following:
1. Water and sewer utility services. Operator shall pay all other utilities including telephone, internet, and garbage. City shall be responsible for electrical service necessary for any other portion of the property, not including the Clubhouse.
 2. Equipment including mowers, fuel for equipment (gas and/or diesel), equipment parts, and fertilizer for the Course. However, the city is not responsible for the daily maintenance and care of the equipment, refer to section III.F, regarding the responsibility of the Operator.
 3. Major repairs to the water pumps and equipment as become necessary and other non-routine repairs where outside shops or special service are required. Operator shall consult with City before incurring such expense.
 4. Repair acts of God and vandalism.
 5. Major repairs of Clubhouse building, pump sheds, and cart sheds, including painting, structural repairs, roofing, decking, stairways, windows, fire suppression systems, electrical, and plumbing.
 6. New or replacement signage for use around the Course.
 7. All parts and equipment and maintenance repair where outside shops or special service are required, except for in cases where the maintenance or repair is caused by the Operator or his agent's malfeasance or nonfeasance, wherein Operator shall be responsible for costs of maintenance and repair.

V. FEES AND PAYMENT:

- A. GREEN FEES, SEASON PASSES, PUNCH CARDS, and CART PATH FEES:
Operator shall collect all greens fees, season pass fees, punch card fees, and cart path fees and shall deliver them to the City each Friday before the first and third Tuesdays of each month along with a copy of the weekly golf registration book. The City shall then remit to the Operator twenty percent (20%) of all greens fees, season pass fees, and cart path fees collected.
- B. RAIN CHECKS, REFUNDS, AND COMPLIMENTARY GOLF:
Operator shall have the discretion to issue rain checks and refunds in conformance with adopted policies of the City. The City shall be entitled to its eighty percent (80%) share of these fees regardless of the reason for the refund or rain check. Operator may also elect to provide complimentary rounds of golf at its discretion, but shall account for and remit the City's eighty percent (80%) share to the City.
- C. DRIVING RANGE FEES:
Operator shall be fully responsible for the maintenance and operations of the driving range, including collecting all sales and proceeds. Operator shall use its own equipment to perform maintenance on the driving range and shall not utilize city materials, goods or equipment in the course of such maintenance.
- D. CONCESSIONS AND BAR:
Operator shall pay all costs and expenses of operating the concessions and bar and shall retain all profits and absorb all losses from such. Operator shall be required

Commented [LA3]: I know this is one of the areas that the current contractor and the golf committee take issue with. I also know that David Sime, Mayor at the time, felt that the city shouldn't subsidize with our equipment or materials the Operators profit on this. Previous to this, we had a share of proceeds of 80/20 split.

to provide a yearly accounting of all expenses and profits or losses to the City in a form acceptable to the City Clerk on or before November 15th of each calendar year. The accounting shall be for a period of one year beginning November 1st and ending October 31st.

E. CONTRACT AMOUNT:

The City shall pay the Operator FIFTY-EIGHT THOUSAND AND FIFTY-SEVEN DOLLARS (\$58,057.00) in Twelve (12) equal monthly payments to be made on the 20th day of each month beginning in March. Any additional adjustments shall be made upon mutual agreement. This contract amount has been adjusted to compensate the Operator for the following costs:

1. City's portion of value of up to eight season passes for employees of the golf course.
2. To reflect the approximate amount of electric utilities to the Clubhouse.
3. City's portion of compensated rounds at the discretion of the Operator.

F. ACCOUNTING:

The Operator shall provide to the City, on or before November 15th of each calendar year, a complete profit and loss accounting for all facets of the Course operations including but not limited to: driving range, greens fees, concessions, pro shop, rentals, etcetera.

G. BUILDING LEASE: The City agrees to lease to the Operator the Clubhouse located on the premises for the sum of FOUR HUNDRED NINETY-TWO DOLLARS and 19/100 (\$492.19) per month for twelve months, a total of FIVE THOUSAND NINE HUNDRED AND SIX DOLLARS and 28/100 (\$5,906.28). Any additional adjustments shall be made upon mutual agreement.

H. CART SHEDS: The City shall retain all fees collected from rental of space in the cart sheds located on the premises.

Commented [LA4]: This is also an area that the golf committee and the current contractor disagree with.

