

PROFESSIONAL SERVICES AGREEMENT

1. **Parties.** This agreement is made and entered into between Tracy Hamblet III, a Golf Professional, hereinafter referred to as the “Professional”, and the City of Rapid City, a municipal corporation and political subdivision of the State of South Dakota, hereinafter referred to as the “City”.

2. **Purpose.** The purpose of this Agreement is to set forth the terms and conditions whereby services of a Golf Professional are provided for the Meadowbrook Golf Course, hereinafter referred to as “Meadowbrook”, and the Executive Golf Course, hereinafter referred to as “Executive”.

3. **General Concession.** The City hereby engages the Professional to provide service for the City's golf courses, commonly known as Meadowbrook, located at 3625 Jackson Boulevard, Rapid City, Pennington County, South Dakota, and the Executive, located at 200 12th Street, Rapid City, Pennington County, South Dakota.

The Professional shall have the right and duty to engage in concession purposes customarily associated with the operation of a golf course, including but not limited to concessions for Pro Shops, sales of golfing supplies, equipment, and instructional lessons. The Professional shall also render professional advice regarding the playability of all courses and make appropriate recommendations to the City of Rapid City's Parks & Recreation Director, hereinafter referred to as the “Director”.

4. **Term.** The term of this Agreement shall be three (3) years, beginning January 1, 2006 and ending on December 31, 2008.

5. **Engagement.** The Professional shall be an independent contractor under this Agreement, and shall not be an employee of the City. The Professional shall be compensated for the professional services rendered under this Agreement as follows:

Prospective Management fees for Meadowbrook and Executive Courses to be paid by the City in twelve equal monthly payments on the last working day of each month:*

For the calendar year of 2006	\$56,076.00
For the calendar year of 2007	\$57,470.00
For the calendar year of 2008	\$58,905.00

**Due to budget restraints and/or emergencies, these prospective fees may be adjusted by the City during the term of this Agreement.*

Additionally, the Professional shall retain the following:

One Hundred Percent (100%) of profit generated by merchandise sales
 One Hundred Percent (100%) of income generated by personally provided lessons
 One Hundred Percent (100%) of income generated by the Junior Program

All furniture and fixtures located at Meadowbrook and Executive will remain the property of the City.

6. **Termination.** This Agreement may be terminated for cause at any time by the City. This Agreement is not assignable and the death or disability of the Professional shall result in termination of the Agreement.

7. **Duties of the Professional.** The Professional shall undertake to the best of his abilities the customary duties of a golf professional including, but not limited to, the following:

- (1) The Professional shall provide assistance in the preparation of Golf Course budgets as requested.
- (2) The Professional shall work with the Assistant Golf Professional to coordinate play on both Executive and Meadowbrook golf courses.
- (3) The Professional shall coordinate the activities of the driving range.
- (4) The Professional shall coordinate the activities of the Pro Shops at both golf courses at the Professional's own cost, risk, profit, and expense, including sales, merchandizing, purchasing, control, record keeping, marketing, and security. The

Professional shall maintain a level of merchandise in stock that is customarily associated with a first-class Pro Shop. The professional will also provide training in customer service, and merchandising to City staff working in the Pro Shops.

- (5) The Professional shall give golf instruction to any patrons requesting his services. The rate charged for such instruction shall not exceed the rates established by the Pro Golf Association (PGA). The Professional can hire at his own expense golf instructors to help fulfill customer demand.
- (6) The Professional shall work with all Meadowbrook and Executive Golfing Associations to provide guidance, tournaments, leagues and daily games. Additionally, the Professional shall provide one free clinic each month between May 1st and September 30th of year for the three golf associations at Meadowbrook or Executive. These clinics can be of the Professional's choosing and can include any part of the game of golf.
- (7) The Professional shall work with the Golf Superintendent and suggest ways to keep both courses in fit and proper condition and suitable for play during the months of operation.
- (8) The Professional shall devote his full time and best efforts to his functions under his Agreement. The Professional shall timely notify the Director of his weekly schedule.
- (9) The Professional shall be required to post, in an area or in a manner open to the public, those times during the golf season that he will be available at the Executive golf course, to average no less than one day per week Memorial Day through Labor Day.
- (10) The Professional shall, by May 1st of each year, provide to the Director his plan for enhancement of play at the golf courses. Items to be included in this plan are: discussion of league play, tournaments, incentives to encourage play, and any other suggestions relative to increasing play at the courses. This plan shall also

outline those periods characterized as low activity during the previous year and include suggestions from the Professional on how to increase play during those periods.

- (11) The Professional shall attend all regular or special meetings of the Golf Course Advisory Board. The Professional shall also attend the Meadowbrook Men's and Women's Association meetings and any Men's or Women's Association meetings for the Executive golf course. If the Professional is not available, his designated assistant shall attend the meeting.
- (12) The Professional shall timely prepare and update information for the City's web site relating to golf activities.
- (13) The Professional will book and oversee all golf tournaments held at Meadowbrook or Executive courses. The Professional shall not receive extra income (from the City or Tournament Organization) over and above the contract salary for providing oversight of these tournaments.
- (14) The Professional when available will help man the front desk during periods of high customer demand and will put himself into the rotation during shoulder and winter seasons.

- 8. **Pro Shop Operations.** The Professional shall monitor the Pro Shop operations. He shall recommend pricing strategies, starting times and computer operations for points-of-sale operations. He shall develop a schedule of operations for the Pro Shop approved by the Director. The Professional may make hiring and firing recommendations to the Director regarding Pro Shop staff, but the Professional will not have hiring and firing authority.

