



# STAFF REPORT

## AGENDA ITEM: 6

**Report To:** Parks and Recreation Commission

**Meeting Date:** October 6, 2020

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**Agenda Title:** For Discussion Only: Presentation by Duncan Golf Management DBA TDS Golf at Eagle Valley LLC (Duncan Golf Management) regarding operations and management of Eagle Valley Golf Course. Discussion only regarding the License Agreement between Carson City and Duncan Golf Management, including future Capital Improvement Project (CIP) needs at Eagle Valley Golf Course.

**Staff Summary:** Carson City owns Eagle Valley Golf Course located in John D. Winters Centennial Park. In March of 2018, the City entered into a 5-year License Agreement with Duncan Golf Management for operations and management of the course. This item will provide an overview of their operations, contractual items and review of capital needs.

**Agenda Action:** Formal Action/Motion

**Time Requested:** 20 minutes

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### **Proposed Motion**

N/A

### **Board's Strategic Goal**

Quality of Life

### **Previous Action**

March 1, 2018: The Board of Supervisors (Board) approved a License Agreement between Carson City and Duncan Golf Management for operation, management, and maintenance of Eagle Valley Golf Course.

December 7, 2017: The Board selected Duncan Golf Management as the most responsive and responsible bidder as a result of Request For Proposal No. 1718-096 for operation, maintenance and management of Eagle Valley Golf Course. The Board also authorized the City Manager to sign on behalf of the City a Temporary Right of Entry Agreement and directed staff to draft a 5-year license agreement with terms consistent with RFP No. 1718-096 and the proposal submitted by Duncan Golf Management.

### **Background/Issues & Analysis**

Carson City owns two 18-hole golf courses, situated in the foothills of Carson City, which collectively comprise portions of six separate parcels known as Eagle Valley Golf Course (EVGC). EVGC consumes approximately 25% of the total available effluent water in Carson City. The course was previously operated and maintained by Carson City Municipal Golf Corporation, a private non-profit corporation, through a lease agreement which expired December 31, 2017. Through a competitive Request for

Proposal process, Duncan Golf Management was selected as the most responsive and responsible bidder and the City entered into a 5-year License Agreement in 2018 to operate and maintain the course.

Terms of the Agreement include:

- 5-year agreement for full operations, maintenance and management of the golf course, with a 5-year renewal option after three years, upon satisfactory evaluation;
- \$90,000 annual investment by Duncan toward capital equipment to be owned by the City upon termination of the agreement;
- Joint investment between the City and Duncan in capital improvements after three years.

The Parks, Recreation and Open Space Department oversees the agreement on behalf of the City, works cooperatively with Duncan Golf Management to ensure that the course is well maintained, and provides fair and equitable opportunities consistent with the municipal golf market. Duncan Golf Management will provide an overview of their operations, contractual items and review of capital needs. A copy of the PowerPoint presentation is provided.

**Applicable Statute, Code, Policy, Rule or Regulation**

N/A



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**EXHIBITS**

- Exhibit A     Duncan Golf Management Proposal
- Exhibit B     Property Map and description
- Exhibit C     Equipment Inventory, Condition and Value
- Exhibit D     Clubhouse Property Inventory

**LICENSE AGREEMENT  
FOR PROFESSIONAL MANAGEMENT SERVICES  
AT THE EAGLE VALLEY GOLF COURSES**

This license Agreement (the "Agreement") is entered into this 1<sup>st</sup> day of March 2018, by and between the Consolidated Municipality of Carson City, a political subdivision of the State of Nevada (also referred to as the "City"), and Duncan Golf Management, Inc. DBA TDS Golf at Eagle Valley LLC., (also referred to as the "Licensee").

WITNESSETH

**1. RECITALS**

Whereas the City owns the property known as the Eagle Valley Golf Course and the City requires certain golf management services be performed; and

Whereas, in response to a Request for Proposal distributed by the City for such golf management services, the Licensee submitted a proposal and statement of qualifications, outlined in Exhibit A; and

Whereas the Licensee represents that it is qualified, equipped, staffed, ready, willing and able to perform and render such services as shall be necessary, required or desired, for and on behalf of the City,

Whereas, the Licensee was determined to be the most responsive and responsible bidder by the Carson City Board of Supervisors at their December 7, 2017 meeting.

Therefore, in consideration of the above, the parties agree to the following:

**2. SCOPE OF SERVICES**

During the term of this Agreement, Licensee shall have the exclusive right and license at the Eagle Valley Golf Course (the "Golf Course") to operate and manage all parts of Golf Course. "Golf Course" is located on portions of six (6) parcels (Assessor Parcel Numbers 008-391-15, 008-391-12, 008-391-05, 005-051-25, 008-011-93, 005-051-13) and is approximately 319-acres, as described in Exhibit B. To operate and manage Golf Course as Licensee deems appropriate and to perform any act deemed necessary or desirable for the operation and management of Golf Course; maintain all the golf course property, operate, manage and supervise daily play, pro shop, food and beverage services, driving range and putting practice greens, maintenance facilities, club house and infrastructure on the property; provide lessons, and maintain all play and maintenance equipment, advertise and promote public play and the sale of merchandise and services.

### 3. TERM

This Agreement shall be for a period of fifty seven months (57) months, April 1, 2018 through December 31, 2022, with the City's option to renew for an additional five (5) years after December 31, 2020 and a thorough review and evaluation process takes place. Consideration for renewal shall include, but not be limited to, setting the base rent to fair market value and renegotiating capital improvements as set out in paragraph 4.5 below, the Licensee satisfactorily performing professional golf management services herein described, receiving rating of satisfactory-or-above on all evaluations, achieving the performance benchmarks as stated herein and the investment of Licensee and City as provided for herein. Should either party decline to exercise its option to renew this Agreement for an additional five (5) years after the three (3) year review and evaluation process is completed, this Agreement will terminate on December 31, 2022.

### 4. CONSIDERATION

4.1 In exchange for the license to use the property, the City will receive needed management services for its public golf course. In exchange for the management services, except as otherwise provided in this Agreement the Licensee shall be entitled to retain revenue generated from its operation of the Golf Course during the term of this Agreement.

4.2 The City and the Licensee shall work together to develop a Capital Improvement Plan, provide estimated values and cooperate to prioritize the needs of the public golf course. Both parties will invest in the property.

4.3 Licensee shall be required to acquire capital equipment related to the operation and maintenance of the Golf Course in an amount not less than \$90,000 per year. Accounting records as proof of the investment must be provided to the City.

4.4 Prior to expending funds for such capital equipment, Licensee will submit such proposed capital leases or purchases in writing to Director of Parks and Recreation or its designee ("the Director") for its review and approval, which approval shall not be unreasonably delayed or withheld. The City's failure to respond to a request for approval of any such lease or purchase for more than fourteen (14) calendar days shall be deemed a denial by the City. All equipment acquired by Licensee pursuant to this provision for which the Licensee does not have an outstanding lease or purchase obligation shall be owned by the City and retained by the City upon termination or expiration of this Agreement. Equipment that is acquired for which any outstanding lease or purchase obligation remains will be retained by Licensee, and Licensee shall be responsible for fulfilling those outstanding lease or purchase obligations unless assumed by the City at the City's sole discretion. Straight leases, as opposed to purchase leases, are considered operating expenses and not capital reinvestments.

4.5 In addition to the expenditures for capital equipment as provided for above, after December 31, 2020, Licensee shall contribute 10% of its accumulated net Golf Course operating income from the effective date of this Agreement as additional capital investment in the Golf Course. Such contribution by Licensee shall be contingent upon City matching the amount to be contributed by Licensee as well as the renewal of this Agreement for an additional five (5) year term. The spending of such contributions shall be in accordance with a capital improvement plan prepared by both parties and approved by the Board of Supervisors. In the event that such a capital improvement plan is not approved by Board of Supervisors, neither Licensee nor the City shall be obligated to make the contribution provided for herein.

4.6 The City will collaborate with Licensee to seek grants for the benefit of the public.

## **5. BUSINESS LICENSE**

Licensee represents that it is licensed by the City and the State of Nevada for the purposes of performing the services set forth in this Agreement.

## **6. STATUS OF LICENSEE**

Licensee shall have the status of an "Independent Contractor" pursuant to NRS 608.0155, and shall not be entitled to any of the rights, privileges, benefits, and emoluments of either an officer or employee of the City.

## **7. CERTAIN DUTIES AND SERVICES TO BE PROVIDED BY LICENSEE**

Licensee, its Professional Golf Instructor ("Instructor"), employees and staff shall perform all duties in accordance with the best interest of the City.

### **Licensee Shall:**

7.1 Operate, manage, and maintain the course in a safe and efficient manner. Such operation and management shall include, without limitation, the collection of fees, regulation of play, conduct of persons on course, enforcement of the rules and regulations of golf course, and soliciting and coordinating tournaments.

7.2 Operate, manage, and maintain a satisfactory pro shop in a professional, up-to-date manner to include, but not be limited to, sales, rental, and repair of golf equipment, clothing, and accessories. Stock and maintain an inventory of golf related merchandise, supplies and equipment in keeping with best retail practices. Maintain golf course property including clubhouse, maintenance shop, and all infrastructures of the property, to the standards outlined in Exhibit A and best practices.

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- 7.3 Have the sole right to operate and manage all food and beverage concessions, or to enter into separate agreements for their operation.
- 7.4 Be responsible for acquiring and maintaining compliance with all necessary permits, fees, rules, and regulations for the sale of food, beverages, including liquor, and must maintain an "A" rating as designated by the local health authority.
- 7.5 Determine all personnel requirements, recruitment schedules and compensation levels and shall employ, train, promote, discharge and supervise all personnel performing services in and about the Golf Course. Instructor and all staff (including cart staff) shall be required to wear uniforms.
- 7.6 Have the right and responsibility, subject to limitations set forth below, to establish all fees, including, but not limited to, green fees, cart fees, driving range fees, annual passes, play tickets, tournament fees, merchandise, lessons and all other charges associated with the operation of Golf Course.
- 7.7 Inform, at least annually, the Director of the intended fee structure for the up-coming year during the last quarter (October-December) of each calendar year as the Golf Course is a public facility.
- 7.8 Be responsible for all reports, and other pertinent information to be delivered to the Director or designee a minimum of monthly, by paper or electronic means of delivery.
- 7.9 Computer or print generate all interior signs (absolutely no hand written signs), and display signs neatly and prominently. All exterior signs must comply with the City's signage master plan, a copy of which will be provided to Licensee upon execution of this agreement.
- 7.10 Establish accounting, cash collection and payroll procedures in compliance with generally accepted accounting principles as stated in Section 13 "Collection of Receipts and Accounting" of this Agreement.
- 7.11 Provide community golf lessons and an instruction program under the direction of a PGA Class A Instructor. Licensee shall also provide all other services customarily provided by a golf professional in accordance with demand. It is understood that these services may be provided by the Licensee's employees, or through other mechanisms such as independent contractor agreements, volunteer agreements or similar instruments.
- 7.12 Operate, manage, and supervise the use of the driving range and all putting practice greens adjoining said course and control and regulate their use in such a manner as to eliminate or prevent hazards or dangers to any person.
- 7.13 Furnish, without cost to the City, all equipment necessary for the suitable operation of the driving range and putting practice greens.

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7.14 Provide and maintain daily equipment, including mats, golf balls, token or similar machines, and yardage markers for the driving range. Tee area shall be of a quality and quantity acceptable to the Director or designee. Any deficiencies will be noticed to the Licensee in writing and shall be corrected immediately or, in the case of replacement of equipment, within thirty (30) days.

7.15 Provide and supervise all starter and player activity functions, collect green fees and coordinate player starts, and furnish, at no cost to the City, suitable and qualified personnel in adequate number to insure efficient performance of such duties.

7.16 Effectively advertise, market and promote public and tournament play at the Golf Course and the sale of golf-related merchandise and services.

7.17 Furnish and maintain proper facilities, equipment and devices for the repair of golf equipment.

7.18 Provide, maintain and make available to the public at reasonable rental fees an adequate supply of all equipment necessary to play the game of golf including without limitation, golf clubs and golf carts. All carts shall be pre-numbered and maintained in good operating condition. The exterior and interior of all carts shall be maintained in a clean condition.

7.19 Except as otherwise provided herein, assume full responsibility and expense for all electric, gas, water and reclaimed water utilities and repairs, sewer, garbage, telephone service and repair, fire system monitoring, intrusion alarm monitoring and repair, cable TV, electrical or cart service utilities, and maintenance of all cart storage areas.

7.20 Provide all portable display platforms, signs, equipment and/or devices for the purpose of advertising or demonstrating the services, merchandise and/or equipment for sale or rent in the pro shop. Permanent signs shall be reviewed and approved by the Director. Design and material shall comply with applicable City standards, including adopted plans.

7.21 Maintain inventory of golf merchandise, golf supplies and equipment in accordance with best retail practices.

7.22 Be responsible for the preparation and submittal of liability/property loss reports, monthly cash and rounds of play reports, and other reports common to the operation of the business and/or as requested by the City, by paper or electronic means of delivery. Liability/property loss reports shall be submitted to Director as soon as reasonably practicable, but no later than two business days after the incident.

7.23 Coordinate with volunteers, Men's and Women's Clubs, community organizations, junior and golf development programs, and promote youth and senior golf opportunities to enhance golf programs and customer service offerings.

7.24 Promptly pay any and all taxes imposed by the local, state or federal government, utility bills, merchant invoices, and all other liabilities with respect to its operation of the Golf Course.

7.25 Comply with all applicable ordinances, laws, rules, and regulations of the City, state, and federal government; and of any political subdivision or agency, authority or commission thereof, which may have jurisdiction to pass laws, ordinances, or make and enforce rules or regulations with respect to the operations of the golf course, including but without limiting the generality of the foregoing, such rules and regulations of the City as are consistent with the rights herein granted to the Licensee.

7.26 Surrender City property in as good condition as when received, ordinary wear and tear excepted, upon termination of the Agreement

7.27 Operate and manage golf course on Licensee's own credit and hold harmless the City from any and all claims, demands or liability on account thereof. The City shall not be responsible for any debts incurred by the Licensee in the performance of any resulting Agreement.

7.28 Provide and maintain a golf driving range, including turf and sprinkler maintenance.

7.29 Maintain all golf course holes, landscape and planted areas which are part of the course.

7.30 Provide such signs and posters it shall deem necessary for public safety and convenience.

7.31 Provide scorecards, starting sheets, reservation sheets and all other items incidental to business on the golf course.

7.32 Meet with the Director, at least once annually, to review compliance with agreement, including without limitation to: fees, marketing, outreach, course condition, and customer satisfaction.

7.33 Maintain the course to acceptable professional turf maintenance standards as outlined in the maintenance standards described in Exhibit A, realizing quality of the course maintenance is very important to overall operation.

7.34 Maintain all facilities located on the real property that constitutes the Golf Course in good repair and function, including without limitation, the club house maintenance buildings, restrooms, cart barn, drinking fountains, and maintenance yard; domestic water irrigation system, including filters, and pumping facilities. Except as otherwise provided herein, Licensee is responsible for all repairs and maintaining all improvements and modifications to Golf Course that Licensee has installed or caused to be installed. Repairs or improvements made by Licensee shall be subject to the provisions of Section 29 "Alterations and Improvements by Licensee," at their own expense.

7.35 Provide all janitorial services and equipment to all areas of the Golf Course.



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7.36 Provide at Licensee's sole expense, reasonable maintenance and repair of the premises at all times during the term of the Agreement to prevent the premises from entering into a state of disrepair. Such proper and reasonable maintenance and repair of the premises includes:

7.36.1 Daily upkeep of the premises. Ordinary repairs that affect the structure, egress, fire protection system, fire ratings, energy conservation or plumbing, sanitation, gas, electrical or other utilities, must be performed by a person who is licensed and insured in the State of Nevada to perform the maintenance or repair.

7.36.2 Maintenance and replacement of the floor coverings but only in such a manner that is consistent with the use of techniques and products approved by the City in advance of the commencement of any work; interior walls and paint; electrical wiring and fixtures; equipment that is used for fire protection or suppression; the interior of the premises in general, and periodic gutter cleaning as necessary. Examples would be, but are not limited to, the following: water leaks, plugged toilets, burnt out bulbs, bad lighting ballasts, all plate glass, holes in walls, tears in carpet or damaged tile and the general upkeep of the interior.

7.37 Maintain compliance with all requirements set forth by the Environmental Control Authority including but not limited to proper solid waste handling per an approved solid waste management plan and proper maintenance of pretreatment equipment per the wastewater discharge permit.

7.38 Comply with all other duties, services, and requirements as described throughout this Agreement.

## **8. CERTAIN DUTIES AND SERVICES TO BE PROVIDED BY THE CITY**

### **The City Shall:**

8.1 Provide at its sole expense, based on available funding, proper and reasonable maintenance and repair of buildings and grounds infrastructure, including the parking lot and cart paths at all times during the term of the Agreement. Such proper and reasonable maintenance and repair of buildings and grounds infrastructure is limited to the roof, foundation; exterior; mainline plumbing; jointly-used electrical panels; and the HVAC (heating, ventilation and air conditioning) system.

8.2 Meet with the Licensee, at least once annually, to review compliance with agreement, including without limitation to: fees, marketing, outreach, course condition, and customer satisfaction.

8.3 Provide natural resource management, including, but not limited to, noxious weeds on the lands surrounding the Golf Course, as shown on Exhibit B, compliant with Nevada Revised

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Statutes (NRS 555). The City will work cooperatively with Licensee to coordinate these efforts to not negatively impact the Golf Course or its operations.

8.4 Provide delivery of reclaimed water, subject to its availability, in accordance with the permit issued by the Nevada Division of Environmental Protection (NDEP), to the main reservoir located on the east course pursuant to Carson City Municipal Code 12.10.220.

8.5 Operate and maintain the Eagle Valley pump station located at the Water Resource Recovery Facility (WRRF), the transmission line, including appurtenances, from the WRRF to point of discharge at the main reservoir, and the main reservoir level control system.

8.6 Pay for repairs to reclaimed water delivery infrastructure, including but not limited to pump stations, located at the Golf Course whenever the costs of such repairs exceed \$5,000. However, the City will not be responsible for paying for repairs that are needed due to a lack of care, scheduled maintenance, or the negligence of Licensee.

