

LEASE/MANAGEMENT AGREEMENT CLINTON RIVERSIDE MUNICIPAL GOLF COURSE CLINTON, OKLAHOMA

THIS AGREEMENT made and entered into this ____ day of _____, 20____, by and between THE CLINTON RECREATIONAL AUTHORITY, hereinafter referred to as "Lessor" and BRIAN KENT MILLER, hereinafter referred to as "Lessee." Whereas the Lessor wishes to lease the facility described below, and whereas the Lessee wishes to lease, lets, and/or rents the facility described more fully as follows:

The building located at the Riverside Golf Course a/k/a Clinton Municipal Golf Course that is commonly known as the Clubhouse Building

Commencing on _____, 20____, and ending on _____, 20____, ("Lease Period") and in consideration thereof, Lessee promises to provide clerk, cashier and registration services to Lessor as defined by Lessor which value of said services shall constitute rent during the term of this Lease.

AGREEMENTS OF THE LESSEE

1. Lessee will not use or occupy said premises for any unlawful purposes and will conform to and obey all present and future laws and ordinances and all rules, regulations, requirements, and orders of all governmental agencies or authorities respecting the use and occupancy of said premises.
2. Lessee shall operate the leased premises in accordance with rules of conduct established by Lessor and in compliance with all Federal, State and City laws, ordinances, and regulations.
3. Lessee will use the building located on the aforesaid property, "Leased Premises", as a golf course clubhouse and that no other use will be made of such property except such as is incidental to the operation of such business.
4. Lessee may not assign this lease or sublet the leased premises or any part thereof without the prior written consent of the Lessor.
5. Lessee, at their own expense, will maintain a license for the sale of beer should the Lessee choose to sell beer on the leased premises.
6. Lessee will not sell, serve, or allow to be served any wine or intoxicating liquor on the leased premises.
7. Recognizing that it is the desire of the Lessor to provide clean and inviting environment, the Lessee shall be responsible for routine cleaning and maintenance of the interior of the building including all public access and non-public access areas.

8. Lessee has the exclusive right to operate a retail golf shop type facility in the building furnished by Lessor and shall retain 100% of the proceeds.
9. Lessee has the exclusive right to provide all food and beverage concessions for sale at the golf course and retain 100% of the proceeds. Lessee will not make any alterations, improvements or changes in the leased premises, other than as specified herein, without obtaining the prior written consent of Lessor.
10. Upon the expiration or termination of this lease, Lessee will leave the leased premises in as good a condition as received, or in which the premises may be put during the term of this Lease.
11. Lessee shall obtain and keep in force liability insurance in an amount not less the \$100,000.00/\$300,000.00 of total liability to indemnify the Lessor and Lessee jointly, as their respective interest may appear, against the loss, liability, or damage that may result from any accident or casualty whereby any person or persons whomsoever may be injured, killed, or damaged in or about the leased premises. Lessee shall provide Lessor with proof that such insurance is in force for the term of this lease prior to taking possession of the leased premises.
12. Lessee, at their expense, shall provide adequate personnel to collect receipts related to the use of the Riverside Golf Course, cart rental fees, trail fees, and driving range fees and shall promptly remit all such receipts to Lessor.
13. Lessee shall provide Lessor with timely monthly reports of all receipts collected. Lessor shall have the right to audit Lessee's golf course receipts at any time without notice in order to meet generally accepted audit practices. Lessor may also audit operating procedures of the Lessee and/or persons in his employ to insure accuracy of monthly reports.
14. Lessee will provide proof of workers compensation insurance for any employees the Lessee employs.
15. Lessee will be responsible for filing and paying any appropriate amounts to the Internal Revenue Service and the Oklahoma Tax Commission for employee withholding taxes.
16. Lessee shall maintain the current system of requiring all golfers to sign in and shall maintain physical records supporting all receipts. Lessee shall be required to reimburse Lessor for any shortfall between actual receipts and the indicated receipts from Lessee's records.
17. At a minimum, the leased premises shall be open from 30 minutes after sunup to 30 minutes after sundown during the time period of April 1st to November 1st. During the time period of November 2nd to March 31st, the leased premises shall be open from 9:00 A.M. to 6:00 P.M. Lessee may not open the clubhouse to the public before 6:00 A.M or stay open later than 10:00 P.M. The leased premises may, at the option of the Lessee, close on Thanksgiving Day and Christmas Day. Lessee understands that Lessor has established higher green fees for holiday play, with the

exception of Thanksgiving Day and Christmas Day. Lessee understands that the golf course is closed for those two days. The other holidays remaining for which higher green fees are charged are those holidays recognized as State of Oklahoma Holidays. Attached hereto is a list of the green fees and other holiday fees that apply.

