

The meeting was called to order by Ald. McKinnon at 6:38p.m. with the following Roll Call:

Members Present: Ald. Nitschke, Ald. McKinnon, Brian Wendorff, Chuck Brockhaus.

Members Absent: Ald. Voss, Dewy Crist

Others Present: Zach Heilprin, Brian Paynter.

Item #2 – Approve the Minutes of the January 9, 2008 meeting.

Motion by Ald. Nitschke, second by Brockhaus to approve the minutes of the January 9, 2008 meeting.

Motion carried unanimously.

Item #3 – Discuss/Recommend Changes to Golf Course Management Contract.

McKinnon started the meeting by explaining that the City Attorney had some questions/concerns about the draft that was presented to her for review. McKinnon stated his concerns about having her draw up the draft without actually meeting with the committee to make sure we are all on the same page. It was agreed upon to have the City Attorney to be present at our next meeting. Brockhaus suggested that we go over the memo from the attorney.

The following notes refer to the bullet points from Karen (memo from Karen is attached to the minutes).

- Agreed
- Discussion ensued about the last sentence in Paragraph 2 concerning Termination. The current contract states either party can terminate. Wording states that if GC doesn't comply, contract can be terminated. Wendorff asked what does complying mean exactly. If someone decides the grass isn't mowed properly, could that be non-complying? Brockhaus stated that this is a good section for the City Attorney to look at with us.
- This clarification is fine.
- City Attorney needs to sit with us so we can explain what we are looking for in this section.
- Agreed to delete the "initially". Brockhaus- I think it needs to be stated that the GC can make purchases without asking for every little thing. This will streamline the process. Nitschke commented that there are concerns about the GC being able to have the financial capabilities to run the course. Brockhaus replied that the GC has been doing it for years. The only big difference will be hiring an accountant which shouldn't be a problem. Wendorff said that all of the expenses have been coming from income from the golf course. It was agreed upon that the GC needs approval for expenses over \$10,000.00.
- Agreed

We feel that we need clarification on section #5 with the "business interruption insurance". Brockhaus stated that they haven't had it in the past. Exhibit A of the current contract doesn't discuss it. How much is expected? Wendorff will consult with Brad Steinbach about the figures he feels might be needed and the cost.

Brockhaus stated that there isn't a problem with giving a monthly report at the meetings. It would be appreciated if there could be more communication given if anyone is needed at other meetings. Is it possible to have Kathie Wild send an e-mail to Wendorff when there is an agenda item that is going to be discussed about the golf course? McKinnon talked about the lack of communication from the GC because there wasn't anyone present at the last two committee meetings.

There was continued discussion about hiring a superintendent with more experience. McKinnon is looking into a performance review process for the acting superintendent. Brockhaus would like to be included in the review process.

Item #4 – Set Time and Place of Next Meeting.

A date could not be set because of the fact that the City Attorney needs to be present. Tentative meeting dates are February 5, 2008 at 6:30p.m. or February 12, 2008 at 7:00 p.m.

Item #5 –Adjournment.

Motion by Brockhaus, second by Wendorff to adjourn at 8:26p.m. Motion carried unanimously.

Mitch McKinnon, Secretary

O'Meara Law Firm, LLP

JAMES G. POUROS
Court Commissioner

KAREN M. CHRISTIANSON
LOUIS R. BRISKA
TIMOTHY J. ALGIERS
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PATRICK O'MEARA
1845-1934
THOMAS O'MEARA
1878-1937
THOMAS O'MEARA, JR.
1911-1988
STEPHEN O'MEARA
1917-1996

MEMO

Via Email Only: midiki@sbcglobal.net

TO: Mitch McKinnon

FROM: Karen M. Christianson

SUBJECT: Mayville Golf Club Contract

DATE: January 24, 2008

I am returning to you as an attachment the Mayville Golf Club Contract draft 12/11/07 without showing any of the "redlining." If it does not read as an integrated document please let me know. I will now make comments and suggestions regarding the text.

- * In the fourth "Whereas" paragraph, Mayville Golf Club, Inc. should be identified as Manager or MGCI, as these terms are used interchangeably in the document.
- * Paragraph 2 on "Termination" creates a situation which is problematic. Originally the intent was for the City of Mayville to be able to terminate the contract upon 90 days written notice if in the City's sole opinion the manager failed to comply with the terms of the contract. Now either party may terminate the contract based upon the determination of a committee of three Council members and three Golf Club Board members. A committee made up of equal numbers of participants to make a decision to terminate the contract does not give either party the power to terminate the contract. You may wish to consider not having a termination paragraph and having the contract be an annual contract which is renewable or go back to language which allows each entity in their own right to terminate upon 90 days written notice. I question whether the Common Council can delegate the authority to terminate a contract to another entity as is proposed here.
- * You requested that I clarify the meaning of paragraph 3 entitled "Independent Contractor Status." Both the City and MGCI are stating that MGCI is an independent contractor not an employee of the City. It is also the statement here that the parties are not attempting to create a partnership or other type of business relationship. MGCI is simply managing the Golf Club operations under the contract according to its terms.
- * Paragraph 4, "Scope of Management Contract." This paragraph causes me some concern. I am not sure if it's the intent of the parties to shift daily maintenance responsibility to the City for the parking lot, Club House and maintenance shed. It seems to me that there is an overlap between the areas described in the first sentence and the second sentence. If the concern here is for more major expenditures such as resurfacing the parking lot or replacing the roof, perhaps the language needs to

address how payment for those items will occur. I am not clear as to who is to pay for replacement or repair of items such as furnaces, water heaters, and roofs.

- * In paragraph 8, subparagraph 2, I would delete the words “Initially the” and start the paragraph with “Thirty thousand dollars (\$30,000.00).” I also question the language “All purchases over \$10,000.00 need approval from the Common Council.” Aren’t all purchases going to be approved through the budgetary process and how does this match with the maintenance responsibilities? I think these questions need to be clarified because it is the use of funds and the necessity of the Mayville Golf Club, Inc. to get approval by the City versus the City paying for major cost items which have caused confusion and problems in the past.
- * Paragraph 20 grants a right of first refusal to Mayville Golf Club, Inc. We should have a little more substance to the grant of the right of first refusal. Must the City notify the Golf Club in writing that it has received an offer and, if so, how much time should the Mayville Golf Club, Inc. have to exercise the right of first refusal in writing to the City? I would suggest that the Golf Club should be given written notice and that they would have 60 days to notify the City as to whether they wish to acquire the course property or relinquish their right of first refusal.

KMC:ks

Enclosure