

GOLF PROFESSIONAL SERVICES AGREEMENT

This Agreement ("Agreement") is entered into this _____ day of November 2023, by and between the Clinton Recreational Authority ("Authority"), a Title 60 public trust with the sole beneficiary being the City of Clinton, Oklahoma and Jimmy's Golf Shop, LLC ("Manager") for the management and operation of the clubhouse at Riverside Golf Course ("Riverside").

WITNESSETH:

WHEREAS: Authority is the owner of an eighteen-hole golf course known as Riverside which includes other forms of amenities, including a clubhouse, driving range, food and beverage operations and all other improvements and business operations.

WHEREAS: Authority intends to enhance the day-to-day operations of Riverside by contracting for professional day to day management by a Golf Professional, to work in conjunction with a Golf Course Superintendent, for the complete operations of Riverside, including, without limitation, administration of all receipts, disbursement, operations and management of the golf course, clubhouse, related facilities and equipment, personnel management, marketing and sales and membership development.

WHEREAS: Authority desires that Manager provide the day-to-day management and other operation services of the clubhouse which are necessary for the successful operations of Riverside in a professional manner with budgets and operations in recognition of Authority's financial means while providing a professional, recreational opportunity for the citizens of the City of Clinton.

WHEREAS: it has agreed to provide such services on the terms and conditions set forth below and will be referred to during the term of this Agreement as the "Golf Professional".

I. BASIC TERMS

1. Duration of the Agreement: The initial term of this Agreement will be for twelve (12) months from the date of execution of this Agreement. Thirty (30) days prior to the expiration of the initial term, either party may elect, in writing, to extend the Agreement for an additional twelve (12) month term. The Agreement will only be extended by mutual agreement.

2. Management Fee: The annual base management fee will be Forty-eight Thousand Dollars (\$48,000.00) per year payable in equal monthly installments after the first Recreational Authority meeting each month after services have been performed.

3. Incentive Fee: In addition to the base management fee, Manager will be entitled to five percent (5%) of the revenues generated from green fees and cart rentals associated with Tournaments procured by Manager. However, Manager will not be entitled to any entry fee paid in connection with any Tournaments. This incentive fee does not include any fees collected from golfers not affiliated with the Tournaments in the event the Golf Course Facility is open for play for other persons than those signed up for a Tournament. Except as provided above, Manager will not be entitled to any percentage of golf cart rentals paid by non-Tournament golfers.

Manager will be entitled to 100% of the proceeds from merchandise sales, golf club repairs, driving range fees and from food & beverages sold in/from the clubhouse, including from the beverage cart. and golf lessons. The Authority will be entitled to 100% of the proceeds from memberships, greens fees, golf cart rentals and cart trail fees.

4. Concessions: Manager will be solely responsible for procuring, stocking, marketing, and selling golf course apparel, equipment, food and beverages sold through the golf clubhouse. Manager will be required to maintain, at all times, appropriate quality control and food and other safety standards mandated by state and federal laws and regulations.

5. Permits/licenses: In the event that Manager elects to sell alcoholic beverages, he will be responsible for securing and maintaining the necessary licenses from the Alcohol Beverage Laws Enforcement (ABLE) Commission all applicable regulations of the Oklahoma ABLE Commission

6. Sales Taxes: Manager will be responsible for the collection and remitting of all sales tax due on any item sold by him under this Agreement. He acknowledges and agrees that as a sole proprietor, he is not entitled to use the Authority's or the City's sale tax exempt status in the performance of this Agreement.

7. Revenue: The financial viability of Riverside is based upon a "pay to play" revenue stream whereby all users pay: membership, greens fees, trail fees and other fees to support the facility. As a result, allowing play for free will be limited to written arrangements approved in advance by the Authority, which shall include municipal employees and staff.

Within two (2) banking days of collection, the Manager shall remit these funds to the Authority. All revenue due to the Authority shall be remitted intact by the Manager and shall not be used for petty cash expenditures or other reimbursable expenses.

8. Consultations: Manager recognizes that the Authority's General (City) Manager is the Authority's contract administrator for the Agreement. Meetings and

less formal consultations, as needed, will occur with the Manager and Authority's General Manager to discuss any matter related to the Agreement, as well as matters not specifically included in the Agreement. No later than May 15, 2024, Manager and Authority's General Manager will meet to discuss the financial positions of both parties at that time in order to consider any modifications to this Agreement.

For at least some of such consultations, the Golf Course Superintendent will also participate in the conversation. Furthermore, Manager will participate in Golf Advisory Board meetings to review club house operations and other matters related to this Agreement.