8.7 Prioritize funding and complete capital project improvements in accordance with approved budgets.

8.8 Comply with all other duties, services, and requirements as described throughout this Agreement.

## **9. PROFESSIONAL STANDARDS**

Instructors, golf professionals and staff hired by Licensee or through independent agreement or similar instrument, are required to be under the direction of a Professional Golf Association (PGA) certified Class A Professional during the term of this Agreement. Maintenance and agronomic staff shall be under the direction of a member of the Golf Course Superintendents Association of America (GCSAA) Golf Course Superintendent. The onsite Superintendent need not be a member of the GCSAA, as long as a member of the Licensee's management team overseeing the operation is such a member. Copies of such membership shall be provided to the City upon request to ensure compliance. In addition, Licensee shall operate and manage the Golf Course in accordance with the Code of Ethics of the PGA, GCSAA and the City.

## **10. MARKETING AND ADVERTISING**

10.1 Licensee is responsible for effectively advertising, marketing and promoting public and tournament play at the Golf Course and the sale of golf related merchandise and services.

10.2 Licensee shall, on or before January 31 of each year during the term of this Agreement, or any renewals thereof, meet with the Director to review the annual sales and marketing plan for the Golf Course. The City shall have the right to comment upon and make suggestions with

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respect to said plan, provided, however, while Licensee shall consider all of the City's suggestions and comments, Licensee shall not be obligated to implement the same.

10.3 Licensee is aware that this is a public golf course, and as such, is expected to use discretion in the choice of advertising and marketing to ensure its appropriateness. The City retains the right to request removal of advertising or marketing that it deems inappropriate. Licensee will make every effort to indicate on marketing materials (including print, web and other mediums) that the Eagle Valley Golf Course is owned by Carson City and operated and managed by Duncan Golf Management.

## **11. HOURS OF OPERATION**

11.1 Licensee shall devote adequate staff and personal attention to operate and manage a modern and efficient golf course.

11.2 Licensee shall ensure adequate staff is onsite whenever course is open for play.

11.3 Licensee shall recommend to the Director for approval an annual schedule setting forth the minimum hours during the year (weather permitting) when the Golf Course shall be open for play. Licensee is responsible for opening and closing security gates. Licensee is responsible for the security of Golf Course facilities and assets during all times.

## **12. ESTABLISHMENT OF RATES**

12.1 In the first twelve (12) months of the Initial Term, the green fees charged shall be in accordance with rates set forth in the schedule of rates attached here to as Exhibit A.

12.2 The Licensee, in its discretion, shall re-evaluate and determine green fee rates annually. The green fee determination shall be reviewed with the Director at the annual meeting. Any desired rate increases that exceed the previous year's rates by more than 10% must be approved by the Board of Supervisors.

## **13. COLLECTION OF RECEIPTS AND ACCOUNTING**

The following apply to Licensee and all management or service subcontractors. Licensee is responsible for ensuring any management or service subcontractors adhere to the following:

13.1 Definitions:

"Food and beverage sales" means all food and beverage sales.

"Green fees" include, but are not limited to, all revenue collected from daily regular green fees, ticket and annual discounted fees, and advance reservation fees.

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“Pro Shop sales” mean all retail and merchandise sales.

“Ticket” and “annual” fees mean any fee which entitles a person to use the Golf Course, exclusive of tournament play.

“Tournament” means any group of more than twelve (12) wishing to have “blocked” or pre-designated tee or start times, including “shot-gun” starts. Tournament revenues are a part of “green fees,” however their revenues are to be collected and reported separately as “Tournament Revenues.” Tournament rounds of play are to be accounted for on the day of play.

13.2 Licensee shall establish cash collection and payroll procedures in compliance with business industry standards, applicable federal and state laws, and generally accepted accounting principles (accrual basis of accounting); train and monitor all staff in the appropriate cash handling practices; at all times monitor and ensure the safety of all monetary exchanges; adhere to accepted credit card and other personal information security standards.

13.3 Licensee shall submit to the City, monthly reports of rounds of play and gross revenue, which will include green fees, advance reservation fees, annual and ticket sales, annual surcharge, cart income, cart usage, tournament income, driving range income, pro shop sales, lessons, food sales, beverage sales, catering in addition to all other items of receipts, and will state that sign-up sheets, cash register tapes, and daily statement of receipts have been reconciled and are in agreement. Licensee shall submit a monthly summary of expenses to the City sufficient to reflect an accurate net operating income. Licensee shall submit to the City a copy of any contracts or agreements made by the Licensee that extend beyond a twelve (12) month term.

13.4 Licensee shall establish and maintain complete books of accounts and other records showing all business transacted in connection with the operation of the Golf Course in compliance with generally accepted accounting principles (accrual basis of accounting), including reporting any barter or in-kind exchange agreements entered into by the Licensee at fair value to the City. Reporting shall include the nature and terms of the agreement.

13.5 Licensee agrees to install and maintain a system of accounts acceptable to the City and its auditors.

13.6 All accounting records and supporting documents shall be subject to audit and inspection and be available at any and all reasonable times to the City and its authorized officers, agents, or employees.

13.7 The Director reserves the right to require management audits, or other studies and reviews of Licensee’s operating procedures, or accounting and controls that are deemed desirable. If City requires Licensee to perform such procedures, Licensee must engage the appropriate entity to perform said services. However, City will promptly reimburse Licensee for costs incurred for requested services so long as Licensee has provided the service agreement to the City and City has approved the service agreement. If Licensee fails to provide the required

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records and supporting documents, or provides inadequate information, Licensee agrees to pay any additional charges incurred as a result of the delay in the completion of the audit.

13.8 Licensee shall be responsible for retaining all financial records for a minimum of seven (7) years for each accounting year.

13.9 Licensee and designated staff shall be fully proficient in and routinely use a point of sale system or similar instrument.

13.10 Licensee and any management or service subcontractors shall use either a calendar year, January 1 through December 31, or fiscal year, July 1 through June 30, as the established accounting period.

#### **14. PERFORMANCE BENCHMARKS**

Performance benchmarks and completion dates have been established in Section 10 “Marketing and Advertising.”

14.1 The City shall utilize a “report card” for evaluation purposes. The “report card” shall be on a form created by the Director in collaboration with the Licensee. Reviews by the City shall be conducted each year.

14.2 Failure to meet benchmarks and specific performance dates may result in additional reviews and non-renewal of this Agreement.

14.3 Licensee will be reviewed for, but not limited to, adherence to the standards established in Exhibit A, the financial viability review and the extent and nature of management and auditing concerns provided through annual financial statements, and customer satisfaction.

#### **15. EMPLOYEES**

Licensee shall employ, or through separate agreement or similar instrument, at their own expense, such staff as necessary to fully operate and manage Golf Course in an efficient, professional and orderly manner.

#### **16. IRRIGATION AND RECLAIMED WATER**

16.1 The City is the owner of reclaimed water that is provided to the golf course for irrigation purposes. Except as otherwise provided in section 8.6 above, the Licensee will be responsible for upkeep of this infrastructure, compliant with industry standards, federal, state and local regulations.

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16.2 The monthly service charge associated with reclaimed water use will be charged in accordance with the Carson City Municipal Code, which currently is \$283.00 per month and is the responsibility of the Licensee.

16.3 The Licensee is also responsible for:

16.3.1 Maintaining compliance with all requirements set forth by the Nevada Department of Environmental Protection (NDEP) for the use of reclaimed water, including but not limited to a Reclaimed Water Management Plan, Groundwater Discharge Permit, discharge monitor reporting, reclaimed water quality sampling and testing, and spill reporting.

16.3.2 Providing support personnel to operate and maintain an alarm notification system and program for the timely response and repair of the system in the event of failure or malfunction to prevent any regulatory violation or property damage from occurring.

16.3.3 Operating and maintaining the reclaimed water system from the point of discharge at the main reservoir throughout the distribution system used to deliver reclaimed water to and throughout the property including but not limited to the irrigation system, on-site pump stations, diversion vaults, valves, air releases, filters, controllers, ponds and reservoirs in accordance with industry standards and local building codes.

16.3.4 Maintaining a program for maintenance of the golf course property, including but not limited to turf management and the control of noxious and native weeds, mosquitos, and algae in accordance with industry and municipal code standards, consistent with the level of service standards outlined in Exhibit A.

16.3.5 Providing records upon the City's request.

## **17. ENERGY CONSERVATION**

Licensee shall make every effort to conserve energy, whenever and wherever possible, including, but not limited to, the heating and lighting of areas necessary to conduct business during operating hours or maintain security.

## **18. PERFORMANCE BOND**

Licensee shall be required to provide a performance bond, in a form acceptable to the City in its sole discretion, issued by an insurance company qualified/licensed to do business in Nevada, in the amount of Two Hundred Fifty Thousand Dollars (\$250,000). Said bond must name the City as sole obligee. Said bond will be released at the expiration or termination of the

resulting Agreement, provided the Licensee has fully and completely performed under the Agreement.

## **19. FIXTURES**

19.1 Any fixtures or items permanently attached to the clubhouse at the Golf Course in connection with the operation of the pro shop, excluding trade fixtures owned by Licensee, shall become the property of the City upon the termination of Agreement.

19.2 Upon expiration or termination of this Agreement, Licensee shall quit and surrender the premises under its control, including permanent fixtures attached thereto and personal property of the City, to City in as good condition as at the date of the execution of this Agreement, ordinary wear and tear excepted.

## **20. PREFERENTIAL TREATMENT FORBIDDEN**

Licensee shall not grant any preferential treatment to any individual or group of individuals except as authorized by the rules and regulations pertaining to the Golf Course.

## **21. COLLABORATIVE RELATIONSHIP**

21.1 Licensee shall be accountable in all of its operations to the Director or the Director's designee. The City recognizes and acknowledges that Licensee will need the assistance and cooperation of the City in order to properly perform and fulfill Licensee's covenants and obligations under this Agreement.

21.2 Therefore, the City agrees it shall execute documents and do such further acts and things as Licensee reasonably requests in order to assist Licensee in fulfilling its obligations under this Agreement. The City further agrees it shall designate a specific officer or agent having appropriate experience and authority whose responsibility is to work with Licensee in assuring that Licensee obtains the full reasonable cooperation and assistance of the City, subject to the terms of this Agreement and all applicable laws.

21.3 Licensee shall also reasonably cooperate with all other City Departments.

## **22. LICENSE AGREEMENT**

It is understood and agreed that the Golf Course is licensed for use. Licensee's right to occupy and operate the same, as granted herein, shall continue only so long as each and all undertakings, provisions, covenants, agreements, stipulations and conditions herein contained are strictly complied with. Nothing in this Agreement shall grant any permanent right, title or interest in the Golf Course to Licensee outside of the term of this Agreement.

## **23. INDEMNIFICATION**

23.1 To the maximum extent permitted by law, Licensee shall, at its own expense, indemnify, defend with counsel acceptable to the City (which acceptance will not be unreasonably withheld), and hold harmless the City, its officers, officials, employees, agents, and volunteers (“Indemnitees”) from and against any and all liability, loss, damage, claims, suits, actions, arbitration proceedings, administrative proceedings, regulatory proceedings, civil penalties and fines, expenses and costs (including, without limitation, claims expenses, attorney’s fees and costs and fees of litigation) (collectively “Liability”) of every nature, whether actual, alleged or threatened, arising out of or in connection with the services provided pursuant to this Agreement or Licensee’s alleged fault of the Indemnitees except as provided below.

23.2 Licensee’s obligation to indemnify, defend, and hold harmless under this provision shall not be excused because of Licensee’s inability to evaluate any Liability, or because Licensee evaluates liability and determines that Licensee is not or may not be liable. Licensee must respond within thirty (30) calendar days to any tender for defense and indemnity by the City, unless the time for responding is extended by an authorized representative of the City in writing. If Licensee fails to accept tender of defense and indemnity within thirty (30) calendar days, in addition to any other remedies authorized by law, so much of the money or that may become due to Licensee under this Agreement as shall be reasonably considered necessary by the City, may be retained by the City until disposition has been made of the matter subject to tender, or until Licensee accepts the tender, whichever occurs first.

23.3 Licensee waives any and all rights to express or implied indemnity against the Indemnitees concerning any Liability of Licensee arising out of or in connection with the services provided pursuant to this Agreement or Licensee’s failure to comply with any of the terms of this Agreement.

23.4 Subject to the limitations set forth in NRS Chapter 41 the City agrees to indemnify and hold Licensee harmless, and shall defend any claims against Licensee in any action where the central issue of the action was the City’s sole negligence or the City’s failure to abide by the terms of this Agreement.

## **24. INSURANCE REQUIREMENTS**

24.1 Licensee must carry policies of insurance conforming to the minimum requirements specified below, unless otherwise agreed to in writing by the City. Such insurance must be maintained and kept in force for the duration of this Agreement. The City shall have no liability except as specifically provided in this Agreement.

24.2 Licensee shall not commence work before: 1) Licensee has provided the required evidence of insurance to the City (Purchasing and Contracts Department) and (2) the City has approved the insurance policies provided by Licensee. The general and specific requirements are described in detail below.

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### 24.3 General Terms

24.3.1 Neither approval by the City nor failure to disapprove the insurance furnished by Licensee shall relieve Licensee of Licensee's full responsibility to provide the insurance required by this Agreement.

24.3.2 Prior approval of the insurance policies by the City shall be a condition precedent to any payment of consideration under this Agreement and the City's approval of any changes to insurance coverage during the course of performance shall constitute an ongoing condition subsequent to this Agreement. Any failure of the City to timely approve shall not constitute a waiver of the condition.

24.3.3 Licensee's insurance policies shall apply on a primary basis. Any insurance or self-insurance available to the City under its coverage(s) shall be in excess of, and not contributing to, the insurance obtained by Licensee. Until such time as the insurance is no longer required by the City, Licensee shall provide the City with evidence of renewal or replacement insurance no less than thirty (30) calendar days before the expiration or replacement of the required insurance.

24.3.4 If at any time during the period when insurance is required by this Agreement, an insurer or surety shall fail to comply with the requirements of this Agreement, as soon as Licensee has knowledge of any such failure, Licensee shall immediately notify the City and immediately replace such insurance or bond with an insurer meeting the requirements.

24.3.5 Compliance with the insurance requirements of this Agreement shall not limit the liability of Licensee, its employees, agents, subcontractors, volunteers or invitees performing Services on behalf of or at the direction of Licensee, to the City or others, and shall be in addition to and not in lieu of any other remedy available to the City under this Agreement or otherwise.

24.3.6 The City shall have the right to request and review a copy of any required insurance policy or endorsement at any time to assure compliance with these requirements.

### 24.4 Certificate Holder

Each certificate shall list Carson City c/o Carson City Purchasing and Contracts, 201 N. Carson Street, Suite 2, Carson City, NV 89701 as a certificate holder.

### 24.5 Additional Insured

By endorsement to the general liability insurance policy evidenced by Licensee, the City and County of Carson City, Nevada, its officers, employees and immune contractors shall be named as additional insureds for all liability arising from this Agreement.

### 24.6 Waiver of Subrogation

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Each liability insurance policy, except for professional liability, shall provide for a waiver of subrogation in favor of the City.

#### 24.7 Cross Liability

All required liability policies shall provide cross-liability coverage as would be achieved under the standard ISO separation of insureds clause.

#### 24.8 Deductibles and Self-insured Retentions.

Insurance maintained by Licensee shall apply on a first dollar basis without application of a deductible or self-insured retention unless otherwise specifically agreed to by the City. Such approval shall not relieve Licensee from the obligation to pay any deductible or self-insured retention. Any deductible or self-insured retention shall not exceed \$5,000.00 per occurrence, unless otherwise approved by the City.

#### 24.9 Policy Cancellation

Except for ten (10) calendar days' notice for non-payment of premium, Licensee or its insurers must provide thirty (30) calendar days' prior written notice to Carson City Purchasing and Contracts if any policy will be canceled, non-renewed, or if required coverage and/or limits will be reduced or materially altered, and shall provide that notices required by this paragraph shall be sent by mail to Carson City Purchasing and Contracts, 201 N. Carson Street, Suite 2, Carson City, NV 89701. When available, each insurance policy shall be endorsed to provide thirty (30) days' notice of cancellation, except for ten (10) days' notice for non-payment of premium, to City.

#### 24.10 Approved Insurer

Each insurance policy shall be issued by insurance companies authorized to do business in the State of Nevada or eligible surplus lines insurers under federal and Nevada law and having agents in Nevada upon whom service of process may be made, and currently rated by A.M. Best as "A-VII" or better.

#### 24.11 Evidence of Insurance

Before Licensee begins its performance obligations under this Agreement, the following documents must be provided as evidence of insurance to Carson City Purchasing and Contracts, 201 North Carson Street, Suite 2, Carson City, NV 89701:

24.11.1 Certificate of Insurance: Licensee shall furnish City with a certificate(s) of insurance, executed by a duly authorized representative of each insurer, showing compliance with the insurance requirements set forth herein. The Acor 25 Certificate of Insurance form or a form substantially similar must be submitted to Carson City Purchasing and Contracts to evidence the insurance policies and coverages required of Licensee.

24.11.2 Additional Insured Endorsement: An Additional Insured Endorsement (CG20 10 or C20 26), signed by an authorized insurance company representative, must be submitted to Carson City Purchasing and Contracts to evidence the endorsement of the City as an additional insured.

24.11.3 Schedule of Underlying Insurance Policies: If an Umbrella or Excess policy is evidenced to comply with the minimum limits, a copy of the Underlying Schedule from the Umbrella or Excess insurance policy may be required.

## 24.12 Commercial General Liability Insurance

Licensee shall maintain commercial general liability (CGL) and, if necessary, commercial umbrella insurance with a limit of not less than \$1,000,000 for each occurrence.

### *Minimum Limits required:*

24.12.1 Two Million Dollars (\$2,000,000.00) - General Aggregate.

24.12.2 Two Million Dollars (\$2,000,000.00) - Products & Completed Operations Aggregate.

24.12.3 One Million Dollars (\$1,000,000.00) - Each Occurrence.

24.12.4 CGL insurance shall be written on ISO occurrence form CG 00 01 04 13 (or a substitute form providing equivalent coverage) and shall cover liability arising from premises, operations, products-completed operations, personal and advertising injury, and liability assumed under an insured contract [(including the tort liability of another assumed in a business contract)].

24.12.5 City and County of Carson City, Nevada, its officers, employees and immune contractors shall be included as an insured under the CGL, using ISO additional insured endorsement CG 20 10 or CG 20 26, or a substitute providing equivalent coverage, and under the commercial umbrella, if any.

24.12.6 This insurance shall apply as primary insurance with respect to any other insurance or self-insurance programs afforded to City. There shall be no endorsement or modification of the CGL to make it excess over other available insurance; alternatively, if the CGL states that it is excess or pro rata, the policy shall be endorsed to be primary with respect to the additional insured.

24.12.7 There shall be no endorsement or modification of the CGL limiting the scope of coverage for liability assumed under a contract.