VI. **MISCELLANEOUS:**

A. [Reserved]

B. The City and Operator agree that Operator shall be an independent contractor and not an employee, agent, or any other relationship to the City. Operator shall have full and complete control of his operations under this Agreement. As Operator employs additional personnel (employees of the Operator), Operator shall do so at his own expense. Operator shall determine how many employees they may need, how they work, and wages and employment conditions. Operator shall maintain his own payroll and payroll records, schedule wage payments, and provide all insurance required by law.

C. The Operator shall not engage in any form of unlawful activity on the premises of the Course and shall not permit or condone any such activity by employees, customers, or others. If illegal conduct is observed, the Operator shall report the matter to the police. Additionally, the Operator shall reasonably attempt to provide a drug free workplace and promptly discharge any employee found to be engaging in unlawful activity or sexual harassment.

D. In the event the Operator needs direction, information, or authorization between Council meetings, the chain of authority shall be as follows:

1. City Administrator

Commented [LA5]: This section was the city's section for how and why we selected the golf course manager. We will likely need to address this in our future contract provided we have those parameters that need to be included.

2. Mayor

- E. The Operator shall request purchases through the City's established channels and purchases shall be subject to budgetary limitations.
- F. Business financial information provided to the City by the Operator shall be confidential and protected from disclosure as allowed under Idaho Code § 9-340. Such information may be made available by City to the City Administrator, City Treasurer, City Attorney, and City Auditors. In the event of termination of this Agreement by either party, the most recent two years of financial data shall be provided by the Operator to the top five incoming candidates as identified by the City. If the Operator is unable or unavailable to provide the data, the City will release the summary information relating to sales and expenses.
- G. Negotiations for renewal or extension of this Agreement shall begin, if at all, during the second year of this agreement. Either party may initiate negotiations by submitting a written request to negotiate with the other party.
- H. Operator shall ensure that signs are displayed at the clubhouse and on the course to indicate that the course is funded by the "Land and Water Conservation Service."
- I. Operator may establish a reasonable dress code for use on the golf course, restaurant, and clubhouse facilities.
- J. Season ticket charges and greens fee charges will be set periodically and shall be set by the City only in accordance with applicable state law. City shall set fees that are competitive with similar area facilities. All fees charged by the Operator must be competitive with similar area facilities.
- K. Operator shall be entitled to eight (8) individual season passes to allow its employees and principal shareholders to golf at the course. The Operator shall provide a written list of these employees to the City. Should changes be made throughout the year to this list, the Operator will notify the City.
- L. Operator shall report any accidents observed to have happened on city property or involving city property at the Course. Operator shall provide as much information as he/she can from the observations made in the course activities associated with the operations. Such information should be reported to the City Administrator as soon as physically possible and reasonable efforts should be made to assist those in need.
- M. Operator shall follow all rules for care and use of public property to assure that the public investment in Mirror Lake golf Course property is protected and that the safety of the public and other workers is maintained.
- N. Subject to applicable law, each of the parties covenants and agrees that neither it nor any of its respective agents, officers, key employees or directors, will in any way publicly disparage, call into disrepute, defame or slander the other party in any manner that would damage the business or reputation of such other party.

VII. SOCIAL MEDIA USE AND INTERNET ADVERTISING:

- A. Operator shall have the right to utilize the name and branding of Mirror Lake Golf Course in internet and social media advertising, including, but not limited to webpages, Facebook, Instagram, twitter, etcetera.
- B. Operator shall have the right to establish and maintain webpages and social media

page relating to Mirror Lake Golf Course, but recognizes that such page are its exclusive property, not property of the City.

- C. Operator agrees to abide by the following terms in regards to the establishment and use of social media pages related to Mirror Lake Golf Course:
1. Webpages and social media pages shall indicate that the page is owned and operated by the Operator, or its affiliated business.
 2. All internet and social media pages shall specify that Mirror Lake Golf Course is a municipal golf course owned and operated by the City of Bonners Ferry.
 3. All content posted on webpages or social media shall be of a professional nature and shall be of a standard that reflects positively upon the public investment and ownership of the Course.
 4. Content on social media forums and webpages must abide by all applicable federal, state and local laws, regulations and policies, including copyright, trademark and printed material laws.
 5. All content posted on webpages or social media shall not promote, foster or perpetuate harassment or discrimination on the basis of race, color, religion, sex age, national origin, citizenship, physical or mental disability, genetic information, veteran status, sexual orientation, gender identity/expression or any other characteristics protected by law.
 6. Personal Social Media: the City acknowledges that the Operator of their employees may utilize personal social media pages. If the Operator or its employees speaks about the city of Course on personal social media, or makes reference to the City of Bonners Ferry, the public may perceive that the Operator or its employees is acting on behalf of the City of Bonners Ferry. When making such statements, the post must clearly state that the statements are the poster's personal views and are not the views of the City of Bonners Ferry. An example of such disclaimer is "The views, opinions, ideas and information expressed are my own and do not reflect the views of the City of Bonners Ferry and are not in any way attributable to the city of Bonners Ferry." Further, the Operator or their family members agree to not make posts or statements on their personal social media pages which defame or besmirch the City or its relationship with the Operator.