II. POWERS AND DUTIES OF MANAGER

Manager agrees to operate the Riverside clubhouse in good, workmanlike and professional manner by:

- a. Devoting sufficient time to the provision of day-to-day management and oversight of the clubhouse operations of Riverside. The clubhouse shall be open at least 30 minutes before sunrise each day and shall remain open until at least 30 minutes after sunset each day.
- b. Employing, compensating and supervising competent staff and deploying such staff and other resources to ensure the proper care of the buildings and Riverside. All employees will be deemed employees of Manager and not Authority or City of Clinton.
- c. Preparing and maintaining accurately all books, accounts, and records of the operations of Riverside and all transactions related to Riverside utilizing a point-of-sale system of its choosing. This is to include, but not be limited to, the collection of greens fees, cart rental fees, annual memberships, cart trail memberships. Manager agrees to provide representatives of Authority with access to all books, accounts, and records upon demand during normal business hours and will provide Authority with monthly financial statements. Manager also agrees to the transfer of the point-of-sale system to the Authority upon termination of this Agreement.
- d. Overseeing the planning and implementation of all marketing programs including membership sales, tournament events, promoting the overall Riverside facility and placing appropriate media/advertising.
- e. Ensuring adequate supplies and equipment in order to operate the Riverside clubhouse.

- f. Maintaining the clubhouse and all Riverside facilities under Manager's control in conditions consistent with appropriate quality levels of similar municipal golf courses.
- g. Coordinating with representatives of the Authority to result in Riverside to be in compliance with all federal, state and municipal laws and regulations.
- h. Overseeing all other matters reasonably necessary for the efficient performance of the operations in connection with Riverside.
- i. Carrying a minimum of one million dollars in liability insurance with the Authority listed as an insured party to cover any acts of negligence by Manager resulting in damage to the Riverside's assets and operations or resulting in damage to any other persons or entities.

a. POWERS AND DUTIES OF AUTHORITY

Authority will have the following duties and responsibilities during the term of this Agreement:

- a. Authority shall be responsible for billing of annual memberships.
- b. Subject to budgetary appropriations, Authority shall be responsible for all expenditures for capital improvements, repairs and maintenance.
- c. Maintaining insurance on the Riverside Facility and the payment of appropriate premiums for such insurance.
- d. Paying any costs and expenses for utilities. Including water, electricity, internet and satellite television.
- e. Paying fees due to Manager under this Agreement

b. TERMINATION

The initial term of this Agreement is set forth above. However, the Agreement may be terminated sooner under the following circumstances:

- a. At any time by mutual agreement.
- b. Upon written notice by one party to the other of a default in the duties by the other party when the default is not cured within fifteen (15) days after receipt of notice of default.
- c. In the event of gross negligence by Manager in the performance of its

obligations under this Agreement.

- d. Upon the death of the Manager or his physical or mental inability to perform his obligations under this Agreement.

c. INDEPENDENT CONTRACTOR

The parties mutually acknowledge and agree that Manager is deemed an Independent Contractor and is not an employee of the Authority or the City of Clinton. As such, except as may be expressly provided herein, Manager has no right or authority to assume or create any obligation or responsibility on behalf of the Authority or the City of Clinton or to bind or attempt to bind the Authority or the City of Clinton in any manner without express permission given in writing.

d. INDEMNITY

Manager agrees to indemnify and hold harmless the Authority for any liability, loss, damage, costs, and expenses (including attorney fees) caused by his gross negligence, misconduct or material breach of this Agreement causing harm to any portion of the Riverside facility, any patron of Riverside, any other person or any property of an employee, patron or other person.

e. MISCELLANEOUS

1. Each party warrants and represents that he/it has the full authority to enter into this Agreement and to perform hereunder. Each party agrees to cooperate with the other and its officers, agents, servants, attorneys, or employees in connection with the performance of this Agreement.
2. This Agreement may not be assigned by Manager to any third party without the express, prior written permission of the Authority.
3. If determined by any court of competent jurisdiction that any part of this Agreement is void, voidable, illegal, or unenforceable, that part or portion will be severable from and will not affect the remainder of the Agreement.
4. This Agreement will be subject to the laws of the State of Oklahoma. Any disputes arising out of this Agreement must be brought in the District Court of Custer County.
5. The terms of this Agreement may only be changed, modified, waived or released by mutual written consent.

6. Any notice, document or other item to be given, delivered, furnished or received by be addressed as follows:

Jimmy's Golf Shop, LLC
125 N Terrace Drive
Weatherford, OK 7309
580-330-9657
Email: jimmydlaughlinjr@yahoo.com

Clinton Recreational Authority c/o General Manager
P.O. Box 1177
415 Gary Blvd.
Clinton, Oklahoma 72601-1177
(580) 323-0261
Email: city.manager@clintonok.gov

7. This Agreement may be executed in multiple counterparts, each of which when so executed, will be deemed an original and such counterparts together will constitute one and the same Agreement.
8. It is understood and acknowledged by all Parties to this agreement, that this is a management agreement, not a lease, and Manager has no additional rights to the use of the Golf Course Pro Shop and facilities other than as described herein.

Dated this 14 day of November 2023

CLINTON RECREATIONAL AUTHORITY

David D. Berrong, Chairman

JIMMY'S GOLF SHOP, LLC



Jimmy D. Laughlin, Jr.