24.12.8 Licensee waives all rights against City and its agents, officers, directors and employees for recovery of damages to the extent these damages are covered by the commercial general liability or commercial umbrella liability insurance maintained pursuant to this Agreement. Insurer shall endorse the CGL policy as required to waive subrogation against City with respect to any loss paid under the policy.

## 24.13 Business Automobile Insurance

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Licensee shall maintain automobile liability and, if necessary, commercial umbrella liability insurance with a limit of not less than \$1,000,000 each accident for bodily injury and property damage.

*Other Requirements*

24.13.1 Such insurance shall cover liability arising out of owned, hired, and non-owned autos (as applicable). Coverage as required above shall be written on ISO form CA 00 01, CA 00 05, CA 00 25, or a substitute form providing equivalent liability coverage.

24.13.2 Licensee waives all rights against City and its agents, officers, directors and employees for recovery of damages to the extent these damages are covered by the automobile liability or other liability insurance obtained by Licensee pursuant this Agreement.

24.14 Professional Liability Insurance

Licensee shall maintain professional liability insurance applying to all activities performed under this Agreement with limits not less than One Million Dollars (\$1,000,000.00) per occurrence and Two Million Dollars (\$2,000,000.00) in the aggregate.

*Other Requirements*

24.14.1 Retroactive date: One day prior to the commencement of the performance of this Agreement.

24.14.2 Licensee will maintain professional liability insurance during the term of this Agreement and for a period of three (3) years after termination of this Agreement unless waived by the City. In the event of non-renewal or other lapse in coverage during the term of this Agreement or the three (3) year period described above, Licensee shall purchase Extended Reporting Period coverage for claims arising out of Licensee's negligent acts, errors and omissions committed during the term of the Professional Liability Policy.

24.14.3 The Extended Reporting Period shall continue through a minimum of three (3) years after termination date of this Agreement.

24.14.4 A certified copy of this policy may be required.

24.15 Worker's Compensation and Employer's Liability Insurance

24.15.1 Licensee shall provide workers' compensation insurance as required by NRS Chapters 616A through 616D inclusive and Employer's Liability insurance with a minimum limit not less than \$1,000,000 for each accident for bodily injury by accident or \$1,000,000 each employee for bodily injury by disease.

24.15.2 Licensee waives all rights against City and its agents, officers, directors, and employees for recovery of damages to the extent these damages are

covered by the workers' compensation and employer's liability or commercial umbrella liability insurance obtained by Licensee pursuant to this Agreement. Licensee shall obtain an endorsement equivalent to WC 00 03 13 to affect this waiver.

#### 24.16 Property Insurance

24.16.1 The City may, at its option, secure and maintain insurance covering damage to its property. Any such insurance shall be for the sole benefit of the City and Licensee shall have no claim to any proceeds there from, nor shall the City be required to use the proceeds for reconstruction or repair.

24.16.2 Licensee shall secure insurance covering their property at their own expense and shall secure and maintain such insurance as is necessary to protect against any claim for damage to private property, including golf carts which are stored at the course.

24.16.3 Licensee at its expense, shall obtain and keep in force during the term of this Agreement, a policy of fire, theft and other perils insurance covering Licensee's furniture, fixtures, goods, wares, merchandise and other personal property maintained on the Property unless caused by or due to the negligence of the City its agents, servants or employees.

24.16.4 The City shall not be liable to Licensee, or to any person whatsoever, for any damage caused by the acts or omissions of any persons occupying any space adjacent to or adjoining the premises unless the City or its agents caused the loss or damage.

24.16.5 Except for loss or damage caused by the City's sole negligence, the City shall not be responsible or liable to Licensee for any loss or damage resulting to Licensee or Licensee's property from, but not limited to, any natural or manmade disaster, or water, gas or steam; or the bursting, stoppage, or leakage of pipes. Licensee agrees to indemnify and hold the City harmless from and defend the City against any and all such claims or liability for any injury or damage to any person or property whatsoever, occurring in or on the premises or occurring as a result of the use of any of the facilities or appliances anywhere on the premises.

### 25. DAMAGE AND RESTORATION

#### 25.1 Total Destruction:

If the buildings or other improvements on the Premises licensed under this Agreement or the Personal Property should be totally destroyed (i.e., damage in excess of partial destruction as defined in Section 25.2) by fire or other casualty or a force majeure occurrence, Licensee shall have the option, to be exercised in writing within sixty (60) days of such destruction, to either (a)

terminate this Agreement in which event the parties shall have no further obligations hereunder, or (b) elect to repair and restore the Premises, subject to the availability of insurance proceeds restore the buildings, improvements and Personal Property in a good and workmanlike manner to a condition as good as or better than the condition in which the buildings, improvements and Personal Property existed prior to their total destruction.

#### 25.2 Partial Destruction:

If the buildings or other improvements on the Premises licensed under this Agreement or the Personal Property should be partially damaged by fire or other casualty or a force majeure event, then Licensee shall, subject to the availability of insurance proceeds (it being understood and acknowledged that Licensee shall have no obligation to repair or restore any portion of the Premises if insurance proceeds are not available to fully restore the same), restore the buildings, improvements and Personal Property in a good and workmanlike manner to a condition as good as or better than the condition in which the buildings, improvements and Personal Property existed prior to their damage or destruction. For purposes of this Agreement, the term "partially damaged" means (a) damage to the extent of one third or less of the value of the buildings, improvements and Personal Property at the Premises or (b) damage to the extent that no more than nine holes on the golf course at the Premises are rendered unplayable. If the insurance proceeds made available to Licensee are not sufficient to fully restore the Premises, then Licensee may terminate this Agreement upon written notice to the City in which event the parties shall have no further liability hereunder. In addition, notwithstanding anything in this Section 25.2 to the contrary, if, as a result of the partial destruction of the Premises, Licensee is unable to make full and productive economic use of the Premises and, in Licensee's reasonable determination, the full and complete restoration of the Premises will take in excess of one hundred eighty (180) days, then Licensee may, upon written notice to the City within sixty (60) days after the partial destruction occurs, terminate this Agreement, in which event the parties shall have no further obligations hereunder.

#### 25.3 Application of Insurance Proceeds upon Termination:

If, after the partial or total destruction of the Premises, this Agreement is terminated pursuant to the provisions of this Section 25 then all insurance proceeds made available on account of such destruction shall first be paid to Licensee to reimburse Licensee for the value of any and all improvements made to the Premises by Licensee prior to such destruction until such time as Licensee has received full reimbursement for all such improvements and for the value of the Personal Property at the Premises owned by Licensee; second, to the City until such time as the City has received full reimbursement for the value of the improvements at the Premises which existed as of the first day of the Agreement and the balance, if any, shall be paid to Licensee.

## **26. RESTRICTIONS**

Any agreements, written or oral, between the Licensee and parties other than the City, where such agreements involve Licensee's personnel assigned to the City's account, is prohibited without the express written consent of the City.

## **27. HAZARDOUS SUBSTANCES AND MATERIALS**

27.1 Licensee shall maintain on-site, Material Safety Data Sheets (MSDS), as defined and prescribed in 29 C.F.R. Section 1910.1200, for all hazardous substances purchased by Licensee for use under this Agreement.

27.2 Licensee shall apprise personnel of the hazards to which they may be exposed in using, handling, transporting, or disposing of hazardous substances, and to obtain medical treatment for those who may be affected by the substance.

27.3 Licensee shall immediately report all spills of hazardous substances to the Carson City Department of Health and Human Services, the Environmental Control Authority, the Carson City Risk Manager, and any other entity as required by law.

## **28. LICENSEE'S USE AND POSSESSION OF PREMISES**

28.1 The Golf Course premises and all other improvements thereon shall be used by Licensee to provide professional golf services. It is understood and agreed that the said premises shall be used by Licensee during the term of this Agreement only for the above stated purposes and for direct ancillary uses with the prior written approval of the City, and for no other purposes or uses whatsoever.

28.2 Licensee will not make or permit any use of the said premises which, directly or indirectly, is forbidden by public law, ordinance or government regulation which may be dangerous to life, limb or property. Licensee may not commit waste on the premises, use the premises for any illegal purpose, or permit a nuisance on the premises.

28.3 In the event that Licensee uses these premises for any purposes not expressly permitted herein, the City may terminate this Agreement, subject to the curative periods set forth herein, and without notice to Licensee restrain such improper use by injunction or other legal action.

### **28.4 Quiet Enjoyment**

Subject only to the terms of this Agreement, so long as Licensee complies with its obligations under this Agreement, the City shall secure to Licensee the quiet and peaceful enjoyment of the Premises and the sole and exclusive possession of the Premises without objection or interference from the City or any party claiming under the City.

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## 28.5 Frustration of Purpose

At any time during the term of this Agreement, (i) if the governing body of any political subdivision having competent jurisdiction over the Premises should enact any valid zoning or other ordinance, law or regulation (collectively, "Use Law") which prohibits the use of the whole or a substantial part of the Premises for the purposes as provided in Section 2 of this Agreement; (ii) if an event of force majeure (collectively, "Force Majeure Event") occurs, including without limitation, declared or undeclared war, sabotage, riot or other acts of civil disobedience, acts or omissions of government, labor disputes, shortages of fuel or other materials, accidents, fires, explosions, floods, earthquakes, or other acts of God, which substantially prevents Licensee's use of the Premises as provided for in Section 2 of this Agreement; or (iii) if Facilities become unavailable or inadequate so as to substantially interfere with Licensee's use of the Premises as provided in Section 2 of this Agreement, it is agreed that Licensee may elect, within one hundred twenty (120) days after the effective date of such Use Law or the occurrence of the Force Majeure Event, or the date Facilities become unavailable or inadequate, to cancel this Agreement and surrender possession of the Premises. Any such cancellation and surrender shall act to release and discharge Licensee from any further obligation under this Agreement. In addition, it is agreed that during the period of any Force Majeure Event; during the period that Facilities are unavailable or inadequate; and/or during any period that any defect in the Premises substantially interferes with Licensee's use of the Premises as provided in Section 2 of this Agreement, the City and Licensee shall be excused from performing their respective obligations under this Agreement whether or not Licensee exercises its right to terminate as provided herein.

## 29. ALTERATIONS AND IMPROVEMENTS BY LICENSEE

29.1 Licensee has inspected the premises and hereby accepts the premises in its present "as is, where is" condition. Licensee shall not make any alteration or addition to any portion of the Golf Course's facilities or to any equipment belonging to the City located at the Golf Course without prior written consent of the Director. Except as otherwise provided in this Agreement, Licensee shall, at its sole cost, maintain and repair the Premises in accordance with the maintenance standards set forth on Exhibit A.

29.2 In the event that Licensee wishes to make improvements to said real property, it may do so at its own expense and after the written approval of the City, satisfying all statutory and code requirements of applicable governmental entities including the provisions of NRS 338, if applicable.

29.3 All improvements of Licensee shall be solely at Licensee's cost and expense and shall be performed in a good workmanlike manner in accordance with sound construction practices and in accordance with all applicable codes and regulations. Licensee shall keep the premises and said improvements free and clear of liens for labor and materials and shall hold the City harmless from any responsibility in respect thereto.

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### **30. OWNERSHIP OF IMPROVEMENTS**

30.1 All temporary improvements, furnishings, and equipment purchased, constructed or installed on the premises by the Licensee shall be personal property of Licensee and Licensee shall have legal title thereto during the term of this Agreement. Upon the expiration, termination, or default of this Agreement, title to all permanent improvements constructed on the premises shall vest in the City.

30.2 Title to all supplies, furnishings, inventories, and removable equipment and other personal property not originally provided by the City shall remain the Licensee's, and Licensee shall have the right to remove such items, excepting licenses, from the Premises without damaging the Premises unless the Licensee is in default hereunder.

30.3 Licensee shall consider any reasonable offer to buy the above items from the Licensee upon expiration or termination of this Agreement.

30.4 If Licensee is in default, all items listed in Exhibit C that do not have outstanding lease or purchase obligations shall automatically vest to the City to offset any real or anticipated damages. An equipment inventory with estimated value based on condition is outlined in Exhibit C.

### **31. LICENSES AND PERMITS**

Licensee shall pay for all licenses, permits, and fees necessary for Licensee to construct improvements, if any, and conduct Licensee's business on the Premises, including, without limitation Nevada Division of Environmental Protection permits for the use of reclaimed water.

### **32. LIENS**

32.1 Licensee will not permit any mechanics, laborers or material man's liens to stand against the Premises or improvements for any labor or materials to the Licensee or claimed to have been furnished to Licensee's agents or sublicensees, in connection with work of any character performed or claimed to have been performed on the Premises, or improvements by or at the direction or sufferance of the Licensee; provided, however, Licensee shall have the right to contest the validity or amount of any such lien or claimed lien.

32.2 In the event of Licensee's decision to contest the validity or amount of any such lien or claimed lien, Licensee shall give the City reasonable security as may be demanded by the City to insure payment thereof and prevent sale, foreclosure or forfeiture of the Premises or improvements by reason of such non-payment.

32.3 Such security shall be posted by the Licensee within fifteen (15) days of written notice from the City, or Licensee may "bond off" the lien according to statutory procedures.

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32.4 Licensee will immediately pay any judgment rendered with all proper costs and charges and shall have such lien released or judgment satisfied at Licensee's own expense.

### **33. RIGHT OF CANCELLATION**

33.1 If either party breaches a material provision hereof ("Cause"), the non-breaching party shall give the other party notice of such Cause. If the Cause is remedied within thirty (30) days, the notice shall be null and void.

33.2 If such Cause is not remedied within the specified period, the party giving notice shall have the right to terminate the Agreement upon expiration of such remedy period. The rights of termination referred to in this Agreement are not intended to be exclusive and are in addition to any other rights or remedies available to either party at law or in equity.

33.3 In addition to all other rights herein, the City may terminate this Agreement without prior notice should the Licensee become insolvent, voluntarily file for bankruptcy or receivership, or make any assignment for the benefit of creditors, or should the other party have commenced against it any proceeding, suit or action in bankruptcy or receivership provided such proceeding, suit or action is not dismissed within thirty (30) days.

33.4 If the parties elect to renegotiate the terms of this Agreement pursuant to Section 43, this Agreement will continue according to its terms until the conclusion of the negotiations.

33.4.1 During the renegotiation period, either party may elect to cancel the Agreement as a no fault cancellation by providing not less than ninety (90) days prior written notice.

33.4.2 In the event of a no fault cancellation pursuant to Section 33.4.1, the Agreement shall survive cancellation for a period of up to ninety (90) days beyond the cancellation date in the event either party needs additional time to wind up its affairs. During that time, the parties shall be required to continue fulfilling their obligations under this Agreement.

### **34. VACATION OF THE PREMISES**

34.1 In the event of the termination of this Agreement for any reason other than expiration, Licensee shall peaceably vacate the Premises within such time as may be specified in the written notice to vacate, except in cases where continued presence of Licensee would cause immediate injury or damage to the City or other persons, in which case vacation may be immediate.

34.2 Upon the expiration or earlier termination of this Agreement, Licensee shall return the Real and Personal Property initially provided by the City in the same or better condition, excepting normal wear and tear, than when it was received by Licensee. Licensee agrees to have

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all personal property, fixtures, and equipment appraised at the time this agreement is executed and supply the City with a schedule and current value of the same. At the expiration or termination of this agreement Licensee shall return all such Real and Personal Property to the City. During the term of this agreement Licensee shall purchase or otherwise acquire replacement equipment as required and shall maintain the existing equipment for as long as feasible in accordance with this Agreement and any capital improvement plan agreed to by Licensee and the Director.

### **35. NONDISCRIMINATION**

In accordance with NRS 338.125, in connection with the performance of work under the resulting Agreement, the Licensee agrees not to discriminate against any employee or applicant for employment because of race, creed, color, national origin, sex, sexual orientation, gender identity or expression, or age. Such agreements shall include, but not be limited to, the following: Employment, upgrading, demotion or transfer, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training including apprenticeship. Any violation of such provision by the Licensee shall constitute a material breach of contract. Further, Licensee agrees to insert this nondiscrimination provision in all subcontracts hereunder, except subcontracts for standard commercial supplies or raw materials.

### **36. ASSIGNMENT**

No assignment of any agreement resulting from award of this bid shall be allowed, including the right to receive payment, without the express written permission of the City.

### **37. DEFAULT**

Termination for default shall result in proceedings against the Licensee, which may result in its being debarred from providing services to the City for a period not less than five (5) years after the expiration date of the defaulted Agreement. In addition, the defaulting Licensee may be charged for any additional cost to City for the provision of services as defined in Section 2 "Scope of Services" for the remaining term of this Agreement.

### **38. THIRD PARTY RIGHTS**

This Agreement is not intended to create, nor shall it be construed to create, any third party beneficiary rights in any person not a party hereto.

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**39. EXCLUSIVE**

This is an exclusive agreement between the City and Licensee during the term of the agreement.

**40. NOTICES**

Except as otherwise specified, all notices under this Agreement shall be in writing.

Notice to Licensee shall be addressed to:

Thomas P. Duncan, President  
Duncan Golf Management, Inc.  
DBA TDS Golf at Eagle Valley LLC  
101 Palmer Drive Dayton, NV 89403

Notice to City shall be addressed to:

Laura Rader, Purchasing and Contracts Administrator  
Carson City Purchasing and Contracts  
201 N. Carson Street, Suite 2  
Carson City, NV 89701

**41. NOTICE TO PROCEED**

The City's Purchasing Department shall issue a written Notice to Proceed, in the form of a Notification of Award, upon execution of this Agreement. Licensee shall not perform on any portion this Agreement without providing satisfactory insurance certificates and fiduciary bond.

**42. EXTENSION OF SERVICES**

Licensee may be required to continue performance of services beyond the expiration date of this Agreement, upon the City's request, at the rates specified in this Agreement. The total extension of any performance hereunder shall not exceed six (6) months. Any extension to this Agreement shall be in writing and signed by both parties.

**43. REOPENER**

The parties reserve the right to renegotiate any part of this agreement if a material change to the Agreement should occur as a result of applicable ordinances, laws, rules, and regulations of the City, state, and federal government; and of any political subdivision or agency, authority or commission thereof, which may have jurisdiction to pass laws, ordinances, or make and enforce rules or regulations with respect to the operations of the golf course, including but without limiting the generality of the foregoing, such rules and regulations of the City.

**44. GOVERNING LAW**

This Agreement shall be governed, interpreted and construed in accordance with the laws of Nevada.

**45. DISPUTE RESOLUTION**

The parties hereto shall use their best efforts to settle any dispute, claim, question, or disagreement arising from or relating to this Agreement or breach thereof. Any dispute, claim, question, or disagreement that is unable to be resolved by following the procedures outlined in this agreement shall be settled by arbitration administered pursuant to the Nevada Rules of Arbitration.