VIII. ASSUMPTION OF LIABILITY AND LIABILITY INSURANCE:

- A. The Operator agrees to hold City harmless from any acts of malfeasance or nonfeasance on the part of the Operator, his employees, or agents.
- B. Work performed under this Agreement will be performed entirely at the Operator's risk and Operator assumes all responsibility for the condition of tools and equipment used in the performance of this Agreement, even if such tools and equipment are the property of the City.
- C. Insurance: Operator shall purchase and maintain insurance during the term of this agreement as follows: Comprehensive general liability having limits of \$1,000,000 for bodily injury and property damages combined per occurrence and

a \$2,000,000.00 annual aggregate limit, such limits shall include liquor liability. The City of Bonners Ferry and its elected and appointed officials and employees shall be named as an additional insured, and provided with a certificate of insurance showing compliance with this section.

IX. TERMINATION:

- A. This Agreement may be terminated by either party for any reason with thirty (30) days notice to the other party.
- B. In the event the Operator's services are terminated for any reason, including non-renewal of this agreement as provided for in Section X, the Operator or its representative may elect to have the City purchase all merchandise and equipment in accordance with the following formula:
- C. Floor merchandise, bar, and snack bar inventory by age of merchandise:
 - 00-06 months at invoice
 - 07-12 months at 95% of invoice
 - 13-24 months at 90% of invoice
 - 25 months and older City may refuse to purchase
- D. Equipment: power golf carts, store equipment, fixtures, rental equipment, bar/snack bar equipment fixtures and any other categories which the parties may agree at the time of sale shall be included at the time of purchase. In the event the parties cannot otherwise establish a value, they shall obtain two (2) estimates (one for each party) from dealers or other qualified persons and the average between the two (2) estimates will establish the sale price of each item.
- E. City may, as it deems necessary, require the Operator to compile an inventory of all merchandise and equipment subject of this provision, together with the value Operator believes should be assigned to each item.
- F. In the event the Operator elects to have the City purchase the merchandise and equipment under this provision, he shall give the City thirty (30) days written notice. Such notice shall include the inventory and valuation the Operator believes should be assigned to the property and any merchandise and equipment that the Operator desires to exclude from this provision. The Operator shall also provide the City with proof that all debts incurred by the Operator in the operation of the contract are fully paid and satisfied and if any amount be unpaid the City may apply the proceeds of the purchase of the merchandise and equipment to the payment of such debts of the Operator as they deem fit.
- G. If the Operator purchases any outside maintenance equipment, the City of Bonners Ferry shall not be obligated to purchase that equipment from the Operator.
- H. The City shall, within thirty (30) days of receipt of such notice, inform the Operator of any disagreements concerning the items listed and assigned values. Within sixty (60) days of contract termination by either party or upon signing of a new contract with a new contractor, whichever shall occur first, the City shall pay the Operator as herein agreed.

X. NON-APPROPRIATION:

The City is an Idaho Municipal Corporation which, by law, has a fiscal year beginning on

October 1st of each year and ending September 30th the following calendar year. In the event the City shall not appropriate funds to pay the obligation falling under this agreement after September 30th during the term of this contract, then this agreement shall terminate and the provisions of Section VII shall be applied and the Operator shall be released from further duties under the agreement. If this Agreement is terminated by reason of non-appropriation, the City shall not let a contract to another operator(s) to perform the duties provided for herein. This will not however prohibit the continued operation of the facilities by the City through the use of its employees.

XI. COMPLIANCE WITH LAWS:

Operator agrees to comply with all federal, state, and municipal laws, rules, and regulations that are now or may in the future become applicable to Operator and its manner and method of operation or accruing under the performance of such operations. Operator agrees to comply with all civil rights laws and those laws that pertain to the Americans with Disabilities Act. Compliance will be demonstrated by signs (including civil and ADA) posted in visible public areas and statements in public brochures.