18. Lessee's customers shall have the right to use, for business purposes, the parking facilities located at the golf course.
19. Lessee shall pick up balls from the Driving Range, clean the balls, and make said driving range balls available to the golfing public. Lessee shall have all driving range balls picked up on a schedule agreed to by both parties so that routine maintenance and mowing of the Driving Range may be accomplished.
20. Lessee shall, on a daily basis, bring golf carts from storage to the cart rental area, assist patrons as needed in renting carts, insure that carts not in use are connected to chargers, return carts to storage at the end of day, and keep carts clean and neat at all times. On a periodic basis, as recommended by the manufacturer, maintenance checks and battery levels will be performed on all golf carts.
21. Lessee will be responsible for maintaining a schedule of events. That schedule of events is to be made available in various forms in order to inform the golfing population of Clinton about activities effecting play.
22. The policy of the Lessor is to maintain a "family" atmosphere at Riverside Golf Course. The Lessee shall control location of beer sales, loud or vulgar language, and other activities in such a manner so as to preserve and promote the "family" atmosphere in the leased premises.
23. Marshal Stipend: Lessor shall pay Lessee Nine Hundred dollars (\$900.00)/month for marshalling services. It is the contemplation of the parties that Lessee shall hire independent contractors to perform the marshalling functions from a "pool" of qualified and approved persons supplied by the Lessor. Lessee shall compensate the independent marshals out of the \$900.00/month received for that purpose. Marshals shall be employed utilizing a mutually agreeable schedule. The schedule will be reflective of the traditional golf season, April through October, with more days/week and hours of course marshalling during this season. However, in no case will the stipend for the marshalling services exceed the aggregate of twelve monthly stipends on an annualized basis, as described above, nor will the documented expense for the marshalling service be less than ninety percent (90%) of the aggregate of twelve monthly stipends on an annualized basis.

AGREEMENTS OF THE LESSOR

1. Except as otherwise provided herein the Lessor will keep the leased premises insured against loss from fire, windstorm or other casualty and that the proceeds of such insurance for any damage or destruction which is collectible under such insurance shall be used by Lessor for the repairs of such destruction for which said insurance is paid. Except in the event the improvements on said real estate are

wholly or substantially damaged by fire, windstorm, or other casualty, then and in that event, this lease shall immediately become of no further force and effect and Lessee shall immediately deliver possession of the lease premises to Lessor. Upon surrender of possession, Lessee's obligation to pay rent shall cease.

2. Lessor shall be responsible for maintaining the exterior of the building and for insuring that all plumbing fixtures, heat and air conditioning system, electrical system and other mechanical systems are in good working condition at all times during the term of the Lease.
3. Lessor will be responsible for the payment of expenses related to utilities, such as electricity, gas, water, and TV Cable.
4. Lessor has designated the Golf Operations Director under the direction of the City Parks and Recreation Director as the supervisor for this lease agreement. They shall have the right to enter the leased premises at any reasonable time and may, as needed, evaluate the performance of Lessee and advise the Lessee of any necessary corrective actions.
5. Lessor shall have the sole responsibility of setting the rates for the use of such golf course and Lessee shall charge only those rates as set by Lessor without any surcharge or discount.

EVENTS OF DEFAULT

In the event Lessee fails to perform any of Lessee's obligations under this Lease, after having been given ten (10) days written notice of such breach. Lessor may, if Lessor so desires, declare this Lease of no further force and effect. In the event of cancellation of this lease by Lessor as heretofore provided, Lessee will immediately deliver possession of leased premises to Lessor and Lessor may retain all rentals paid or accrued prior to such delivery of possession as liquidated damages for breach of this lease. Lessee may cancel the agreement upon 10 day written notice to Lessor.

Lessee will not allow any liens or other encumbrances to be placed on the leased premises and will indemnify the Lessor from any liens or encumbrances Lessee causes to be placed on said premises.

CONSIDERATION

In consideration of the aforesaid duties and responsibilities and any other duties and responsibility not specified herein relating to the normal and routine management of a golf course, the City of Clinton, through its Recreational Authority, will pay a management fee to the Lessee equal to Two Thousand Five Hundred Dollars (\$2,500.00) plus seven and one-half (7.5%) of the collected fees associated with its operation. This management fee will be paid within 14 days of the month end business postings being completed. These fees include, but may not be limited to, annual, daily and holiday green fees, cart rental fees, trail fees, and driving range fees.

GENERAL PROVISIONS

It is further agreed that this agreement is the full and complete written agreement between the parties superseding all prior agreements, and that any addendums hereto will be reduced to writing before the same will be binding on the parties. It is agreed that in case of any dispute or controversy the prevailing party shall be entitled to attorney fees and court costs. This agreement shall be binding on the parties, their personal representatives, heirs, devisees, and assigns.

It is further agreed that this contract is binding upon the successors in interest of all parties to the contract.

NOW THEREFORE, this Lease/Management Agreement is agreed to in consideration of the terms and conditions heretofore set forth by the parties, dated and signed this ____ day of _____, 20__.

Lessee

**The Clinton Recreational
Authority**

Brian Kent Miller

Allen Bryson, Chairman

ATTEST:

Witness

Lisa Anders, City Clerk