**46. SOPHISTICATED PARTIES AND DRAFTING PRESUMPTION**

The parties agree that each has had their respective counsel review this Agreement and are sophisticated entities, and as such this Agreement shall be construed as if it was jointly drafted.

**47. SEVERABILITY**

If any provision contained in this Contract is held to be invalid, void, or unenforceable by a court of law or in equity, the provisions of this Agreement not adjudicated as such will remain in full force and effect. The non-enforceability of any such provision shall not be held to render any other provision or provisions of this Contract unenforceable.

**48. ENTIRE AGREEMENT**

This Contract and the Exhibits specifically recited herein constitute the entire Agreement of the parties and such are intended as a complete and exclusive statement of the promises, representations, negotiations, discussions, and agreements that may have been made in connection with this Agreement. Unless an integrated attachment to this Agreement specifically displays a mutual intent to amend a particular part of this Agreement, general conflicts in language between any such attachment and this Agreement shall be construed consistent with the terms of this Agreement.

**49. GOOD STANDING**

Licensee represents that the execution of this Agreement and performance of the services as specified herein will not violate any provisions of or constitute a default under any other agreement to which Licensee is a party or is bound. Further, Licensee is not precluded or prohibited, in any way, whether in law or in equity, from performing the services it is agreeing to

in this Agreement, nor will it impose any liability or obligation upon the City for accepting such Services, other than those that are expressly agreed to within the four corners of this Agreement.

**50. PROPER AUTHORITY**

The parties hereto represent and warrant that the person executing this Contract on behalf of each party has full power and authority to enter into this Contract. Licensee acknowledges that this Contract is effective for the period of time specified in this Contract. Any services performed by Licensee before this Agreement is effective or after it ceases to be effective is performed at the sole risk of Licensee.

**51. ACKNOWLEDGMENT AND EXECUTION**

This Contract may be executed in counterparts, each of which shall be an original and all of which together shall constitute one Agreement. The parties hereto have caused this Contract to be signed and intend to be legally bound thereby as follows:

IN WITNESS WHEREOF, the parties hereto have set their hands and subscribed their signatures as of the date and year indicated.

**CITY**

**Carson City Purchasing & Contracts**

Attn: Laura Rader, Administrator  
201 North Carson Street, Suite 2  
Carson City, Nevada 89701  
Telephone: 775-283-7137  
Fax: 775-887-2107  
[LRader@carson.org](mailto:LRader@carson.org)

By: \_\_\_\_\_

  
Laura Rader, Administrator

Dated: \_\_\_\_\_


3/15/18

**CITY'S LEGAL COUNSEL**

**Carson City District Attorney**

I have reviewed this Contract and approve as to its legal form.

By: \_\_\_\_\_

  
Deputy District Attorney

Dated: \_\_\_\_\_

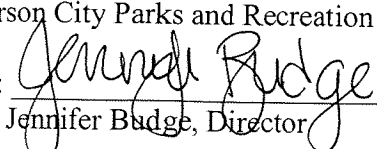
3/15/2018

**CITY'S ORIGINATING DEPARTMENT**

**Carson City Parks and Recreation**

BY: Jennifer Budge, Director  
Carson City Parks and Recreation

By: \_\_\_\_\_

  
Jennifer Budge, Director

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Dated 3.15.18

**DUNCAN GOLF MANAGEMENT**

Thomas P. Duncan, President  
Duncan Golf Management, Inc.  
DBA TDS Golf at Eagle Valley LLC  
101 Palmer Drive Dayton, NV 89403

By: Thomas P. Duncan

DATED: March 16, 2018

**CONTRACT ACCEPTANCE AND EXECUTION:**

The Board of Supervisors for Carson City, Nevada at their publicly noticed meeting of March 1, 2018 approved the acceptance of the attached Contract hereinbefore identified as **CONTRACT No. 1718-196**. Further, the Board of Supervisors authorizes the Mayor of Carson City, Nevada to set his hand to this document and record his signature for the execution of this Contract in accordance with the action taken.

**CARSON CITY, NEVADA**

Robert L. Crowell  
ROBERT L. CROWELL, MAYOR

DATED this 15<sup>th</sup> day of March, 2018.

**ATTEST:**

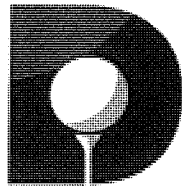
Susan Merriwether  
SUSAN MERRIWETHER, CLERK-RECORDER

DATED this 1<sup>st</sup> day of March, 2018

# EXHIBIT A

EXHIBIT A

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DUNCAN  
GOLF MANAGEMENT

Prepared For: Laura Rader, Purchasing & Contracts  
Administrator  
Carson City Purchasing and Contracts  
201 N. Carson Street, Suite 2  
Carson City, NV 89701

Response: 1718-096 RFP Eagle Valley Golf Course

Submitted By: Thomas P. Duncan, President  
Duncan Golf Management, Inc.  
1400 Wolf Run Road  
Reno, NV 89511  
Phone:(775) 851-3301  
Fax: (775) 851-4403  
Tduncan49@me.com

The City of Carson City,

We would like to thank you for the opportunity to submit a bid to operate Carson City's Eagle Valley Golf Course.

Duncan Golf Management, in one form or another, has been operating golf courses in Northern Nevada for the past 37 years. We currently own three courses in Nevada; Lakeridge and Wolf Run, which are both in Reno, and Dayton Valley in Dayton, Nevada.

We are heavily involved in the local communities, from The First Tee to JDRF, University of Nevada, Boys & Girls Club, various high school programs, fundraising for many charities (including the Special Olympics in Carson City), creating the only free junior golf membership in Northern Nevada, and hosting the PGA Tour qualifying event at Dayton Valley to name just a few

DGM has the philosophy to keep golf affordable and to present a good product. We have built our reputation of running our courses through hard work while keeping in mind that our customers deserve our best effort.

We believe product, visibility in the local community, and relationship building through trust and history contribute to the success of our business. We are ahead of the game if our customers know they can count on us.

Our two leaders, Co-Owners and Vice Presidents of DGM are T.J. Duncan and Scott Wackowski. T.J. is a Carson City High School graduate. He graduated from the University of Oregon where he was Captain of the golf team. This year he gained his status as a PGA Class A Professional. Scott is a Pennsylvania State University graduate with a degree in agronomy. Combined they have close to 45 years of experience in successfully operating golf courses in our area, and around the world in Scott's case.

Having raised our family in Carson City for over twenty years and being involved in the golf business continuously, I have come to know Carson City's golf community and also those who travel to Carson for their destination golf events. We have maintained relationships with numerous businesses in the Carson City area. This should make for a smooth transition into Eagle Valley Golf Course. We could be ready to go and operate Eagle Valley Golf Course with very short notice.

Thomas P. Duncan,  
DGM President

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## 1. INTRODUCTION

Duncan Golf Management currently owns and operates three golf courses in the immediate market: Lakeridge, Wolf Run and Dayton Valley. We believe that we are uniquely qualified to operate Eagle Valley for that reason and have the opportunity to allow the citizens and visitors of Carson City to play affordable golf while keeping costs and prices in line to support a viable business for many years to come.

The golf business is a difficult one and as we have seen at Eagle Valley rounds and revenue have declined over the years. We believe that Eagle Valley is at a critical point in its history and the selection of a proven qualified operator in our region is essential for its long term sustainability. We believe that we are that operator and will illustrate that throughout our proposal. Each and every property we own was in similar situations prior to our involvement. There is no “secret sauce” that we apply to our success but employ the fundamentals that the company was founded on by Tom Duncan: superior customer service and loyalty, quality course conditioning, community involvement and a strong dedication to the game and industry.

### 1.1 Superior Customer Service and Loyalty

We believe that the cornerstone of any successful business is those who support it continually. Duncan Golf Management (DGM) prides itself in developing and nurturing relationships throughout the community in which all the key executives choose to live, work and play.

Being in the market for more than 30 years, we have developed friendships and partnerships that will support our operation at Eagle Valley. We believe from our casino partners in Carson City, Lake Tahoe and Reno to our 19,000 tournament rounds we currently host in the region to our healthy and strong membership base of over 500, will all contribute to our success at Eagle Valley.

Superior customer service and loyalty are what some operators say they strive for but at DGM we “walk the walk” not just “talk the talk”. This starts and ends with the experience our members and guests receive each and every day they come through our doors. Our staff is adequately trained on the product and services we have to offer and their delivery to our customers is a key aspect of our training. From the front-line staff to the maintenance staff in the field, our employees are charged not only to meet our customers’ expectations but to exceed them. We have been fortunate to retain and grow our membership even through a declining golf market through our dedicated mentality of “every day counts”. Our daily fee customers are encouraged to participate in our weekly seasonal email promotions and information as well as our loyalty program where every dollar they spend with us has a direct benefit to them!

### 1.2 Quality Course Conditioning

While we strive to attract non-golfers to our facilities thru numerous special events, we dedicate significant resources and expertise to the core of our business: the golf course condition. An internal slogan we promote is “fast greens, cold beer, nuff said” basically sums up our philosophy on course conditioning. We focus our agronomic programs on the priority of greens first then tees, fairways, rough and outlying areas in that order. This approach will be the same at Eagle Valley where we will reestablish quality playing surfaces to regain the trust of our members and guests. When we do, and we will as we have a reputation to protect, we believe this will be a driving factor for our customers to frequent the facility.

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Agronomy at most golf course across the industry has evolved over the years with numerous operators racing to the bottom in costs cutting in their maintenance departments. Through the leadership of Scott Wackowski, DGM has held steadfast in investing significant resources into golf course conditioning. This includes not only a financial investment in hard costs but an investment in innovation and detailed analysis of golf course maintenance practices. We have developed many programs within our maintenance departments to reinvest budgets not to only improve the bottom line but to improve efficiencies by reallocating expenses to specific targeted objectives improving overall golf course conditions.

### **1.3 Community Involvement**

Our leader and president, Tom Duncan, has a passion and a keen focus on being involved in our community. Tom started his career in Northern Nevada at Eagle Valley, raised his family in Carson City and continues to work, live and play in the community in which has made him successful. Without a solid proven track record of continued community support and involvement, this proposal would not be possible.

Our facilities have been long supporters of the First Tee of Northern Nevada, University of Nevada and numerous high school golf programs. In 2017, DGM launch the first ever FREE Junior membership to our region to engage and reinvest at the roots of golf growth and community!

DGM hosts over 19,000 tournament rounds annually where nearly 70% come from outside our community. Tom personally signs a thank you card to each group leader which shows our appreciation for them visiting, staying, playing and bringing significant economic impact to our supporting businesses and community.

The Duncan family was awarded “Family of the Year” in 2015 by the First Tee of Northern Nevada and JDRF (Juvenile Diabetes Research Fund) which is a testament of their continued pursuit and dedication to communities in which DGM serves.

### **1.4 Strong Dedication to the Game and Industry**

The golf industry has certainly gone through its up’s and down’s over the years and our region is no exception. With over 30 years in Northern Nevada, we have seen our own challenges but continue to prevail by staying dedicated to our core principles which includes our undeniable work ethic. Our golf business for the majority of the year operates 7 days a week and every day matters. From labor management to generating revenue, there is no “cookie cutter” approach that works for each facility. We have developed operational systems that allow us to stay ahead of industry and regional trends by being intimately involved in our daily business.

Our simple and dedicated rate structure has long been a key piece to our success in an area where we have seen other operators fall short. Staying committed to our plan at the beginning of each year takes discipline and hard work. We have been able to protect our rate integrity at each location while keeping greens fees affordable for the experience. This will be essential for Eagle Valley’s success! Later in this proposal we will detail our rate structure for 2018 and the establishment of a firm average green fee to put Eagle Valley back on solid ground.

DGM supports the game of golf and industry professionals at each one of our properties. TJ Duncan, Class A PGA Professional, continues to lead the way as he mentors our young golf professionals

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to achieve Class A status. TJ participates on the local and national level of the PGA and keeps us on the cutting edge of new developments throughout the industry. Our Junior Membership launched this year, spear headed by TJ, is a direct byproduct of his involvement, innovation and dedication to our industry.

## 2. PROPOSAL

DGM understands the value of Eagle Valley to Carson City and we are excited for the opportunity to propose to operate the facility. We also strongly believe that this will need to be a partnership and our interest is not solely for the 5-year term but for the next 15 years and beyond. While we also understand that negotiations will need to take place once an operator is selected, DGM is confident that we have crafted a proposal that is sustainable for a lifelong relationship with Carson City.

DGM proposes to lease the Eagle Valley Golf Course facilities for an annual rent of \$90,000 through the term of the lease agreement. This will be paid on an 8 month schedule (March-October) with an understanding that this rent will be reimbursed to DGM and be invested directly into the capital acquisition of equipment to improve the ailing equipment fleet. At the termination of the lease all of this investment/equipment will remain as property of Eagle Valley/Carson City as it is essential for the continued sustainability of the property.

DGM has also identified the need and desire for additional capital investment to the property and proposes a collective contribution with Carson City. At the conclusion of the third year, DGM would contribute 10% of its net operating income from the previous three years. As a condition of this contribution to capital, DGM proposes that Carson City match that contribution and establish a capital improvement fund for golf course related projects. DGM also proposes that this capital contribution coincide with a renewal of the lease for an additional 5 years. After the first year of operation DGM will present a capital improvement plan as part of its annual plan to be agreed upon with the City. This capital account would then begin being invested during the following year or fourth year of original date of lease. The intention of this capital fund would be used for golf course related projects. DGM proposes that this agreement be put in place for five renewal periods resulting in a partnership from 2017 and potentially terminating 2032.

Our proposal, as previously stated, is not for the short term lease but for a long term partnership with Carson City and the desire to be at Eagle Valley for our lifetime and beyond.

## 3. MINIMUM QUALIFICATIONS

As stated in Tom's cover letter, DGM has been in business for close to 37 years in Northern Nevada and has intimate knowledge of Eagle Valley and the Carson City market. At each golf course we have operated we have had full operational responsibility inclusive of golf, food and beverage and golf course maintenance. We have included, as Exhibit I, a detailed resume of our key executives: Tom Duncan, TJ Duncan and Scott Wackowski to support our statement of qualifications.

### 3.1 Written Evidence/References Demonstrating 5 Years' Experience

DGM currently owns and operates three 18 hole golf courses in Norther Nevada:

1. Dayton Valley Golf Club- Purchased spring 2010
  - a. Number of acres maintained
    - i. Greens 3.2
    - ii. Tees 3.5

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- iii. Fairways and Rough 140
- iv. Common Areas 3
- b. Maintenance Budget- \$464,000
- c. Number of employees in peak season- 35
- 2. Wolf Run Golf Club- Purchased spring 2005
  - a. Number of Acres maintained
    - i. Greens 3.3
    - ii. Tees 3.2
    - iii. Fairways and Rough 80
    - iv. Common Areas 2
  - b. Maintenance Budget- \$623,000
  - c. Number of employees in peak season- 45
- 3. Lakeridge Golf Course- Purchased winter 2013
  - a. Number of Acres maintained
    - i. Greens 3
    - ii. Tees 3
    - iii. Fairways and Rough 140
    - iv. Common Areas 3
  - b. Maintenance Budget- \$654,000
  - c. Number of employees in peak season- 55

### 3.2 Municipal Golf Courses Managed in Last 5 Years

- Tahoe City Golf Course- Matt Homolka (530) 613-0921
  - Reason for leaving- Lease term expired and now being run by Tahoe City Public Utility District
- Fallon Golf Course- Alan Kalt (775) 427-5272
  - Reason for leaving- Economic decision and now being run by Churchill County
- Rosewood Lakes Golf Course- Bob Sader (775) 329-8310
  - Reason for leaving- Road construction and course closed

### 3.3 Professional References

Steve Hartman, Esq. (775) 843-0747

Chris Ault, University of Nevada Retired Athletic Director (775) 745-7454

Robert Sader, Esq. (775) 329-8310

## 4. BUSINESS PLAN

Our business plan below will cover the bullet points requested in the RFP: Staffing Plan (staffing levels), Marketing Plan, Proposed Fee Structure, Operational Philosophy and Maintenance Standards. While DGM will mimic its successful operational approach we have at our other golf courses, Eagle Valley must establish its own identity while maximizing the collective strength of its sister golf courses.

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#### **4.1 Staffing Plan**

Our staffing model will consist of three primary departments: Golf, Food & Beverage and Maintenance. Each department will be led by a lead manager and those lead managers will report directly to the executive staff of DGM.

Lead Manager Assignments- Golf- Head Golf Professional, Food and Beverage- Lead Bartender, Maintenance- Golf Course Superintendent

The golf department will be led by the Head Golf Professional who we intend to be a Class A golf professional with the PGA/LPGA. The Head Golf Professional will be supported by an hourly staff ranging from 2 to 15 employees to facilitate the golf operation depending on seasonality.

The food and beverage department will be led by the Lead Bartender and they will have a chef in the kitchen as the “second in command”. These two key positions will be supported by 1-5 additional hourly staff depending on seasonality.

The maintenance department will be led by a qualified and experienced Golf Course Superintendent. The Golf Course Superintendent will be supported by two hourly assistant superintendents and one hourly mechanic as our core staff. The golf courses will work collectively on mowing assignments and cultural practices and the key staff will be supported by an additional 2-11 hourly greens keepers.

The lead managers from each department will meet with DGM executives weekly for a staff meeting that is hosted onsite. During these weekly staff meetings we discuss financial performance as it relates to budget, upcoming promotions, the past weeks’ events, operational issues and/or concerns, and conclude with discussions on the upcoming week of events. These meetings are critical to our success at each property and ensures effective and clear communication between leadership and individual departments.

#### **4.2 Marketing Plan**

Marketing and advertising is especially important with the competitive aspect of the golf industry. Every course in the area is fighting for more rounds, but discounted rates can only go so far until it negatively affects your bottom line. Marketing is key when attracting golfers to a course. DGM intends to continue the utilization of Social Media, creating and retaining relationships with local companies and hotels, magazines, TV, radio and steady consistent email messages for Eagle Valley in 2018.

Duncan Golf Management has many means of advertising and marketing. The best marketing has really been word of mouth. Happy golfers have told their friends and family about the outstanding course conditions and customer service of all DGM properties this year, resulting in more play and overall more course profit. We still have numerous outlets for marketing and promotion, but we will continue to provide an excellent product that will result in good “word of mouth” marketing.