The Operator shall not discriminate against individuals desiring to utilize the Course on the basis of race, creed, color, national origin, marital status, sex, age, or physical, mental or sensory handicap, except, Operator may set aside times for historical association events.

To the extent that the Idaho Director of Parks and Recreation has control of the golf course, Operator agrees to abide by its rules and regulations; and specifically, without limitation, to the extent it has control in such matters, the Idaho Director of Parks and Recreation shall be the final arbiter in the dismissal of any employee on the grounds for lack of courtesy and necessary consideration to the general public.

XII. OPTION TO RENEW:

Operator shall have a conditional option to renew this contract for a one-year term, but the renewal contract shall not include this option without subsequent specific agreement by City. If Operator intends to exercise this conditional option, it must do so by delivering notice of such intention to City so that City has physical possession of the notice at City Hall no later than June 30, 2021. Within 30 days of receipt of Operator's option to renew, City will deposit in the mail addressed to the last known address of Operator a notification that City accepts the option exercised by Operator or rejects the same.

The condition of this option is that City can reject same if City determines, with reasonable cause, that contractor did not perform this agreement in a good and workmanlike manner.

XIII. BREACH:

Operator agrees to reimburse City's expenses and/or damages, including attorney's fees, which may arise from his failure to comply with the term thereof, or that may arise from any determination by court or board that Operator's actual or factual relationship to City

is anything other than that of an independent contractor.

XIV. TAXES:

Any taxes or licenses attributable to this Agreement or operation hereunder shall be at the sole expense of Operator.

XV. ENTIRE AGREEMENT:

This Agreement contains all agreements of the parties. All prior negotiations and discussions and all prior agreements, are merged into and extinguished by this Agreement.

DATED this _____ day of _____, 20____.

CITY OF BONNERS FERRY [INDEPENDENT CONTRACTOR OR BUSINESS]

By: _____ By: _____
Mayor Independent Contractor

Attest:

Clerk, City of Bonners Ferry

Operator's principal officer and shareholder guarantees performance of all of the duties and obligations of the corporation to the City as herein stated.

DATED this ____ day of _____, 20XX.

By: _____
Independent Contractor

APPENDIX A

MINIMUM MAINTENANCE AND OPERATION REQUIREMENTS OF MIRROR LAKE GOLF COURSE

The minimum maintenance and operation requirements to be performed by Operator with respect to the golf course shall include the following:

1. Weather permitting, Operator shall keep the Mirror Lake Golf Course open for play from at least May 1 through October 15 ("Peak Golfing Season") of each year of the contract term, and any renewal term, and may keep the course open for play on additional dates depending upon the weather.
2. With respect to the use of the course during the Peak Golfing Season, Operator shall keep the course open seven (7) days a week with possible late start or mid-week partial day closures permitted for purposes of reasonably maintaining the Course. A schedule will be set for annual maintenance with the understanding that weather conditions will dictate the actual dates.
3. Minimum hours of operation for the Course, excepting closures for inclement weather shall be:

May 1-May 31	8:30 a.m. - 6:30 p.m.
June 1-August 31	7:00 a.m. - 9:00 p.m.
August 31-closing	8:30 a.m. - 6:00 p.m.

Opening on Saturday, Sunday and holidays shall be 7:30 a.m. and closing on all Sundays and Mondays is 8:00 p.m. during May 15-August 14.
4. Weather permitting, it shall be the obligation of the Operator to mow the greens a minimum four (4) times weekly during the Peak Golfing Season – preferably - Tuesday, Thursday, Saturday and Sunday. Tee areas will be mowed and moved as frequently as may be necessary, but at a minimum, twice weekly during the peak golfing season.
5. All debris will be removed from the greens and tee boxes daily.
6. Each fairway shall be mowed three (3) times a week during the Peak Golfing Season – preferably Monday, Wednesday, and Friday. All irrigated roughs shall be mowed at least once weekly during the Peak Golfing Season.
7. The Operator will meet at least three (3) times each season with the Golf Committee to discuss any concerns the Operator or Committee may have.
8. The Operator shall fertilize the following portions of the Golf Course as frequently as necessary but at a minimum, according to the following schedule during each golfing season:
 - a. Each fairway and tee area shall receive a minimum of one (1) application of the appropriate amounts of fertilizer;
 - b. Each green shall receive a minimum of four (4) applications of the appropriate amounts of fertilizer;
 - c. Irrigated roughs will be fertilized with the fairways at least once per season.The Operator shall make further applications of fertilizer as required if the results of regularly conducted soil tests of all the above-referenced areas disclose a need for further fertilization.
9. The Operator shall apply turf fungicides to all greens whenever necessary to control fungus.
10. The Operator shall apply a top dressing material, as needed, to all greens during each golfing season.
11. All greens shall be verticut or groomed as needed during the Peak Golfing Season.
12. All greens shall be aerated and sanded at least once annually during the golfing season.
13. The cups and tee markers shall be repositioned at least twice weekly during the Peak Golfing

Season.