The Professional shall generate a monthly report timely delivered to the Director that includes the following information for the previous month: total number of rounds played at each course; specific times and levels of usage at each course; rounds

accounted for through season pass holders indicating pass number; and relevant weather conditions.

The Professional will, during shoulder (October, November, & March) and winter (December, January, and February) seasons work at the Pro Shop front desk for at least 15 hours per week.

9. **Tournaments.** The Professional shall be permitted to attend up to three (3) tournaments, other than tournaments held in the Rapid City area, and shall suffer no loss of compensation therefor during such absence, provided, however, no such absence shall exceed eight (8) days. The Director may approve additional tournaments. The costs of these tournaments shall be borne by the Professional.

10. **Miscellaneous.**

- (1) The Professional shall work with Pro Shop employees to train them in correct Pro Shop operations, money handling and customer service training.
- (2) The Professional shall work with the Director to inform the public and promote all activities at the golf courses by approved promotional efforts.
- (3) The Professional shall provide at reasonable fees such lessons as may be scheduled by the City Parks & Recreation Department.
- (4) The Professional shall actively improve and promote a junior golf program at both golf courses.
- (5) The Professional at all times will demonstrate a continuous effort to improve operations, streamline processes, and work cooperatively to provide quality, seamless, customer service.

11. **Insurance.** The Professional shall at all times during the term of this agreement maintain insurance with a One Million Dollar (\$1,000,000.00) liability limit per occurrence or

equivalent for the leased premises operations and products liability. Professional shall furnish the City with a certificate of insurance acceptable by the City. Such certificate shall be attached to this Agreement along with a statement generally describing the coverage therein contained. Said policy of insurance shall include the City as an additional insured.

The Professional shall defend, indemnify and hold the City harmless from all liability arising out of any conduct of the Professional or any of his agents or his personnel.

12. **Liability.** The City shall not be held liable and the Professional agrees to assert no liability against the City for any damages caused by failure of the City to maintain, repair, or provide any physical facilities. Specifically, the City shall have unlimited discretion to declare all or any part of the golf course premises closed and to prohibit the use thereof.

13. **Utilities.**

Meadowbrook Golf Course utilities:

Gas: The Professional shall pay one third (1/3) of all gas costs between October 1st and May 30th of each year.

(The Food and Beverage Concessionaire will be responsible for paying the remaining two thirds (2/3) of all gas costs between October 1st and May 30th of each year, and all gas costs between June 1st and September 30th of each year.)

Water, Sewer, and Electric: The Professional shall pay one third (1/3) of all water, sewer, and electric costs each year.

(The Food and Beverage Concessionaire will be responsible for paying the remaining two thirds (2/3) of all water, sewer, and electric costs.)

Executive Golf Course:

No utility charges shall be assessed to the Professional at the Executive Golf Course.

Snow removal: The City shall be responsible for the collection in a central location on the two golf course premises of all garbage, trash, and debris arising out of the operation of all concessions granted under this Agreement.

14. **Maintenance.** At both Meadowbrook and Executive golf courses the City shall be responsible for clubhouse buildings, minor repairs, janitorial service and the grounds immediately surrounding the clubhouse, to include mowing the grass around the clubhouses and the right-of-way at Meadowbrook between the clubhouse and Jackson Boulevard .

15. **Fixtures.** The Professional shall be responsible for providing all equipment for use in any of the concessions granted by this Agreement.

16. **Quarterly and Annual Reports.** The Professional shall submit written quarterly reports to the Director on April 15, July 15, October 15, and January 15 of each year. Such reports shall show the gross receipts during the preceding quarter from each of the following sources:

- (1) the Pro Shop
- (2) golf lessons
- (3) all other sources

Additionally, each quarterly report shall show the amount collected on behalf of the City for green fees and season memberships, storage charges for golf carts, cart leases, cart rentals and driving range.

Additionally, the Professional shall submit to the Director on or before March 1st of each year a complete, detailed financial statement showing an itemized breakdown of

all expenditures and receipts for the preceding calendar year, such statement is to be kept strictly confidential. The Professional shall provide the above information on a form provided by the City Finance Office.

17. **Concession Rent.** The Professional shall pay the City monthly rent in the amount of \$800.00 per month for use of the floor space to display and sell merchandise.

Dated this _____ day of _____, 2005.

CITY OF RAPID CITY:

THE PROFESSIONAL:

Mayor Jim Shaw

Tracy Hamblet III

ATTEST:

Finance Officer

(SEAL)

State of South Dakota)
) SS.
County of Pennington)

ACKNOWLEDGMENT

On this the _____ day of _____, 2005, before me, the undersigned officer, personally appeared Jim Shaw and James F. Preston, known to me to be the Mayor and Finance Officer, respectively, of the City of Rapid City, a municipal corporation, and that they, as such Mayor and Finance Officer, being authorized so to do, executed the foregoing instrument for the purposes therein contained by signing the name of the City of Rapid City by themselves as Mayor and Finance Officer.

IN WITNESS WHEREOF I hereunto set my hand and official seal.

Notary Public

My Commission Expires:

(SEAL)

State of South Dakota)
) SS.
County of Pennington)

ACKNOWLEDGMENT

On this the _____ day of _____, 2005, before me, the undersigned officer, personally appeared Tracy Hamblet III, known to me or satisfactorily proven to be the person whose name is subscribed to the within instrument and acknowledged that he executed the same for the purposes therein contained.

IN WITNESS WHEREOF I hereunto set my hand and official seal.

Notary Public

My Commission Expires:

(SEAL)