We have always made an effort to participate in Golf Shows and Expos in numerous cities and currently building our travel schedule for this upcoming season. In 2017, we participated in six Golf Shows with the Reno Sparks Convention and Visitors Authority. Visiting locations close in proximity, such as Boise, Portland and Seattle but also visiting the International Association of Golf Tour Operations

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Convention in Miami, Florida. All of these shows helped us gain exposure for the courses as well as the area. The Carson City/Reno/Tahoe area is a great tourist destination and makes for a great “golf getaway”. Not only did we meet Tour Operators, but we were able to cultivate relationships with key sales executives at regional hotel and casinos. A great deal of our tournament play comes from our local hotels and casinos, which is why we stay committed to nurturing these relationships and their overall expectations when their guests play our golf courses. We offer numerous hotel properties in Carson City/Reno/Tahoe cross promotion opportunities as well as special Stay & Play packages.

Dude! Have you seen the Duncan Golf Management Commercials?!? This year we decided to create commercials with Sinclair Media, locally known for News Channel 4, Channel 11 and My Fox 21. We wanted to stand out from the crowd by presenting a light hearted, short video that showcased different aspects of the course. These commercials are now known as the “Dude” commercials. We created scenarios that can only be followed by one response of “dude!”. We wanted to show that we are the local golf courses that cater to fun, family and simply good golf. Our commercials portrayed our sense of humor and the uniqueness of our courses and company.

We also have had a presence in many local magazines and publications. DGM purchased advertisements featured in Golfing Nevada Magazine. Golfing Nevada Magazine is the directory for the golf lifestyle for all of Northern and Southern Nevada. It can be found in almost any golf shop in the area. We also have been featured in the Reno News & Review with Lakeridge being voted the #1 Golf Course in Northern Nevada for 2017!

Duncan Golf Management is also tapping many of the Social Media outlets for promotional campaigns. We are actively posting on Facebook, Yelp and Instagram and Twitter. On Facebook and Instagram we promote seasonal rates, Membership details, public special events at all of our properties, golf instruction tips, news and updates. Our most recent promotion is in conjunction with our “Dude” Commercials produced by Sinclair Media. We encouraged the public to create their own “Dude” Commercial to win a FREE Membership for 2018! The feedback has been remarkable. With over an 18,000 person outreach, monumental amounts of new followers, shares and likes, this promotion has made an impact on our local market. We still have a week of the contest left and it’s the “talk of the town”!

Another hit has been our Member of the Month promotion at each Duncan Golf Management course and at Flowing Tide Pubs. Customers fill out a simple data capture form to enter to win a membership for a month. We do a drawing each month and winners get free golf, range balls, and member guest fees for the entire month. This not only gets more people out to the courses, but some winners love the “trial membership” so much that they decide to become full members!

Call us “Old Fashion”, but we reach out personally to local businesses to present rates, course information, upcoming events and partnership opportunities. We value the small community relationships and friendships that can only be obtained in Northern Nevada. By making the small effort to personally

visit local businesses with little treats, drink vouchers or golf specials, we create a bond that not many other courses can. DGM is becoming a larger business day by day, but we still value our initial small family business attitude.

Our sales and marketing approach at Eagle Valley will be similar in nature to the above. With the infusion of the DGM brand we look forward to developing more relationships with local businesses in Carson City and further our impact to the local economy.

#### **4.3 Proposed Fee Structure**

DGM has spent a significant amount of time analyzing the information given in the RFP and believe achieving an effective average green fee is vital to our success at Eagle Valley. The immediate market has seen severe discounting of greens fees and we intend to rebuild the rate integrity. Our proposed rates on average are close to the same as the posted rate but we are under no delusions that this is actually what people are paying. It is somewhat “industry standard” to have multiple rates per time and day especially when seasonality comes into play. Where we “buck” that trend is that we believe in holding firm with a “simple” straight forward rate structure. This not only improves the average green fee but is clear to staff and the customer to not have too many rates that leads to excessive discounting.

In Exhibit II is our recommended rate sheets for both golf courses of which our financial performance is based on. In Exhibit III these rates are presented with the exact classification as listed on the website with a comparison of our proposed rates. We believe these rates are conservatively achievable and necessary to accomplish the revenues to make Eagle Valley a sustainable business. We have very similar rate structures at each one of our golf courses. We constructed our projected financials based on a combination of historical information supplied in the RFP and our own regional knowledge.

When we average the peak rate at each one of our golf courses we come up with “Rate Sheet Avg”. We then looked at what we are currently achieving at our golf course through our daily revenue reports, “Paid GF Avg”. In the table below, it illustrates how we are able to achieve a strong average green fee by having a simple and straight forward rate structure. Below is our analysis of how to achieve a more effective average green fee at Eagle Valley to be explained in more depth should we be fortunate enough to be selected for an interview.

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Duncan Golf Management, Inc. Response  
 ADVERTISED RFP 1718-096  
 Operation, Maintenance and Eagle Valley Golf Course for Carson City

|                  | Rate Sheet<br>Avg | Paid GF<br>Avg | DIFF  | Percentage | Member Round<br>Avg | DIFF   |        |
|------------------|-------------------|----------------|-------|------------|---------------------|--------|--------|
| Dayton<br>Valley | \$39              | \$38           | (\$1) | 97.44%     | \$23                | (\$16) | 58.97% |
| Wolf Run         | \$50              | \$47           | (\$3) | 94.00%     | \$41                | (\$9)  | 82.00% |
| Lakeridge        | \$63              | \$59           | (\$4) | 93.65%     | \$46                | (\$17) | 73.02% |

|         |      |      |       |        |      |        |        |
|---------|------|------|-------|--------|------|--------|--------|
| EV East | \$38 | \$35 | (\$3) | 92.11% | \$19 | (\$19) | 50.00% |
| EV West | \$47 | \$40 | (\$7) | 85.11% | \$19 | (\$28) | 40.43% |

We do however, from the financial performance presented in the RFP, believe that the current performance is well below this average green fee and we will need to deliver an exceptional experience to gain our customers confidence and ensure that they are paying a fair price for an exceptional product.

We went a bit deeper in our analysis of the average green fee and projecting an initial pull back from rounds as we begin the road to recovery. Below is our projection from the rounds played in 2016 as supplied in the RFP. If we accomplished 70% of the paid rounds in 2018 for the paid rounds in 2016 with a firm rate structure we believe we would generate \$814,664 in green fees.

|        | Paid<br>Rounds | Avg Round |           |
|--------|----------------|-----------|-----------|
| East   | 13,378         | \$35      | \$468,220 |
| West   | 8,661          | \$40      | \$346,444 |
| Totals | 22,039         |           | \$814,664 |

Memberships will be another key revenue stream of which we believe we have a favorable opportunity to grow. We have the ability to offer more to Eagle Valley members than ANY other operator and more than they have ever had before! We are proposing additional benefits to each and every membership category offered. With improved customer service, superior course conditioning and the daily experience members deserve to have, we believe that our members may be our best and most effective advertising locally for the facility.

We will again take a straight forward approach to our rate structure and offering for memberships. Our membership offering will be similar in 2018 as it was for 2017 with a few key additions to each membership category as illustrated in Exhibit IV. While it will appear that there has been a slight increase in the initial fee, unlimited driving range privileges and discounted greens fees will be offered to each membership category.

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Below is our proposed membership offering and a comparison to the current offering.

|  |            | Couple  | Family   | Current Offering Description   |
|--|------------|---------|--|--|
|  | Individual | \$2,750 | \$2,875  | Unlimited golf, 20% merchandise discounts, 20% off range tokens, includes cart                             |
| Gold   | \$1,900    |         |  | Unlimited golf, 20% merchandise discounts, 20% off range tokens, includes cart                             |
| Family   |            | \$1,950 |  | Unlimited golf 5/1 thru 10/31, 20% merchandise discounts, 20% off range tokens, includes cart              |
| Summer   | \$1,350    |         |  | Unlimited golf EAST course M-Th walking only 55 and older, 20% merchandise discounts, 20% off range tokens |
| Silver   | \$950      |         |  | Unlimited golf after 12PM, 50 Club GF's before 12PM 20% merchandise discounts, 20% off range tokens        |
| Bronze   | \$1,020    |         |  |  |
| Proposed Offering  |            |         |  |  |
|  | Individual | Family  | Description  |  |
| Gold   | \$2,000    |         | Unlimited Golf & Range, 20% merchandise discounts, includes cart- Special Greens Fees at Sister Properties   |  |
| Family   |            | \$2,900 | Unlimited Golf & Range, 20% merchandise discounts, includes cart- Special Greens Fees at Sister Properties   |  |
| Silver   | \$1,000    |         | Unlimited Golf & Range EAST course M-Th walking only 55 and older, 20% merchandise discounts Special Greens Fees at Sister Properties                            |  |
| Bronze   | \$1,200    |         | Unlimited Golf & Range after 12PM, 50 Club GF's before 12PM, 20% merchandise discounts   |  |
| Junior   | \$0        |         | 50 Available, Unlimited golf after 1PM, Unlimited Range Balls- Guest Greens Fees \$5 off posted Rate   |  |
| DGM  | \$3,620    | \$4,220 | Unlimited & Range at ALL DGM Courses, 20% merchandise discounts, includes cart \$500 would go to Eagle Valley and remaining membership fees to Sister Properties |  |
| Family Memberships include children under 23 years old   |            |         |  |  |
| Special Greens Fees- Anytime Greens Fees- \$25 Dayton Valley, \$35 Wolf Run, \$45 Lakeridge- Unlimited Range Anytime |            |         |  |  |

#### 4.4 GOLF DEVELOPMENT PROGRAMS

##### 4.4.1 Tournament Recruitment and Retention

Golf tournament recruitment and the retention of tournaments have been vital to the success of DGM's development. Tournament recruitment begins with developing trustworthy relationships and selling what we know works best. DGM simply takes responsibility for what we believe works. For example, local charities need fund raisers, local hotels and casinos need a place for their guests to play. Local golf organizations such as NCPGA, NNJGA and EWGA need venues for competitions. Hundreds of NCGA golf organizations like to travel and being within a few hours of those NCGA home clubs offers endless tournament opportunities. Constant contact with these group leaders, community leaders and continuous cold calling to new organizations reflects how DGM's tournament recruitment process is ongoing.

Tournament retention and customer loyalty is quite apparent throughout our organization. It starts with a well-trained, and engaging staff, who has dedicated their time and efforts to get to know our customers year after year. Having an engaged staff leads to **SUCCESSFUL EVENTS** and to ensure a successful event, every detail in every department must be covered. Our professional sales staff and team of golf professionals meet weekly to review each upcoming event. Upon completion of an event, DGM sends thank you cards and often offers a special gift in thanks for their business.

Managing tee time inventory and requiring clients to stick to the contracts leads to the open inventory available for members and public play. DGM understands the importance of EVERY TEE TIME and clearly

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understands the importance of tee time accessibility. Many times a decision has been made to keep one golf course open without events when the others are full, for the sole reason to have tee times available for our members. A proper “balancing-act” is required to ensure our members get their money’s worth along with ensuring accessibility for our local and loyal customers.

As locally-owned and operated golf courses, and leaders in the local golf industry, charitable donation requests are abundant. Those requests are often honored and are “win-win” scenarios after supporting a charity and being introduced to new clients.

In each of the last 3 years at DGM, over 600 successful tournaments have taken place annually and tournament revenues have been in excess of \$1,100,000 in green fees and \$200,000 in special event fees.

DGM proposes understandable and fair contracts through Caterase software, the world’s number one leading catering software. DGM’s golf contracts clearly state our requirements which include a client signature, deposit and final payment prior to play unless otherwise authorized by DGM (sample contract in Exhibit V).

#### **4.4.2 Instruction**

DGM knows how important recruiting and retaining golfers is to our company and the golf industry as a whole. Teaching positively impacts the business and revenue at a facility, adding to the bottom line. More rounds and revenue are created by first introducing the game to beginners, then by retaining golfers, making sure they’re improving and feel comfortable on the golf course. Unfortunately, the game is not near as fun when you’re struggling on the course, compared to making good shots and scoring well. Ultimately, our goal is to create player development programs targeted towards men, women and juniors, as well as retain these golfers through private instruction.

Instruction is an important piece of the puzzle when it comes to generating more revenue for the golf course. Therefore, our Player Development Programming will incorporate the social nature of the sport, as well as how the game’s atmosphere provides camaraderie among friends and bonding between family members. It’s important to reach both current golfers as well as non-golfers, seeing as non-golfers likely have some misconceptions about the game. Our message with instruction needs to overcome these misconceptions by promoting that golf is affordable, can be played fast, is fun, is welcoming to all races and genders and provides a beautiful and environmentally clean atmosphere to enjoy being outdoors. The more we can make new golfers feel comfortable and welcome at the facility, the more rounds, merchandise, food and beverage, tournament, and membership sales we will have. We have to make this facility feel like home to all golfers and be the first place they think of when they think “golf”.

When a student takes a lesson at a specific course, they tend to practice and play there. Many of our students have chosen to become members because of lessons at the course. Not only are they fans of the practice facilities, they like the layout of the course. With incorporating “on-course” lessons, students feel like they understand “course management” and feel like they can execute specific shots we worked on in the lesson.

Overall, Duncan Golf Management strives to reach out to golfers of any skill level through instruction and Player Development Programming. The bottom line of any golf course will profit from good Instructors and Programming by ensuring new and current customers enjoy the game and are striving to improve.

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#### **4.4.3 Junior Growth**

Overall, instruction can get the whole family interested in the game of golf. Golf is a great family sport and a great way to spend more time together. At Wolf Run, we have three sessions of Junior Camp throughout the summer. The last day of camp always is followed by a Parent-Junior Golf Tournament. It really isn't competitive, but it allows the family to go out and enjoy the golf course together. The "Scramble" format of this tournament makes it fun and easy for the juniors to play. We also like to do a chipping contest and a Marshmallow Long Drive Contest. Golf is FUN and that is one of the most important messages we have to deliver to new and existing golfers ESPECIALLY the juniors!

Junior Golf has always been a passionate area and cultivating young golfers is a goal of ours. We ultimately want to help these children learn to love the game of golf and everything golf encompasses. Not only are we strong supporters of the local First Tee Program, we have our own Junior Programming available as well.

We have Junior Camps that run throughout the summer. There are three sessions of camp that run four days long. These Camps are mainly for beginners, but we have juniors of all ability levels participate. By teaching the basics of the full swing and short game, as well as etiquette and rules, juniors feel more comfortable the next time they are on the golf course. As mentioned before, we conclude each Junior Golf Camp Session with a Parent-Junior Golf Tournament. These are a fun way to get the children out on the golf course and also include the entire family.

We also decided to create a team for the PGA Junior League this past year! What is the PGA Junior League? "PGA Jr. League is a fun, social and inclusive opportunity for boys and girls to learn and enjoy the game of golf. Much like other recreational league sports, participants wear numbered jerseys and play on teams with their friends. Each team is captained by a PGA or LPGA Professional, who serves as the coach and is at the forefront of creating a welcoming environment for all to enjoy the game. PGA Jr. League utilizes a popular scramble format that creates a nurturing environment for learning and development - both on and off course. With 42,000 participants in 2017 - and Ambassadors like Rory McIlroy and Michelle Wie - PGA Jr. League has wide-ranging appeal for both youth and their parents."

Duncan Golf Management introduced a FREE Junior Membership this past year. This membership provided free golf, unlimited range balls, a t-shirt, hat and member-guest rates for friends and family for no cost to the first hundred juniors to sign up. This was an immensely successful program, filling the hundred person maximum within two weeks. Not only was this a great way to help and encourage kids to come out and play more golf, it encourages the entire family to go out and play!

Even if a child did not join our Junior Membership, Duncan Golf Management offers unbeatable daily Junior Rates. It is ONLY \$5 for a child under the age of 18 to play any DGM course, any day, during our Twilight times.

#### **4.4.4 Women's Growth**

Creating an overall design of a female specific player development program is an initiative our Director of Instruction, Lindsay Hoskins has taken personally. Through her dedication to the LPGA she has spear headed our efforts in the growth of our female golfer.

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Our business objectives are to gain new female students and for them to become consistent customers at our courses through “FORE” Ladies Only Clinics. This is possible by first introducing them to the game in a non-threatening or intimidating atmosphere. Each clinic is fun and social, but ultimately informative. Female customers enjoy social events, so Lindsay’s goal is to make sure that the social aspect of each clinic will appeal to potential students. By applying principles from the PGA’s Get Golf Ready program, not only will ladies learn the basics about the swing, but they will also get the opportunity to play on the course. After each clinic, participants are able to enjoy a complimentary cocktail and appetizers. Participants can meet other ladies just being introduced to golf and hopefully they will hit the course in the future.

#### **4.4.5 Equipment and Sales Targeted through Instruction**

Golf Instructors become trusted experts when it comes to purchasing new equipment. Our students always look to our instructors for guidance when purchasing a new club or even attire or accessories. The more golfers we can get out for lessons, the more merchandise sales we have.

An idea we implemented this past year was a “Ladies-Only” Demo Day and Trunk Show. After speaking to some of our female customers and to numerous vendors at merchandise shows earlier in the year, they said they’d be interested in an event specifically designed for women. This event included a demo day and trunk show from over 5 different vendors. We offered complimentary wine and snacks to all attendees with a small donation of at least \$10 to our local Juvenile Diabetes Research Foundation. Our Director of Instruction, Lindsay Hoskins also conducted a 30 minute clinic free to all attendees. The positive response from the event was overwhelming from both vendors and customers. We had about 75 ladies attend and hope to double that this next year. This was a great way for ladies to get fit with the correct equipment as well as sparking interest for others to get more involved playing golf this upcoming season.

#### **4.5 Operational Philosophy**

DGM operational philosophy is quite simple: keep golf affordable and present a good product. We have built our reputation of running our courses through hard work while keeping in mind that our customers deserve our best effort. While the philosophy is simple its execution is a bit more complex. We operate in an “everyday matters” mentality and in the golf business, which operates 7 days a week for the majority of the year, is critical to our success. We are a business that operates essential on cash flow and its ebbs and flows throughout any given year. Our budgets are constructed with careful consideration of historical weather and revenue patterns. Each year we must be flexible and ready to adjust to the economic and atmospheric conditions that are so fluid. DGM executives are close to the daily operation and through its key staff at each location are ready to make necessary adjustments to operations to achieve our customers’ expectations ultimately meeting our financial goals.

#### **4.6 Level of Service Standards for Maintenance**

As previously stated in the proposal we know that we will need to reestablish quality playing surfaces to retain and as well as attract new customers. We focus our agronomic programs on the priority of greens first, then tees, fairways, rough and outlying areas in that order.

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Agronomy at most golf courses across the industry has also evolved over the years with numerous operators racing to the bottom in costs cutting in their maintenance departments. Through the leadership of Scott Wackowski, Vice President who also holds an Agronomy degree from Pennsylvania University in Turfgrass Management, DGM has held steadfast in investing significant resources into golf course conditioning. This includes a financial investment in hard costs but a more of an investment in innovation and extensive detailed analysis of golf course maintenance practices. We have developed many programs within our maintenance departments to reinvest budgets not to only improve the bottom line but to improve efficiencies by reallocating expenses to specific targeted objectives.