14. Herbicides shall be applied to each tee area, fairway, and greens as needed.
15. The Operator shall mow, fertilize, and maintain in good appearance all grounds and plantings around the Leased Premises.
16. The Operator shall be responsible for spraying weeds around the premises including, but not limited to, around cart sheds and other buildings, between the clubhouse and Highway 95 and between the clubhouse and Deep Creek Road to maintain a visually clean appearance.
17. Operator shall provide the materials for repairing divots on tee boxes, ball washers, and towels. The operator shall ensure that all signage installed on the course is maintained in a visually pleasing manner and in good repair, and new signage provided by the City for use on the Course is installed.
18. All restrooms shall be cleaned daily.
19. Operator shall clean and maintain culverts and drains in good working order on the premises to prevent clogging and water damage.
20. All trash receptacles located on or around the Course shall be emptied as necessary, including but not limited to those in and around the cart sheds, driving range, practice green, and clubhouse.
21. The Operator shall be responsible for the regular maintenance of benches located on the Course including sanding, painting, and minor repairs.
22. The Operator shall be responsible for the removal of the lower pump at the end of the season.
23. The Operator shall wash equipment, specifically mowers, after each use. This is intended to help prolong the useable life of the equipment and prevent corrosion and other damage caused by allowing chemicals and plant material to remain on equipment surfaces for extended periods of time.
24. At the conclusion of golfing season, Operator shall hand-wash and wax all equipment owned by the City. This is also intended to help prolong the usable life of the equipment and prevent corrosion and other damage caused by allowing chemicals and plant material to remain on equipment surfaces for extended periods of time.
25. At the conclusion of the golfing season, Operator shall provide a list of maintenance items needed for each piece of machinery. This is to allow for the City Mechanic to perform repairs over the winter months when the Course is closed.

APPENDIX B

LOCATION OF MIRROR LAKE GOLF COURSE

That part of Lot Three (3) sometimes known as and described as the Southwest Quarter of the Northwest Quarter (SW1/4 NW1/4) lying South of the Great Northern Railroad right of way; the Southeast Quarter of the Northwest Quarter (SE 1/4 NW 1/4); the Southwest Quarter of the Northeast Quarter (SW1/4 NE 1/4); Lot One (1) and that part of Lot Two (2) lying South and East of the Great Northern Railroad right of way; all in Section Nine (9), Township Sixty-one (61) North, Range One (1) East, B.M.

LESS the following described tracts:

TRACT A: Beginning at the Southwest corner of the tract herein described, an auto axle, from which point the intersection of the West line of Section Nine (9), Township sixty-one (61) North, Range One (1) East, B.M., with the center of the present Great Northern Railway bears North 84 Page degrees 47' West 2617.86 feet, said point of intersection being North 66 chains, more or less, from the Southwest corner of the said Section Nine (9), and running thence from the auto axle above described, North 87 degrees 54' East 136.60 feet to a one inch steel pin; thence North 16 degrees 19'-East 198 feet to a two inch channel iron set on the South boundary of the State Highway; thence along the said South boundary South 80 degrees 251 West 201.11 feet to a one inch steel pin which is distance North 80-degrees 251 East 60.52 feet from a 6" x 6" concrete State Highway boundary monument; thence South 2 degrees 06' East 162.46 feet to the point of beginning and containing 2/3rds acres the including an easement upon the property adjacent on South for the purpose of repairing, improving and maintaining the septic tank overflow line and drain field which is on April 8, 1961, located thereon, so long as said drainfield is used by the City of the hereinabove particularly described property.

TRACT B: All that part of Lot One (1) and all that part of the Southwest Quarter of the Northeast Quarter (SW 1/4 NE1/4) of Section Nine (9), Township Sixty-one (61) North, Range One (1) East, B.M., lying and being East of right of way of State Highway as described in deed from Bonners Golf Course, Inc. to State of Idaho, recorded at Book 35 of Deeds at page 301, records of Boundary County, Idaho.