Our maintenance plans all begin with a set of proposed standards and from there we craft our overall plan for the year seen in Exhibit VI.

Once our core proposed standards are constructed in comes down the art of execution of which we believe we separate ourselves in the market. We have a keen insight into the playability of the course and not just the outward appearance from the road. TJ Duncan can be found playing and/or evaluating the playability of our courses each and every week throughout the season. Although a very fair critic, he is particular and knows what the customer wants when they play the golf courses. Our agronomic programs are adjustable and need to be to accommodate a multitude of players' and guests' expectations. Our agronomy teams' schedule tasks specific to each and every days business. One day we may have a beginner tournament where we will slow the greens down and move the tees up for an easier more enjoyable round for that particular group. The next day maybe men's club championship when the greens need to run firm and fast. Our programs are geared specifically to have the flexibility to accommodate both.

If you have visited one of our courses in this past season the golf course conditions will speak for themselves! We continue to hear on an annual basis that our greens are among the best in the region and our tournament groups are always very appreciative of the customized approach to golf courses set up. We encourage all those in the evaluating process to visit any one of our golf courses to see for themselves!

#### **5. EVIDENCE OF SUFFICIENT RESOURCES & CAPABILITIES**

DGM owns and operates three golf courses all comparable in size to Eagle Valley. Our track record in the region serves as sufficient evidence of our capabilities to operate effectively with established accounts to support full operations. In Exhibit VII please see our three financial references as further evidence of our capability.

We have included as Exhibit VIII the past 3 years financial statements including profit/loss statement, balance sheet, and statement of cash flows for Lakeridge as a sample course to represent our organization in a summary format which is similar to size and scope of Eagle Valley.

#### **6. TRANSITION PLAN**

DGM will be immediately available January 1<sup>st</sup> 2018 with two of its key executives on sight overseeing the transition, TJ Duncan and Scott Wackowski. While the transition will be quite quick from city council approval December 7<sup>th</sup> to operations beginning January 1st, DGM will be ready to go! We will welcome a short term management agreement until a lease agreement is agreed upon.

If DGM were selected and approved in December, we would immediately request permission to discuss employment opportunities with the current staff. Our intention would be to retain as many staff as possible if they fit our company culture and budget. While we have several internal candidates that we will encourage to apply for key positions, we will also launch a local and nationwide search to find the best suitable candidates to lead Eagle Valley in this next chapter.

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DGM intends to secure a full time Class A Head Golf Professional and Golf Course Superintendent by March 1<sup>st</sup> to lead Eagle Valley into its first season. Support staff will be fulfilled as the seasonality of the budget progresses into spring and until staff sizes hit their peak in early June.

We intend to bring a **new** cart fleet to Eagle Valley and will schedule arrival no later than March 1<sup>st</sup>. In the meantime, we will negotiate usage of the existing fleet and/or utilize carts from our other locations to support operations prior to the new fleet's arrival.

Membership sales would start immediately on January 1<sup>st</sup> regardless of weather and we will initiate an email campaign to get the word out. We have membership holiday parties at each location after 12/7 and the announcement of DGM to Eagle Valley would definitely merit a toast at each party and help spread the word of our new membership offerings!

## 7. FINANCIALS

Throughout this proposal we have presented what we believe will support our financial forecast for Eagle Valley. Although our projections may seem bold, through our analysis we believe very attainable. There are several key factors that we will determine our success and reestablish solid incomes to support the expenses while providing a quality experience for our guests: rate integrity, support on aging equipment fleet, water costs, and DGM brand.

We strongly believe that the establishment of a viable average green fee or rate integrity is among the top priorities for the facility to become successful. Without segmented information in regards to golf revenue supplied in the RFP, we created our own analysis based on how we are currently performing in the region in conjunction with the information provided.

We spent considerable amount of time analyzing the "paid rounds" of golf or daily fee golfer which in Eagle Valley's case combines the public golfer and those who join the 50 club. In 2016 this combination accounted for 31,484 rounds of golf. To speculate what the current average green fee for these rounds is extremely difficult with the information provided. We are confident it is much lower that we are projecting we will achieve in 2018. That said, we built several models to build our projections and conservatively project that a firm rate is established that there could be a 30% pull back in this segment. We are projecting in 2018 paid rounds of golf (50 Club and daily fee round) will combine for 22,039 rounds at an average green fee \$36.96 producing \$814,664 in total paid greens fees.

In our projections and proposal, we propose that the entire rent payment be used to support the aging equipment fleet that supports the golf course maintenance department. We believe strongly that quality playing surfaces are essential for our revenue projections and without the continued infusion of capital investment into equipment, the golf course will struggle to maintain consistent conditions. Thru the length of the initial lease term we would infuse \$450,000 accomplishing the replacement of key pieces of equipment to operate on a continued basis. The rent payment used for equipment would relieve an operational lease expense making the operation more viable.

Our financial performance is based that the commodity charge for irrigation usage not be implemented as it was for the previous operator. We understand that further clarifications and language may be addressed through the license agreement during negotiations. Without the burden of this expense, it has allowed us to build a more attractive projection to our organization and a key decision point to propose for this lease.

Lastly, we believe that our brand, Duncan Golf Management, will bring significant benefit to the operations at Eagle Valley not only in reputation but in the collective resources a single operator would not be able to provide affordably. From our sales and marketing team, to our accounting and executive staff we believe that our projections can be fully support a viable entity for many years to come. Please see Exhibit VIII with our financial projections for the term of the lease.

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8. **LEGAL HISTORY**

DGM does not have any current contracts for the management of golf services or any pending claims or lawsuits. DGM does not propose any additional compensation during the term of the agreement.

9. **SUMMARY**

We would like to thank you again for the opportunity to submit a bid to operate Carson City's Eagle Valley Golf Course. Duncan Golf Management, in one form or another, has been operating golf courses in Northern Nevada for the past 37 years and plan on being here for another 37!

DGM has the philosophy to keep golf affordable and to present a good product which we hope this proposal clearly illustrates. We have built our reputation of running our courses through hard work while keeping in mind that our customers deserve our best effort. This opportunity will take our best effort and we are excited to work collectively with Carson City as Eagle Valley enters into its next operating agreement.

We understand that you have a difficult decision to make to find the right operator. DGM believes that we are best local and/or national operator to facilitate the successful future at Eagle Valley. Our desire is that this proposal allows us to be selected for an interview and ultimately enter into negotiations for an operating agreement for full operations for the next five years and beyond.

**Submitted By:**

Tom Duncan

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**Signature of Authorized Representative**

Tom Duncan

\_\_\_\_\_  
**Name of Authorized Representative**

President

\_\_\_\_\_  
**Title**

11/6/2017

\_\_\_\_\_  
**Date**

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# EXHIBIT I

**THOMAS P. DUNCAN**  
1400 Wolf Run Road  
Reno, NV 89511  
**(775) 851-3301**  
**tduncan49@me.com**

## **Lakeridge Golf Course, Reno, NV- Owner**

2013-Present

Purchased in 2013, Lakeridge was losing over \$400,000 per year which we turned around and now has a positive cash flow.

## **Wolf Run Golf Course- Owner**

2005-Present

Brought the course from losing \$600,000 per year to making a profit in only one year of ownership.

## **Dayton Valley Golf Course- Owner**

2010-Present

Dayton Valley was losing \$700,000 and doing only 13,000 rounds per year before it was purchased in 2010. Currently, Dayton Valley is up to 30,000 rounds per year.

## **Rosewood Lakes Golf Course/First Tee- Management**

2013-2016

The City was losing over \$700,000 per year. Within one year of our management being implemented they were breaking even.

Reference: Bob Sader (775)329-8310

## **Tahoe City Golf Course- Management**

2011-2016

Tahoe City was voted course of the year under our management in 2016 for the entire Tahoe region.

Reference: Matt Homolka (530)613-0921

## **Fallon Golf Course- Management**

2012-2016

Fallon Golf Course was near shutting down. Our management turned it around so that the course was not losing any money.

Reference: Alan Kalt (775)428-0270

## **Silver Oak Golf Course- Management**

2001-2004

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**University of Nevada- Head Men's Golf Coach**  
1994-2004

Coach of the year two times for Mountain West and WAC.

Winningest coach in Nevada history

Coached U.S. Team in Japan World Games

Reference: Chris Ault (775)745-7454

**Dayton Valley Golf Course-Director of Operations**

1991-2000

Opened course and increased play to at least 30,000 rounds per year

**Eagle Valley Golf Course- Head Professional**

1981-1990

Increased rounds from 17,000 in the first year to 90,000 my last year thee.

TJ Duncan  
6423 Meadow Country Drive  
Reno, NV 89519  
775-830-8690  
tj@dmgolf.net

Experienced golf operator with a range of golf and management skills. A budget focused leader with attention to the bottom line. Excellent leader, manager, motivator, and team builder with acquired expertise in the golf industry. Creative strategist, attention to detail and commitment to excellence that have a valuable and applicable environment to thrive and grow. Proven commitment to Reno-Tahoe community.

### Skills

- Strategic Planning
- Marketing
- Territory Expansion
- Business Development
- Team Building
- P&L Management / Budgeting
- Market Analysis
- Staff Training and Motivation
- Relationship Building
- Sales

### Education

**Bachelor of Science in Political Science** *University of Oregon* 2001

### Activities

|  |                |
|--|----------------|
| <b>PGA Class A Professional</b>                        | 2017 – Present |
| Prospectors  | 2017---Present |
| Carson City Assistant Varsity Basketball Coach         | 2017---Present |
| McQueen High School Varsity Basketball Coach           | 2009-----2016  |
| <b>Member</b> , Reno Tahoe Young Professionals Network | 2008 – Present |
| <b>Member</b> , Sons of Nevada                         | 2008 – Present |
| <b>Member</b> , Skai International                     | 2007 – 2012    |
| <b>President</b> , Golf the High Sierra                | 2010           |
| <b>Board Member</b> , First Tee of Northern Nevada     | 2009           |

**References:**

**Todd Renwick**

*Assistant Chief of Police, University of Nevada Police Department*  
(775) 745-6194  
trenwick@unr.edu

**David Taylor**

*Community Relations & Communications Manager @ Microsoft*  
(775) 848-7995  
[datayl@microsoft.com](mailto:datayl@microsoft.com)

**Brian Drakulich**

*Owner, Do More Drakulich Realty*  
(775) 846-8585  
bdrakulich@domore.com

**Scott William Wackowski**

scottw@dmgmgolf.net  
310 Sondrio Way  
Reno, Nevada  
775-544-4727

**Professional Summary:**

Professionally motivated in the golf industry since becoming part of the work force at age sixteen. Proven to be successful at each and every level of participation. Passionate fan of the game and industry for close to 30 years. Experience in operating facilities in the US, China, and Mexico.

**Professional Experience:**

**Duncan Golf Management**

**Vice President/Owner**

**March 2017-Present**

Oversee all operations for Duncan Golf Management. DGM owns three golf courses in northern Nevada, Dayton Valley Golf Club, Wolf Run Golf Club, and LakeRidge Golf Course. Also oversee the maintenance department at Wolf Run Golf Club.

**CourseCo INC**

**Vice President of Agronomy**

**March 2015- March 2017**

CourseCo is the largest golf course management company in Northern California which oversees 28 golf courses in California, Oregon, Washington and Texas. As VP of Agronomy, I was responsible for the oversight and leadership of our Golf Course Superintendents, Environmental Initiatives and Excellence, Corporate Safety Officer charged with compliance and enforcement of company programs, and constructed, procured and oversight of all capital equipment and projects.

**Duncan Golf Management**

**Director of Operations**

**January 2011-September 2014**

Oversee all operations for six Duncan Golf Management (DGM) properties. DGM owns three golf courses in northern Nevada, Dayton Valley Golf Club, Wolf Run Golf Club, and LakeRidge Golf Course. DGM leased contracts for the Tahoe City Public Utility District, Churchill County and the City of Reno.

**Synergy Golf Course Management**

**Director of Operations**

**December 2009-January 2011**

Oversight of overall maintenance budget in excess of \$5M for seven golf courses located in the southwest including Phoenix, San Diego, Palm Springs and Nevada. Additionally, assisted the President with general operations oversight for all locations.

**D'Andrea Golf Club**

**Golf Course Superintendent**

**May 2002-December 2009**

Lead D'Andrea Golf Club Maintenance to becoming a premiere property in the region.

- Reduced operational budget by close to \$300,000 from 2006-2009
- Began and completed a comprehensive overhaul of golf course maintenance labor
- Promoted to helping our sister course in Chula Vista, CA install similar cost savings and improved efficiencies.

**Troon Golf**  
**Golf Course Superintendent**  
**December 2000-January 2005**

**D'Andrea Golf Club**                      **May 2002-December 2005**                      **Superintendent**  
**Sparks, Nevada**

**Troon North Golf Club**                      **September 2001-May 2002**                      **Superintendent**

**Ixtapan Country Club**                      **December 2000-September 2001**                      **Director of Golf**  
**Ixtapan de la Sal, Mexico**

**Prescott Lakes Golf Club**  
**March 1999-December 2000**  
**Assistant Superintendent**

**Mission Hills Golf Resort TPC**  
**October 1997-March 1999**  
**Golf Course Superintendent/Project Manager**  
**Guan Lan, China**

**Troon Golf and Country Club** **March 1996-October 1997**  
**Assistant Superintendent/Interim Superintendent**

**Desert Forest Golf Club**  
**March 1995-September 1995**  
**Superintendent's Internship**

**Northampton Valley Country Club**  
**February 1990-September 1994**  
**Foreman**

**Education:**

**Pennsylvania State University**  
**Two-Year Turfgrass Technical Management Program, Graduated 1996**

## EXHIBIT II



### 2018 East Course Golf Rates

#### Off Season Golf Rates (Jan- March, Nov-Dec):

##### Daily

- \$30 per player
  - \$20 Walking
- \$20 after 1PM (Twilight)

#### Pre/Post Season Golf Rates (April and October):

##### Monday-Thursday

- \$35 per player
  - \$25 Walking
- \$25 after 2PM (Twilight)

##### Friday-Sunday

- \$40 per player
  - \$30 Walking
- \$30 after 2PM (Twilight)
  - \$20 Walking

#### In Season Golf Rates (May -October):

##### Monday-Thursday

- \$40 per player
  - \$30 Walking
- \$30 after 1PM
- \$20 after 4PM (Twilight)

##### Friday-Sunday

- \$45 per player
  - \$35 Walking
- \$30 after 1PM
- \$20 after 4PM (Twilight)

Senior Day EVERY Tuesday \$25 Greens Fees

50 Club/Seniors/Member Guests: \$5 off posted rate

Tournament Rates: Add \$5 to the posted rate

Junior Rates: \$5 after 3pm offseason and after 4pm in season

Employee Rate: Complimentary after 11am depending on availability- NO advance tee times



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## 2018 West Course Golf Rates

### Off Season Golf Rates (Jan- March, Nov-Dec):

#### Daily

- \$35 per player
- \$25 after 1PM (Twilight)

### Pre/Post Season Golf Rates (April and October):

#### Monday-Thursday

- \$45 per player
- \$35 after 2PM (Twilight)

#### Friday-Sunday

- \$50 per player
- \$40 after 2PM (Twilight)

### In Season Golf Rates (May -October):

#### Monday-Thursday

- \$50 per player
- \$40 after 1PM
- \$30 after 4PM (Twilight)

#### Friday-Sunday

- \$55 per player
- \$45 after 1PM
- \$30 after 4PM (Twilight)

50 Club/Seniors/Member Guests: \$5 off posted rate

Tournament Rates: Add \$5 to the posted rate

Junior Rates: \$5 after 3pm offseason and after 4pm in season

Employee Rate: Complimentary after 11am depending on availability- NO advance tee times

Employee Guest Rate: \$25 after 11 AM



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GOLF MANAGEMENT

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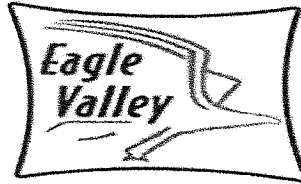
# EXHIBIT III

## Eagle Valley Rate Comparisons From Website

| EAST COURSE                   |         |          |      |
|-------------------------------|---------|----------|------|
| Winter Rates                  | Website | Proposed | Diff |
| Riding                        | \$33    | \$30     | -\$3 |
| 50 Club                       | \$30    | \$25     | -\$5 |
| Walking                       | \$20    | \$20     | \$0  |
| Riding Twilight               | \$27    | \$20     | -\$7 |
| 50 Club Twilight              | \$22    | \$15     | -\$7 |
| Walking Twilight              | \$15    | \$20     | \$5  |
| Senior Tuesday Riding         | \$23    | \$25     | \$2  |
| Spring Rates                  | Website | Proposed |      |
| M-Thurs Riding                | \$35    | \$35     | \$0  |
| M-Thurs 50 Club               | \$30    | \$30     | \$0  |
| M-Thurs Walking               | \$22    | \$25     | \$3  |
| M-Thurs Riding Twilight       | \$25    | \$25     | \$0  |
| M-Thurs 50 Club Twilight      | \$20    | \$20     | \$0  |
| M-Thurs Walking Twilight      | \$15    | \$25     | \$10 |
| Fri-Sun Riding                | \$40    | \$40     | \$0  |
| Fri-Sun 50 Club               | \$33    | \$35     | \$2  |
| Fri-Sun Walking               | \$25    | \$30     | \$5  |
| Fri-Sun Twilight Riding       | \$25    | \$30     | \$5  |
| Fri-Sun Twilight 50 Club      | \$25    | \$25     | \$0  |
| Fri-Sun Twilight Walking      | \$15    | \$20     | \$5  |
| Fri-Sun Supertwilight 50 Club | \$15    | \$20     | \$5  |
| EAST COURSE                   |         |          |      |
| May-Oct Summer Rates          | Website | Proposed |      |
| M-Thurs Riding                | \$40    | \$40     | \$0  |
| M-Thurs 50 Club               | \$30    | \$35     | \$5  |
| M-Thurs Walking               | \$23    | \$30     | \$7  |
| Fri-Sun Riding                | \$45    | \$45     | \$0  |
| Fri-Sun 50 Club               | \$35    | \$40     | \$5  |
| Fri-Sun Walking               | \$25    | \$35     | \$10 |
| M-Thurs Riding Pre Twilight   | \$35    | \$30     | -\$5 |
| Twilight Riding               | \$27    | \$30     | \$3  |
| Twilight 50 Club              | \$22    | \$25     | \$3  |
| Twilight Walk                 | \$17    | \$30     | \$13 |
| Supertwilight Riding          | \$20    | \$20     | \$0  |
| Supertwilight 50 Club         | \$17    | \$15     | -\$2 |
| Senior Tuesday Riding         | \$23    | \$25     | \$2  |

| <b>WEST COURSE</b>                            |                |                 |             |
|---|----------------|-----------------|-------------|
| <b>Winter Rates</b>                           | <b>Website</b> | <b>Proposed</b> | <b>Diff</b> |
| Riding  | \$40           | \$35            | -\$5        |
| 50 Club                                       | \$30           | \$30            | \$0         |
| Riding Twilight                               | \$31           | \$25            | -\$6        |
| 50 Club Twilight                              | \$25           | \$20            | -\$5        |
| <b>Spring Rates</b>                           | <b>Website</b> | <b>Proposed</b> |             |
| Riding  | \$40           | \$45            | \$5         |
| 50 Club                                       | \$35           | \$40            | \$5         |
| Riding Twilight                               | \$28           | \$35            | \$7         |
| 50 Club Twilight                              | \$25           | \$30            | \$5         |
| <b>May-Oct Summer Rates</b>                   | <b>Website</b> | <b>Proposed</b> |             |
| M-Thurs Riding                                | \$55           | \$50            | -\$5        |
| M-Thurs 50 Club                               | \$40           | \$45            | \$5         |
| Fri-Sun Riding                                | \$65           | \$55            | -\$10       |
| Fri-Sun 50 Club                               | \$45           | \$50            | \$5         |
| M-Thurs Riding Pre Twilight                   | \$45           | \$40            | -\$5        |
| Twilight Riding                               | \$33           | \$40            | \$7         |
| Twilight 50 Club                              | \$28           | \$35            | \$7         |
| Supertwilight Riding                          | \$25           | \$30            | \$5         |
| Supertwilight 50 Club                         | \$22           | \$25            | \$3         |
| Family Rate (1adult & 1 Child) 9 holes Riding | \$35           |                 | -\$35       |

# EXHIBIT IV



## 2018 MEMBERSHIP AGREEMENT

| <u>Membership</u> | <u>Individual Fee</u> | <u>Family Fee</u> |
|-------------------|-----------------------|-------------------|
| Gold              | \$2000                | \$2900            |
| Silver            | \$1000                | n/a               |
| Bronze            | \$1200                | n/a               |
| DGM               | \$3620                | \$4220            |

**GOLD MEMBERSHIP:** INCLUDES UNLIMITED GOLF, CART AND RANGE ON BOTH, THE EAST AND WEST COURSES, 20% MERCHANDISE DISCOUNT, PLUS SPECIAL GREEN FEES AT SISTER PROPERTIES.

**SILVER MEMBERSHIP:** AVAILABLE FOR GOLFERS 55 YEARS OF AGE OR OLDER. IT INCLUDES UNLIMITED GOLF, CART AND RANGE ON THE EAST COURSE MONDAY THRU THURSDAY, 20% MERCHANDISE DISCOUNTS AND SPECIAL GREEN FEES AT SISTER COURSES.

**BRONZE MEMBERSHIP:** INCLUDES UNLIMITED GOLF, CART AND RANGE ON BOTH THE EAST AND WEST COURSES EVERY DAY AFTER 12:00 PM, 50 CLUB GREEN FEES BEFORE 12:00 PM AND 20% MERCHANDISE DISCOUNTS.

**DGM:** MEMBERSHIP WILL COME WITH ALL THE BENEFITS OF MEMBERSHIP AT EAGLE VALLEY, DAYTON VALLEY GOLF CLUB, WOLF RUN GOLF CLUB, AND LAKERIDGE GOLF CLUB WHILE EACH ENTITY IS OPERATED BY DUNCAN GOLF MANAGEMENT. IF AT ANY TIME THE MEMBERSHIP IS NOT RENEWED THE MEMBERSHIP FEE MAY BE FORFIETED.

Eagle Valley is owned by the City of Carson City. Wolf Run Golf Club is owned and operated by Duncan Burgess, LLC. Dayton Valley Golf Club is owned and operated by Dayton Valley Golf Course, LLC. Lake Ridge Golf Club is owned and operated by Duncan Golf at Lake Ridge, LLC. Each facility and its owner are referred to in this Agreement as a "Club". In the case of joint memberships to all the Clubs, they are referred to collectively as the "Club". For purposes

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of the provisions of this Membership Agreement and the Plan, either an Existing Membership or an Associate Membership is referred to simply as a "Membership" held by a "Member".

The Member hereby agrees to pay the Club, the membership fee. The Member agrees that annual fees may be increased or decreased by the Club, in the Club's sole discretion, and understands that such fees will probably increase over time. The membership fee is a **nonrefundable, one-time payment** and shall be paid by the Member and delivered to the Club within five (5) business days of execution of this Agreement by the Club. In the event that any amounts owed to the Club are not paid on a timely basis, the Member is liable for a late payment fee or the membership may be recalled.

A Member is not liable for assessments rising from capital improvements, renovations or repairs. However, such expenditures by the Club may influence an increase in the membership fee paid by new Members or an increase in monthly dues.

Membership is contingent upon approval by the Club and execution hereof, which approval shall be at its sole discretion. Upon signing the Agreement, the undersigned authorizes the disclosure and release of information to the Club for investigating the Member's qualifications for membership, including credit history. The Member holds the Club harmless from any and all such acts. The Club retains the right in its sole discretion to disapprove the Member's application for membership and decline to sign this Agreement.

The membership fee is paid in consideration for the Member's right to play the golf course (s) in accordance with the current memberships being offered.

The Member hereby acknowledges receipt of the Golf Club Membership Plan and General Provisions, and the Golf Club Rules and Regulations. The Member certifies that he/she has read and understands them, and agrees to be bound by the terms and conditions thereof. The Member agrees to substitute fully the membership privileges acquired pursuant to this Agreement for any present or prior rights in or use of the Club facilities. This Agreement supersedes and renders void any prior Membership Agreement relating to the same Club facility previously in effect.

If the Member is married, both the member and his/her spouse must sign below.

Date \_\_\_\_\_

Signed \_\_\_\_\_

Member's Signature

Date \_\_\_\_\_

Signed \_\_\_\_\_

Spouse's Signature (if applicable)

This Membership Agreement shall not be binding on the Club unless and until the Club has signed below.

**ACCEPTED BY:**

Duncan Golf Management

By: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Notes:

Credits Used:

Date Paid in Full: \_\_\_\_\_

***Attach copy of receipt to this document***

**MEMBER INFORMATION**

DUNCAN GOLF MANAGEMENT, INC 1400 WOLF RUN ROAD, RENO, NEVADA 89511

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483654

**PERSONAL**

Applicant: \_\_\_\_\_

Spouse: \_\_\_\_\_

Address: \_\_\_\_\_

Street

\_\_\_\_\_

City

State

Zip

Home Telephone: \_\_\_\_\_

Cellular Telephone: \_\_\_\_\_

Email Address: \_\_\_\_\_

Unmarried children residing in the same household 23 years or younger (applicable to Family Membership only):

Name: \_\_\_\_\_ Date of Birth: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

**The Club Credit Policy**

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All dues and other charges for food, beverage, merchandise and services which are not paid in cash will be automatically debited from the debit/credit card listed below prior to the next month's billing. The debit/credit card charge will be for the previous month's dues and charges. As a reminder, statements will be mailed out to members the first week of the month. Any statement disputes should be brought to the attention of the club representative prior to the next month's billing. A member can avoid the automatic charge by paying the entire statement prior to the next billing. Should you have any questions about your account, please contact Accounting at 775-246-7888.

I authorize any and all delinquent charges incurred on my account to be charged to the debit/credit card listed below. I certify that the below listed card is issued to me and I agree that all or any disputes on my credit card will be promptly brought to the attention of the club representative. I also understand that I am obligated to keep a valid approved debit/credit card on file with the club at all times.

PRIVACY DISCLOSURE: The payment information collected to administer your membership account is treated confidentially and will not be shared with anyone except the financial institutions and those employees used to process payments. Your payment information is NOT shared, sold or made public in any way.

Debit/Credit Card Type: \_\_\_\_\_ Expiration Date: \_\_\_\_\_

Debit/Credit Card  
Number: \_\_\_\_\_ CCV: \_\_\_\_\_

Cardholder Name: \_\_\_\_\_  
(As It Appears On The Card)

Cardholder's  
Signature: \_\_\_\_\_

The undersigned hereby further authorizes the disclosure and release of information to Duncan Golf Management for investigating my qualifications for membership. This includes, and is not limited to, my credit history.

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature of Applicant

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# EXHIBIT V



# Golf Contract

|   |                               |                               |                   |                    |
|---|-------------------------------|-------------------------------|-------------------|--------------------|
| Client/Organization<br>CC Nugget / Fujii Golf | Event Date<br>6/26/2018 (Tue) | Telephone<br>(775) 882-1626   | Fax<br>( ) -      | Event #<br>E07270  |
| Address<br>507 N. Carson St                   |                               | Site Contact<br>Diana LeBaron |                   | Guests<br>28 (Act) |
| Party Name<br>Fujii Golf                      | Sales Rep<br>Mike Eskuchen    | Theme<br>Golf                 | Venue<br>Wolf Run |                    |

The event is confirmed once the signed contract and the initial deposit towards fees, unless otherwise contracted with DGM, have been accepted. The confirmed number of participants is due no later than 10 days in advance of the contracted date. If no final count is received prior to 10 days of the event date, the number of guests indicated on the initial contract will be the guaranteed number of participants. The final participant count must not exceed the original contracted amount without written acceptance from DGM. Any cart damage above and beyond normal wear and tear is the responsibility of the group leader. Final payment is due PRIOR TO TEEING OFF, unless otherwise contracted with DGM.

### Golf Course(s) and Starting Time(s)

| Description   | Start   | End     | Serving | Banquet Room  | Setup Style      |
|---------------|---------|---------|---------|---------------|------------------|
| Wolf Run      | 8:30 am | 1:00 pm | NA      | Wolf Run      | Modified Shotgun |
| Dayton Valley | 8:30 am | 1:00 pm | NA      | Dayton Valley | Shotgun          |

### Fees

| Food/Service Items                         | Price | Qty | Total    |
|--|-------|-----|----------|
| <u>Wolf Run - 6/26/2018 - 8:30 am</u>      |       |     |          |
| <b>Wolf Run Fees</b>                       | 55.00 | 28  | 1,540.00 |
| <u>Dayton Valley - 6/27/2018 - 8:30 am</u> |       |     |          |
| <b>Dayton Valley Fees</b>                  | 50.00 | 28  | 1,400.00 |

|          | Food | Beverage | Liquor | Equipment | Labor | Room | Other    | Total    |
|----------|------|----------|--------|-----------|-------|------|----------|----------|
| Subtotal | 0.00 | 0.00     | 0.00   | 0.00      | 0.00  | 0.00 | 2,940.00 | 2,940.00 |
| Taxes    | 0.00 | 0.00     | 0.00   | 0.00      | 0.00  | 0.00 | 0.00     | 0.00     |
| Total    | 0.00 | 0.00     | 0.00   | 0.00      | 0.00  | 0.00 | 2,940.00 | 2,940.00 |

|                      |      |
|----------------------|------|
| _____                |      |
| Client               | Date |
| _____                |      |
| Sales Representative | Date |

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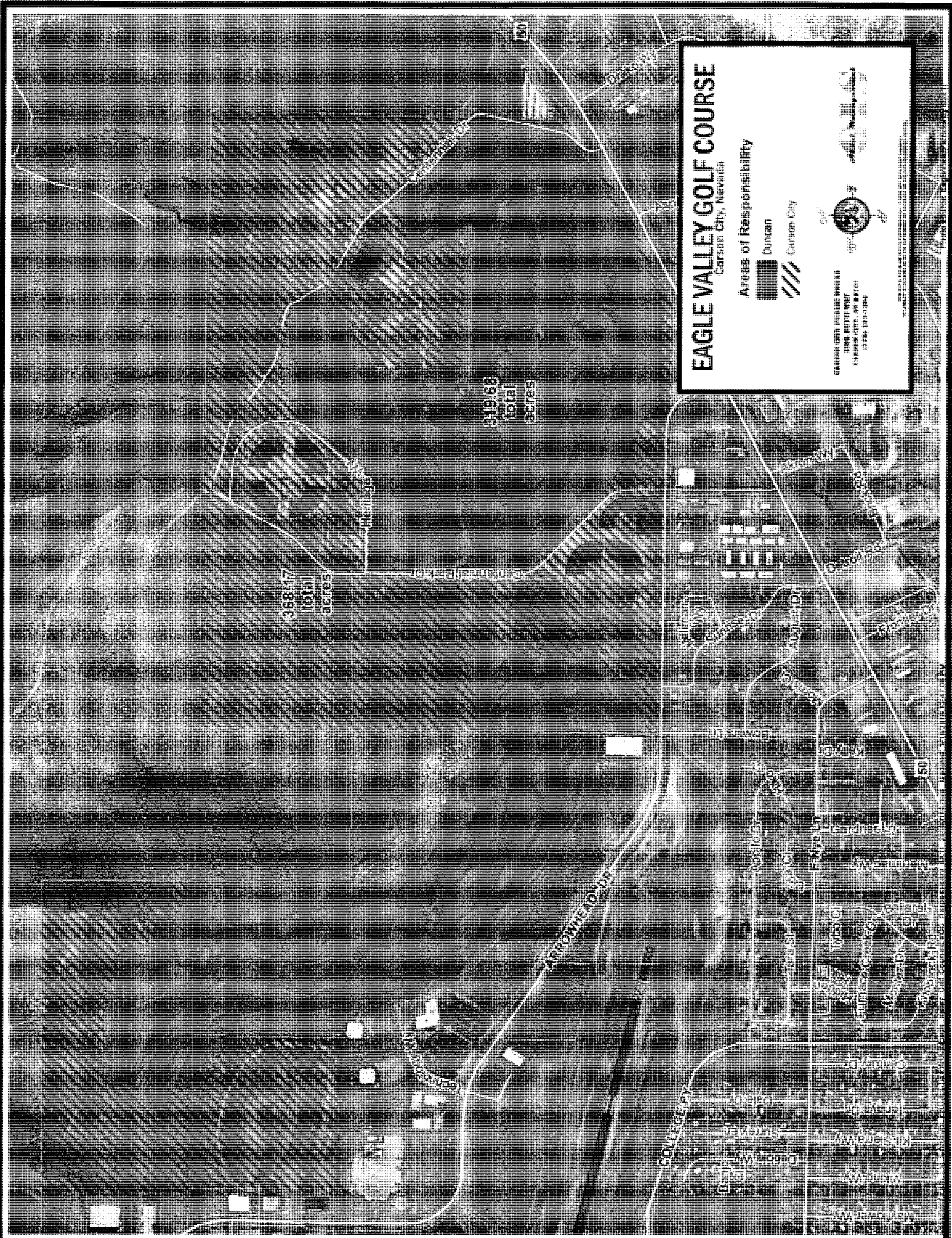
# EXHIBIT VI

| Eagle Valley Proposed Maintenance Standards   |                  |                   |                           |                  |                   |
|---|------------------|-------------------|---------------------------|------------------|-------------------|
| <b>GREENS</b>   | <b>In Season</b> | <b>Off Season</b> | <b>TEES</b>               | <b>In Season</b> | <b>Off Season</b> |
| Species/Variety   | Poa/Bent         | Poa/Bent          | Species/Variety           | Poa/Rye/Blue     | Poa/Rye/Blue      |
| HOC   | .100-.125        | .125-.150         | HOC                       | 0.400            | 0.550             |
| Target Speed  | 8.5-9.5          | 8.5-9.5           | Mowing Freq.              | 2-3 x/s/week     | 1-2x/month        |
| Mowing Freq.  | Daily            | 1-2x/month        | Mower Type                | Tri-plex         | Tri-plex          |
| Clean up cut Freq.  | 3x's week        | 1 x/month         | Verticut Freq.            | N/A              | N/A               |
| Mower Type  | Tri-plex         | Tri-plex          | Topdress Freq.            | Weekly           | Monthly           |
| Verticut Freq.  | 2x/month         | N/A               | Aerification Freq.        | 1 x/season       | N/A               |
| Topdress Freq.  | 1x/ month        | As needed         | Divot Repair Freq.        | Weekly           | Monthly           |
| Aerification Freq.  | Ongoing          | Ongoing           | Accessory Re-Paint        | Annually         | N/A               |
| Tine size & spacing   | Air2G2           | Air2G2            | Logo-ed Accessories       | N/A              | N/A               |
| Ball Mark Repair Freq.  | Daily            | Daily             | Access. Repl. Sched.      | As needed        | As needed         |
| Logo-ed Flags   | As needed        | As needed         | Time to Repair Damage     | Immediately      | Immediately       |
| Pin Placement Rotation  | red, white, blue | 3 cups            | Overseeding Rate          | 10 lbs/M         | N/A               |
| Time to Repair Damage   | Immediately      | Immediately       | Preventive Fungicides     | no               | no                |
| Access. Repl. Sched.  | As needed        | As Needed         |                           | no               | no                |
| Prev. Fungicide Apps  | As needed        | As needed         | Weed Control              | As needed        | As needed         |
| Insect Control  | As needed        | As needed         | Yardage plate edging freq | 2 x's/seasonally | N/A               |
| Weed Control  | As needed        | As needed         | <b>BUNKERS</b>            | <b>In Season</b> | <b>Off Season</b> |
| <b>FAIRWAYS</b>   | <b>In Season</b> | <b>Off Season</b> | Raking Freq.              | 5-7x's/week      | 1-2 x's/week      |
| Species   | Poa/Rye/Blue     | Poa/Rye/Blue      | Sand depth slopes         | 0-2 inches       | 0-2 inches        |
| HOC   | 0.5 inch         | 0.6"              | Sand depth bottom         | 2-4 inches       | 2-4 inches        |
| Mowing Freq.  | 2-3 x/s/week     | 1-2x/month        | Sand Type & Source        | TBD              | TBD               |
| Mower Type  | 5 Gang Reel      | 5 Gang Reel       | Raking Method             | Mechanical       | Mechanical        |
| Verticutting  | 1 x/season       | N/A               | Hand Rakes (avg/bunker)   | 1                | 1                 |
| Topdress Freq.  | N/A              | N/A               | Edging Freq.              | Annually         | N/A               |
| Aerification Freq.  | 1 x/seasonally   | N/A               | Time to Repair Damage     | 36 Hours         | Inseason          |
| Divot Repair Freq.  | none             | none              | Time to Pump              | 36 Hours         | Inseason          |
| Yardage Markers   | 2 x's/seasonally | N/A               | <b>GREEN SURROUNDS</b>    | <b>In Season</b> | <b>Off Season</b> |
| Time to Repair Damage   | 36 hours         | Inseason          | Cutting Height            | 2-3 inches       | 2 inches          |
| Overseeding Rate  | 10lbs/M          | N/A               | Cutting Freq              | 1 x/ week        | 1 x/ month        |
| Preventive Fungicides   | As needed        | As needed         | Mower Type                | Rotary           | Rotary            |
| Insect Control  | As needed        | As needed         | <b>RANGE TEE</b>          | <b>In Season</b> | <b>Off Season</b> |
| Weed Control  | As needed        | As needed         | Species                   | Poa/Rye/Blue     | Poa/Rye/Blue      |
| PGR   | none             | N/A               | HOC                       | 0.5 inch         | 0.6"              |
| <b>ROUGHS</b>   | <b>In Season</b> | <b>Off Season</b> | Mowing Freq.              | 1-2 x's/week     | 1-2 x's/ month    |
| Species   | Poa/Rye/Blue     | Poa/Rye/Blue      | Mower Type                | 5 Gang Reel      | 5 Gang Reel       |
| HOC   | 2-3 inches       | 2 inches          | Verticut Freq.            | 1 x/season       | N/A               |
| Mowing Freq.  | 1 x/ week        | 1 x/ month        | Topdress Freq.            | Weekly Divots    | N/A               |
| Mower Type  | Rotary           | Rotary            | Aerification Freq.        | 1 x/season       | N/A               |
| Aerification Freq.  | As needed        | As needed         | Divot Repair Freq.        | 2-3 x's/ week    | N/A               |
| Yardage Markers   | As needed        | As needed         | Overseeding Rate          | 10 lbs / M       | N/A               |
| Time to Repair Damage   | 36 Hours         | Inseason          | Preventive Fungicides     | As needed        | N/A               |
| Overseeding Rate  | 10lbs/M          | N/A               | Insect Control            | As needed        | N/A               |
| Preventive Fungicides   | As needed        | As needed         | Weed Control              | As needed        | N/A               |
| Insect Control  | As needed        | As needed         | Turf/Mat Rotation Freq.   | Weekly           | Weekly            |
| Weed Control  | As needed        | As needed         |                           |                  |                   |
| <b>NOTES:</b>   |                  |                   |                           |                  |                   |
| Frequencies of mowing and cultural practices vary depending on the onset of each particular season: spring, summer and fall |                  |                   |                           |                  |                   |