AND ALSO INCLUDING: All that part of Lot Five (5), Section Four (4), Township-Sixty-one (61) North, Range One (1) East, B.M., lying West of the State Highway.

LESS the following described tracts:

TRACT 1: A parcel of land described as follows: Beginning at the Northeast corner of Lot Five (5), Section Four (4), Township Sixty-one (61) North, Range One (1) East, B.M., thence South along the East line of said Lot Five (5) 20 rods; thence West 40 rods; thence North 20 rods; thence East 40 rods to the place of beginning.

TRACT 2: The North 20 feet of Lot Five (5), Section Four (4), Township Sixty-one (61) North, Range One (1) East, B.M.

TRACT 3: A parcel described as follows: Commencing at a point 20 rods South of the Northeast

corner of Lot Five (5), section Four (4), Township Sixty-one (61) North, Range One (1) East, B.M., thence South 84 feet to the West right of way line of State Highway #95, thence Southwesterly along said highway right of way line 408 feet, thence West 180 feet, thence North 254 feet, thence East 435 1/2 feet.

TRACT 4: That part of Lot Five (5), Section Four (4), Township Sixty-one (61) North, Range One (1) East, B.M., lying and being West of the Great Northern Railroad right of way; subject to an easement in favor of the State of Idaho for a highway right of way and an easement in favor of the City of Bonners Ferry, Idaho, for a water pipe line and appurtenances.

TRACT 5: A portion of Lot Five (5) in Section Four (4), Township Sixty-one (61) North, Range One (1) East, B.M., described as: Commencing 1297 feet West of the Southeast corner of Lot Four (4), Section Four (4), Township Sixty-one (61) North, Range One (1) East, B.M., to the place of beginning; thence South 209 feet; thence East 209 feet; thence North 209 feet; thence West 209 feet to the place point of beginning; containing one acre, more or less.

TRACT 6: Commencing at a point 20 feet South and 660 feet West of the Northeast corner of Lot Five (5), Section Four (4), Township Sixty-one (61) North, Range One (1) East, B.M., thence South 100 feet to a point, thence West 100 feet to a point, thence North 100 feet to a point, thence East 100 feet to the point of beginning.

		Yrly AVG	Difference b/t R&E	
10 Year Revenue Total 2013-2023	\$ 1,834,871.70	\$ 183,487.17	\$ 81,878.06	
10 Year Expenses w/capital	\$ 1,752,993.64	\$ 175,299.36	\$ 8,187.81	
	Expenses to Revenue %	0.616605521	0.87962937	1.01733548
Golf Profit/Loss	2000-2023	9/30/2023	Unaudited	Unaudited
	Cummulative	2022-2023	2021-2022	2020-2021
Revenue	3,636,892	256,951	211,638	171,498
Operating Expense	2,927,483	158,437	157,163	154,271
Net Income before Capital	709,409	98,513	54,475	17,227
Capital Expense	462,725	-	29,000	20,200
Net Income	246,684	98,513	25,475	(2,973)
Net Income for Logging Golf Course	18,818	-		
Total Net Income	265,502	98,513	25,475	(2,973)

Capital Purchases

Irrigation Pump	9,525			
Irrigation Pump & Motor	25,655			
Drain Field	5,381			
Clubhouse Concrete	6,951			
Sprinkler	37,089			
Mower	152,645			20,200
Clubhouse Floor	18,503			
Clubhouse Electrical	11,317			
Clubhouse Roof	35,412			
Troybuilt Trimmer	699			
55 Gallon Skid Sprayer	1,105			
Aerator, roller	16,225			
Aerator	1,750			
Top Dresser	-			
Drainage Project	19,922			
Utility Vehicle w/Trailer	6,945			
Secondary Rebuild	5,787			
Tine Kit	650			
Disconnect & Sprinkler Control	880			
Fixed Asset Software	109			
Bunker Sand	6,620			
Driving Range	20			
Clubhouse Heat Pump	4,500			
Restroom	3,000			
Irrigation Computer	6,000			
Drainage #1 & #4	9,033			
Clubhouse Patio	21,186			
Lower Pump and Dock (est)	29,000		29,000	

10 Year Revenue Total 2013-2023

10 Year Expenses w/capital

Expen 0.8828409 1.05030082 0.8505409 1.2685317 0.8896992

Golf Profit/Loss

	2019-2020	2018-2019	2017-2018	2016-2017	2015-2016
Revenue	183,349	153,914	129,150	123,630	148,494
Operating Expense	126,456	131,438	109,847	110,463	123,115
Net Income before Capital	56,893	22,476	19,303	13,167	25,379
Capital Expense	35,412	30,218		46,366	9,000
Net Income	21,481	(7,742)	19,303	(33,199)	16,379
Net Income for Logging Golf Course				14,059	
Total Net Income	21,481	(7,742)	19,303	(19,140)	16,379

Capital Purchases

Irrigation Pump					
Irrigation Pump & Motor				13,560	
Drain Field					
Clubhouse Concrete					
Sprinkler					
Mower					
Clubhouse Floor					
Clubhouse Electrical				5,989	
Clubhouse Roof		35,412			
Troybuilt Trimmer					
55 Gallon Skid Sprayer					
Aerator, roller					
Aerator					
Top Dresser					
Drainage Project					
Utility Vehicle w/Trailer					
Secondary Rebuild					
Tine Kit					
Disconnect & Sprinkler Control					
Fixed Asset Software					
Bunker Sand					
Driving Range					
Clubhouse Heat Pump					
Restroom					3,000
Irrigation Computer					6,000
Drainage #1 & #4		9,033			
Clubhouse Patio		21,186			
Lower Pump and Dock (est)					

10 Year Revenue Total 2013-2023

10 Year Expenses w/capital

Expen 0.9151997 1.5124457 0.9678822 0.923232 1.2018447

Golf Profit/Loss

	2014-2015	2013-2014	2012-2013	2011-2012	2010-2011
Revenue	161,033	144,146	151,069	135,877	142,030
Operating Expense	129,377	130,348	133,473	125,446	122,158
Net Income before Capital	31,656	13,798	17,596	10,431	19,872
Capital Expense	18,000	87,665	12,744		48,540
Net Income	13,656	(73,867)	4,852	10,431	(28,668)
Net Income for Logging Golf Course		-	4,759		
Total Net Income	13,656	(73,867)	9,611	10,431	(28,668)

Capital Purchases

Irrigation Pump					
Irrigation Pump & Motor		12,095			
Drain Field					
Clubhouse Concrete					
Sprinkler					24,709
Mower	18,000	75,570			
Clubhouse Floor					18,503
Clubhouse Electrical					5,328
Clubhouse Roof					
Troybuilt Trimmer					
55 Gallon Skid Sprayer					
Aerator, roller					
Aerator					
Top Dresser					
Drainage Project			8,244		
Utility Vehicle w/Trailer					
Secondary Rebuild					
Tine Kit					
Disconnect & Sprinkler Control					
Fixed Asset Software					
Bunker Sand					
Driving Range					
Clubhouse Heat Pump			4,500		
Restroom					
Irrigation Computer					
Drainage #1 & #4					
Clubhouse Patio					
Lower Pump and Dock (est)					

10 Year Revenue Total 2013-2023

10 Year Expenses w/capital

Expen 1.101877 0.8579853 0.9352711 0.8234196 0.9611919

Golf Profit/Loss

	2009-2010	2008-2009	2007-2008	2006-2007	2005-2006
Revenue	144,115	156,005	158,909	147,304	142,161
Operating Expense	129,542	128,850	131,010	121,293	122,178
Net Income before Capital	14,573	27,155	27,899	26,011	19,983
Capital Expense	29,255	5,000	17,613	-	14,466
Net Income	(14,682)	22,155	10,286	26,011	5,517
Net Income for Logging Golf Course					
Total Net Income	(14,682)	22,155	10,286	26,011	5,517

Capital Purchases

Irrigation Pump			5,607		
Irrigation Pump & Motor					
Drain Field			5,381		
Clubhouse Concrete			6,625		326
Sprinkler	7,380	5,000			
Mower	21,875				7,500
Clubhouse Floor					
Clubhouse Electrical					
Clubhouse Roof					
Troybuilt Trimmer					
55 Gallon Skid Sprayer					
Aerator, roller					
Aerator					
Top Dresser					
Drainage Project					
Utility Vehicle w/Trailer					
Secondary Rebuild					
Tine Kit					
Disconnect & Sprinkler Control					
Fixed Asset Software					
Bunker Sand					6,620
Driving Range					20
Clubhouse Heat Pump					
Restroom					
Irrigation Computer					
Drainage #1 & #4					
Clubhouse Patio					
Lower Pump and Dock (est)					