# EXHIBIT B

EXHIBIT B

483654



# EAGLE VALLEY GOLF COURSE

Carson City, Nevada

**Areas of Responsibility**

- Duncan
- Carson City



COURTESY OF THE CARSON CITY WATER DEPARTMENT  
 1000 WEST 1ST ST  
 CARSON CITY, NV 89401  
 (775) 233-1300

368.17  
total  
acres

319.68  
total  
acres

# EXHIBIT C

EXHIBIT C

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| Date | Equipment  | Model/Year    | Condition          | Hours | Life Span | SSHA #          | Market in 2018 |
|------|--|---------------|--------------------|-------|-----------|-----------------|----------------|
|      | <b>UTILITY VEHICLES</b>                          |               |                    |       |           |                 |                |
|      | Toro Light Duty Workman                          | 1100/2006     | Poor-Not Running   | 2170  | 0         | 07264-260000786 |                |
|      | Toro Light Duty Workman                          | 1100/2006     | Poor-Not Running   | 2505  | 0         | 07264-260000257 |                |
|      | Toro Mid Duty Workman                            | 2100/2002     | Fair               | 1268  | 3         | 07253/220000607 |                |
|      | Toro Mid Duty Workman                            | 2100/2002     | Fair               | 1241  | 5         | 07253/220000677 |                |
|      | Toro Heavy Duty Workman                          | 3300D/2007    | Fair               | 2845  | 3         | 07362-270000829 | \$55,000       |
|      | Toro HD Workman-Strayer                          | 4300D/1999    | Poor               | 4993  | 1         | 07211-30103     | \$5,000        |
|      | Datsun Truck                                     | N/A           | Junk               | N/A   | 0         | Junk            | \$5,000        |
|      | Toro Mid Duty Workman                            | N/A           | Junk               | N/A   | 0         | Junk            | \$5,000        |
|      | Toro Mid Duty Workman                            | 1405/2012     | Good               | 1241  | 5         | 07273-312000179 | \$5,000        |
|      | Toro Mid Duty Workman                            | 1405/2012     | Good-Needs Starter | 878   | 5         | 07273-312000180 |                |
|      | <b>GREENMOWERS</b>                               |               |                    |       |           |                 |                |
|      | Toro Diesel                                      | 3250D/2001    | Parts-Not Running  | 8,218 | 0         | 04383-210000476 | \$35,000       |
|      | Toro Diesel                                      | 3250D/2001    | Parts-Not Running  | 6508  | 0         | 04382-210000137 | \$35,000       |
|      | Toro Diesel                                      | 3250D/2003    | Poor               | 3024  | 2         | 04383-230001589 |                |
|      | <b>TRIMMERS</b>                                  |               |                    |       |           |                 |                |
|      | Toro Gas   | 3150/2008     | Fair               | 4,005 | 2         | 04357-280001559 | \$35,000       |
|      | Toro Gas   | 3150/2003     | Fair               | 4,035 | 2         | 04357-230001035 |                |
|      | Toro Gas   | 3150/2003     | Poor               | 4,899 | 1         | 04357-230001031 |                |
|      | <b>FAIRWAY MOWERS</b>                            |               |                    |       |           |                 |                |
|      | Toro   | RM5410/2007   | Fair               | 5737  | 2         | 03670-270001212 | \$55,000       |
|      | Toro   | 5500D/2001    | Poor               | 6655  | 1         | 03550-210000320 |                |
|      | Toro   | 5400D/2004    | Poor               | 7257  | 1         | 03543-240000565 |                |
|      | <b>ROUGH MOWERS</b>                              |               |                    |       |           |                 |                |
|      | Toro   | GM4800/2010   | Poor               | 4767  | 1         | 30448-31000225  | \$75,000       |
|      | Toro   | GM4900/2001   | Poor               | 4418  | 1         | 30410-210000257 |                |
|      | Toro   | GM4500/2008   | Poor               | 6007  | 1         | 30856-280000553 |                |
|      | Toro   | GM4000/2004   | Parts-Not Running  | N/A   | 1         | 30410-240000187 |                |
|      | Toro Behind Rough                                | Lastic        | Junk               | N/A   | 0         |                 |                |
|      | Toro   | GM4000/2003   | Parts-Not Running  | 6,752 | 0         | 30410-240000187 |                |
|      | Toro   | GM3500D/2008  | Good               | 3,091 |           | 30839-280000309 |                |
|      | <b>TOPDRESSERS/SPREADER</b>                      |               |                    |       |           |                 |                |
|      | Turfco Walk Spin                                 | 1330          | Fair               | N/A   | 5         | 03999           |                |
|      | <b>BUNKER MAKE</b>                               |               |                    |       |           |                 |                |
|      | Toro Sandbar                                     | 3020/2005     | Good               | 3,657 | 3         | 08885-230000176 |                |
|      | Toro Sandbar                                     | 5000/1993     | Poor               | 6,333 | 1         | 08881-300510    | \$18,500       |
|      | <b>BLOWERS</b>                                   |               |                    |       |           |                 |                |
|      | Buffalo Blower                                   |               | Fair               |       | 2         | 5766            |                |
|      | Craftsman Snow Blower                            |               | Good               |       | 7         |                 |                |
|      | <b>ABRATORS</b>                                  |               |                    |       |           |                 |                |
|      | Toro Greens Aerator                              | Greens/1996   | Fair               |       | 5         | 09120-60977     |                |
|      | Toro Greens Aerator                              | Greens/1990   | Fair               |       | 2         | 09110-00987     |                |
|      | Tow behind                                       | 3 Point       | Poor               |       | 0         |                 |                |
|      | Hydroject  |               | Junk               |       | 0         |                 |                |
|      | Toro Greens Aerator                              | Air/22        | Junk               |       | 0         |                 |                |
|      | <b>TRACTORS</b>                                  |               |                    |       |           |                 |                |
|      | Ford 4630  |               | Fair               |       | 10        | #9013           |                |
|      | CAT Skid Steer- NOT GOLF COURSES                 |               | Good               |       | 0         | #8101           | \$15,500       |
|      | Case Backhoe- Blown engine                       |               | Poor               |       | 0         |                 |                |
|      | <b>OTHER</b>                                     |               |                    |       |           |                 |                |
|      | Toro Greens Roller                               | Roller/2013   | Fair               |       | 2         | 44907-313030131 |                |
|      | Sihl Weeder                                      | FS 90R        | Fair               |       | 1         |                 |                |
|      | Sihl Weeder                                      | FS 90R        | Fair               |       | 1         |                 |                |
|      | Sihl Weeder                                      | FS 110        | Fair               |       | 1         |                 |                |
|      | Sihl Weeder                                      | FS 111        | Fair               |       | 1         |                 |                |
|      | Turfco L-Edger                                   |               | Good               |       | 5         |                 |                |
|      | Troy TB110 Mower                                 |               | Good               |       | 5         |                 |                |
|      | Byon Sod Cutter                                  |               | Poor               |       | 1         |                 |                |
|      | Suhani Pressure Washer                           |               | Good               |       | 5         |                 |                |
|      | Cheap Water Pump                                 |               | Fair               |       | 2         |                 |                |
|      | Cheap Water Pump                                 |               | Fair               |       | 2         |                 |                |
|      | Club Car   | Beverage Cart | Poor               |       | 0         |                 |                |
|      | Proline Pressure Washer                          |               | Fair               |       | 3         |                 |                |
|      | Core Harvester                                   |               | Poor               |       | 0         |                 |                |
|      | Rodgers Sweeper                                  |               | Poor               |       | 0         |                 |                |
|      | Homemade spray rig                               |               | Poor               |       | 0         | 10073           |                |
|      | 308 Trailer- Missing?                            |               | Poor               |       | 0         |                 |                |
|      | 8010 Trailer                                     |               | Fair               |       | 5         | #6420           |                |
|      | Club Car- Golf bag on back?                      | Range Picker  | Poor               |       | 2         |                 |                |
|      | Club car #4 and #6 old maintenance building junk |               | Fair               |       | 3         | 97552           |                |
|      |  |               |                    |       | 0         |                 |                |

# EXHIBIT D

# EXHIBIT D

483654

EAGLE VALLEY GOLF COURSE CLUB HOUSE INVENTORY

| # of Items | Date: | Equipment                                  | Model                   | Condition | Comments      | Estimated Retail Price |
|------------|-------|--|-------------------------|-----------|---------------|------------------------|
|            |       | <b>Front of Clubhouse</b>                  |                         |           |               |                        |
| 1          |       | Memory Bench "Carol Thornton"              |                         | Good      |               |                        |
| 2          |       | Benches - With Signage/advertisements      |                         | Good      |               |                        |
| 1          |       | Bike Rack                                  |                         | Good      |               |                        |
| 3          |       | Trash Cans                                 |                         | Good      |               |                        |
|            |       | <b>Pro Shop</b>                            |                         |           |               |                        |
| 2          |       | Flat Screens TV's,                         | Element & Sanyo(Leased) | Good      |               |                        |
| 1          |       | Computer set up in Pro Shop Mangers Office |                         | Good      |               |                        |
| 1          |       | Safe                                       | Century 1330            | Good      |               | 400.00                 |
| 1          |       | Amplifier for speakers                     | Bogen GS 60             | Good      |               | 555.00                 |
| 3          |       | Two way radios                             | Midland                 | Poor      |               | 50.00                  |
| 1          |       | Printer                                    | HP Laser Jet 1020       | Fair      |               | 650.00                 |
|            |       | <b>General Managers Office</b>             |                         |           |               |                        |
| 1          |       | Computer set up                            |                         | Good      |               |                        |
| 1          |       | Printer                                    |                         | Good      |               |                        |
| 1          |       | Desk                                       |                         | Good      |               |                        |
|            |       | <b>Office (Next to G.M.)</b>               |                         |           |               |                        |
| 1          |       | Computer Set Up                            |                         | Good      |               |                        |
| 1          |       | Printer                                    |                         | Good      |               |                        |
| 1          |       | Server                                     |                         | Good      |               |                        |
| 1          |       | Internet modem                             |                         | Good      |               |                        |
| 1          |       | Battery Back up                            |                         | Good      |               |                        |
| 1          |       | Safe                                       |                         | Good      |               |                        |
| 1          |       | Desk                                       |                         | Good      |               |                        |
|            |       | <b>Copy Room</b>                           |                         |           |               |                        |
| 1          |       | Safe                                       |                         | Fair      |               |                        |
| 1          |       | Canon Copier                               |                         | Poor      |               |                        |
|            |       | <b>Kitchen</b>                             |                         |           |               |                        |
| 3          |       | Refrigerators                              | Superior                | Fair      |               | 2,000.00               |
| 3          |       | Freezers                                   | TRUE                    | Fair      |               | 2,000.00               |
| 1          |       | Walk in Freezer                            | Artic                   | Fair      | Hole In Floor |                        |
| 1          |       | Free Standing Oven                         | Moffat                  | Good      |               |                        |
| 1          |       | Range, Flat Top, Grill, 2 deep fryers      | Wells                   | Good      |               | 5,000.00               |
| 1          |       | Dish Washing Sink                          |                         | Good      |               |                        |
| 1          |       | Metal Prep Table (Mini Fridge With Table)  |                         | Good      |               |                        |
| 1          |       | Steam table                                |                         | Good      |               |                        |
| 1          |       | Microwave                                  |                         | Good      |               |                        |
| 1          |       | Wooden Block table                         |                         | Good      |               |                        |
| 1          |       | Meat Slicer                                |                         | Fair      |               |                        |
| 2          |       | Square metal Prep tables                   |                         | Good      |               | 400.00                 |
| 1          |       | Ice Machine                                |                         | Good      |               |                        |
| 4          |       | Co2 tanks                                  |                         | Fair      |               |                        |

EAGLE VALLEY GOLF COURSE CLUB HOUSE INVENTORY

| # of Items                        | Equipment                          | Model            | Condition | Comments                            | Estimated Retail Price |
|-----------------------------------|------------------------------------|------------------|-----------|-------------------------------------|------------------------|
| <b>Upstairs Bar</b>               |                                    |                  |           |                                     |                        |
| 1                                 | Computer for Scoring (NNGA)        |                  |           |                                     |                        |
| 1                                 | HP Laptop                          | HP               | Good      |                                     | 700.00                 |
| 14                                | Square tables                      |                  | Good      |                                     |                        |
| 56                                | Chairs                             |                  | Good      |                                     |                        |
| 2                                 | Tall Round Tables                  |                  | Good      |                                     |                        |
| 12                                | Bar Stools                         |                  | Good      |                                     |                        |
| 3                                 | Flat Screen TV's                   |                  | Good      |                                     |                        |
| 1                                 | Point of Sale (POS) Register       | 2 Vizio, 1 Sanyo | Good      | \$300 per TV                        | 900.00                 |
| 1                                 | Behind Bar Sink                    |                  | Good      |                                     |                        |
| 1                                 | Behind Bar Ice Machine             |                  | Good      |                                     |                        |
| 1                                 | Small Cooler                       | Superior         | Good      |                                     | 1,100.00               |
| 1                                 | Dishwasher                         | Superior         | Good      |                                     | 900.00                 |
| 1                                 | Keg o rator                        | TRUE             | Good      |                                     | 2,100.00               |
| 1                                 | Safe                               |                  | Good      |                                     |                        |
| 1                                 | Microwave                          |                  | Good      |                                     |                        |
| 1                                 | HP Laser Jet 1020 Printer          | Sharp Carousel   | Good      |                                     |                        |
| 1                                 | HP Laser Jet 1020 Printer          | HP               | Good      |                                     | 650.00                 |
| <b>Lower Level Downstairs Bar</b> |                                    |                  |           |                                     |                        |
| 13                                | Square tables                      |                  | Good      |                                     |                        |
| 58                                | Chairs                             |                  | Good      |                                     |                        |
| 5                                 | Long Tables                        |                  | Good      |                                     |                        |
| 1                                 | Built in Storage area              |                  | Poor      |                                     |                        |
| 1                                 | Point of Sale (POS) Register       |                  | Good      | Used to be fridge, used for storage |                        |
| 1                                 | Flat Screen TV's                   |                  | Fair      |                                     |                        |
| 1                                 | Computer Set Up                    | Sharp            | Poor      |                                     | 300.00                 |
| 9                                 | Outside Patio square tables        |                  | Good      |                                     |                        |
| 21                                | Outside Chairs                     |                  | Good      |                                     |                        |
| <b>Basement Level</b>             |                                    |                  |           |                                     |                        |
| 1                                 | Flat Screen TV's (Work shop area)  |                  |           |                                     |                        |
| 1                                 | Microwave (Work Shop area)         | Vizio            |           |                                     | 300.00                 |
| 2                                 | Desk                               |                  | Fair/Poor |                                     |                        |
| 2                                 | Cabinets (Women's Restroom)        |                  | Good      |                                     |                        |
| 2                                 | Mirrors (Women's Restroom)         |                  | Good      |                                     |                        |
| 3                                 | Women's Stalls (Toilets)           |                  | Good      |                                     |                        |
| 4                                 | Cabinets (Men's Restroom)          |                  | Good      |                                     |                        |
| 4                                 | Mirrors (Men's Restroom)           |                  | Good      |                                     |                        |
| 3                                 | Urinals                            |                  | Good      |                                     |                        |
| 2                                 | Men Stalls (Toilets)               |                  | Good      |                                     |                        |
| <b>Covered Pavilion</b>           |                                    |                  |           |                                     |                        |
| 9                                 | Plastic Picnic Tables with benches |                  | Fair      |                                     |                        |
| 5                                 | Long Tables                        |                  | Fair      |                                     |                        |
| 1                                 | Propane BBQ                        |                  | Poor      |                                     |                        |
| 1                                 | Freezer                            |                  | Poor      |                                     |                        |
| 1                                 | Keg o rator                        |                  | Poor      |                                     |                        |
| 1                                 | Metal Ice Chest                    |                  | Fair      |                                     |                        |
| 1                                 | Metal Cooler                       | TRUE             | Poor      |                                     | 400.00                 |
| 1                                 | Two door warmer                    |                  | Poor      |                                     |                        |
| 1                                 | Sink in middle of large islands    |                  | Fair      |                                     |                        |
| 1                                 | BBQ pit                            |                  | Fair      |                                     |                        |
| 1                                 | Standing Warmer                    |                  | Poor      |                                     |                        |
|                                   |                                    |                  |           |                                     | 18,405.00              |