10 Year Revenue Total 2013-2023

10 Year Expenses w/capital

Expen 0.8559777 0.857476 0.7668588 0.9633703 0.7715962

Golf Profit/Loss

	2004-2005	2003-2004	2002-2003	2001-2002	2000-2001
Revenue	128,619	125,214	130,436	128,393	137,038
Operating Expense	103,177	103,259	95,996	99,280	93,188
Net Income before Capital	25,442	21,955	34,440	29,113	43,850
Capital Expense	6,918	4,109	4,030	24,410	12,550
Net Income	18,524	17,846	30,410	4,703	31,300
Net Income for Logging Golf Course					
Total Net Income	18,524	17,846	30,410	4,703	31,300

Capital Purchases

Irrigation Pump	3,918				
Irrigation Pump & Motor					
Drain Field					
Clubhouse Concrete					
Sprinkler					
Mower	3,000	4,000	2,500		
Clubhouse Floor					
Clubhouse Electrical					
Clubhouse Roof					
Troybuilt Trimmer					
55 Gallon Skid Sprayer					
Aerator, roller					10,800
Aerator					1,750
Top Dresser					
Drainage Project				11,678	
Utility Vehicle w/Trailer				6,945	
Secondary Rebuild				5,787	
Tine Kit			650		
Disconnect & Sprinkler Control			880		
Fixed Asset Software		109			
Bunker Sand					
Driving Range					
Clubhouse Heat Pump					
Restroom					
Irrigation Computer					
Drainage #1 & #4					
Clubhouse Patio					
Lower Pump and Dock (est)					

10 Year Revenue Total 2013-2023

10 Year Expenses w/capital

Expen 0.7540244

Golf Profit/Loss

	2000-1999
Revenue	125,919
Operating Expense	<u>87,717</u>
Net Income before Capital	38,202
Capital Expense	<u>7,229</u>
Net Income	30,973
Net Income for Logging Golf Course	
Total Net Income	<u><u>30,973</u></u>

Capital Purchases

Irrigation Pump	
Irrigation Pump & Motor	
Drain Field	
Clubhouse Concrete	
Sprinkler	
Mower	
Clubhouse Floor	
Clubhouse Electrical	
Clubhouse Roof	
Troybuilt Trimmer	699
55 Gallon Skid Sprayer	1,105
Aerator, roller	5,425
Aerator	
Top Dresser	
Drainage Project	
Utility Vehicle w/Trailer	
Secondary Rebuild	
Tine Kit	
Disconnect & Sprinkler Control	
Fixed Asset Software	
Bunker Sand	
Driving Range	
Clubhouse Heat Pump	
Restroom	
Irrigation Computer	
Drainage #1 & #4	
Clubhouse Patio	
Lower Pump and Dock (est)	

Kootenai View Golf Inc.

	Total Paid	Reel Grinding	Commissions	Contract	Commission + Contract
2023	\$ 96,182.32	\$ 2,430.00	\$ 35,695.36	\$ 58,056.96	\$ 93,752.32
2022	\$ 98,897.12	\$ 2,395.00	\$ 38,445.16	\$ 58,056.96	\$ 96,502.12
2021	\$ 98,774.10	\$ 1,245.00	\$ 39,472.14	\$ 58,056.96	\$ 97,529.10
2020	\$ 92,949.52	\$ 3,395.00	\$ 31,497.56	\$ 58,056.96	\$ 89,554.52
2019	\$ 85,342.29		\$ 33,892.29	\$ 51,450.00	\$ 85,342.29
2018	\$ 81,862.40	\$ 5,230.00	\$ 25,182.40	\$ 51,450.00	\$ 76,632.40
2017	\$ 71,685.40	\$ 4,380.00	\$ 15,855.40	\$ 51,450.00	\$ 67,305.40
2016	\$ 85,552.52	\$ 1,290.00	\$ 32,812.52	\$ 51,450.00	\$ 84,262.52
2015	\$ 83,337.34	\$ 1,125.00	\$ 30,762.34	\$ 51,450.00	\$ 82,212.34
2014	\$ 81,507.36		\$ 30,057.36	\$ 51,450.00	\$ 81,507.36
Sum Total	\$ 876,090.37	\$ 21,490.00	\$ 313,672.53	\$ 540,927.84	\$ 854,600.37
10 year avg.	\$ 87,609.04	\$ 2,149.00	\$ 31,367.25	\$ 54,092.78	\$ 85,460.04