

**SECOND AMENDMENT TO ENGER PARK AND LESTER PARK MANAGEMENT  
AGREEMENT BETWEEN THE CITY OF DULUTH AND ANTARES GOLF, LLC**

THIS SECOND AMENDMENT to the Enger Park and Lester Park Management Agreement, effective as of the date of attestation by the City Clerk (“Effective Date”), is by and between ANTARES GOLF, LLC, (“Antares”), formerly known as BILLY CASPER GOLF, LLC, a Virginia limited liability company, having an address of 12700 Sunrise Valley Drive, Reston, Virginia 20191 and the City of Duluth, (“City”), a Minnesota municipal corporation having an address of Ground Floor City Hall, 411 West First Street, Duluth, Minnesota 55802, (hereinafter referred to collectively as the “Parties”).

**WHEREAS**, City is the owner of two municipal golf courses commonly known as Enger Park Golf Course (“EPGC”) and Lester Park Golf Course (“LPGC”), currently twenty-seven hole golf course(s), driving range and other amenities located in Duluth, Minnesota (together the “Courses”); and

**WHEREAS**, the Parties entered into a Management Agreement effective February 16, 2015 to manage and operate the Courses; and

**WHEREAS**, the Parties executed the First Amendment to the Management Agreement effective July 23, 2015 (the Management Agreement and First Amendment hereinafter the “Agreement”); and

**WHEREAS**, on April 6, 2020, Billy Casper Golf, LLC, changed its name to Antares Golf, LLC, by filing a Certificate of Amendment with the State of Virginia, with no other changes to the company structure; and

**WHEREAS**, City desires to keep EPGC open for the 2020 golf season and close LPGC for the 2020 golf season; and

**WHEREAS**, City desires to have the golf course proper at LPGC maintained in 2020 at the minimum extent necessary to have the ability to reopen LPGC for the 2021 golf season; and

**WHEREAS**, City desires to continue to utilize Antares in connection with the management and operation of EPGC and the basic maintenance of the golf course at LPGC; and

**WHEREAS**, Antares desires to render such services, upon the terms and conditions set forth in the Agreement as amended herein; and

**WHEREAS**, City and Antares desire to amend the Agreement as specified below.

**NOW, THEREFORE**, in consideration for the covenants and agreements of the Parties contained herein, the receipt and sufficiency of which is hereby acknowledged, it is mutually agreed to amend the Agreement as follows:

1. All references to Billy Casper Golf, LLC and to BCG shall be revised to Antares Golf, LLC and Antares, respectively.
2. Section 4 of the Agreement, entitled "Term of Agreement", shall be deleted in its entirety and replaced with the following:
  4. **TERM OF AGREEMENT.** The term of this Agreement shall commence on February 16, 2015 ("Effective Date"), and unless terminated as provided for herein, shall expire on December 31, 2021.
3. Section 6 of the Agreement, entitled "Billy Casper Golf, LLC Services", shall remain unchanged regarding the scope of services to be provided by Antares with respect to EPGC. Paragraphs A, C, D, F, H, I, M, N, O and P of Section 6 shall remain unchanged regarding the scope of services to be provided by Antares with respect to LPGC. The services provided in Paragraphs B, E, G, J, K, and L shall be deleted regarding services to be provided by Antares with respect to LPGC. Additionally, Section 6 shall be amended to add Paragraph Q with respect to LPGC as follows:

Q. Basic maintenance operations for LPGC.

Antares agrees to:

1. Employ and supervise necessary personnel for the maintenance of the golf course to include the administration and maintenance of payroll procedures and systems
2. Mow greens up to twice per week as needed
3. Mow tees and fairways up to once per week as needed
4. Mow rough two to three times per month
5. Irrigate turf as needed to maintain greens surfaces, tees and fairways
6. Provide routine upkeep and maintenance of mowing equipment and irrigation system as needed
7. Apply essential chemical and fertilizer applications to avoid large-scale turf loss as needed
8. Provide workman's compensation insurance coverage
9. Provide monthly accounting reports for all costs incurred
10. Antares shall receive Owner approval for any cost incurred in excess of one-thousand dollars (\$1,000).
11. Antares shall receive Owner approval for any variance from the revised 2020 LPGC budget greater than ten percent (10%) of monthly budget.

Should the scope of work at LPGC return to the terms of the Agreement for Calendar Year 2021, then Section 6 is hereby amended in its entirety for Calendar year 2021 to be as set forth in the Agreement.

4. Beginning January 1, 2020, Section 10 A of the Agreement, entitled “Compensation and Fees”, shall be amended in its entirety as follows:

**10. COMPENSATION AND FEES.**

A. Base Management Fee. For its services hereunder for January 1, 2020, to April 30, 2020, Antares shall be paid a Base Management Fee (the “Base Management Fee”) of Eleven Thousand and Forty One Dollars (\$11,041) per month and any other fees associated with the repayment of the Initial Capital Investment per Exhibit D. The Base Management Fee for May 1, 2020 to December 31, 2020 shall be Five Thousand Five Hundred and Twenty Dollars (\$5,520) per month. The Base Management Fee for Calendar Year 2021 shall be dependent on the scope of work at LPGC and EPGC as follows:

1. Should the scope of work return to the terms of the Agreement for Calendar Year 2021 at EPGC and LPGC, the Base Management Fee shall be Eleven Thousand Two Hundred and Sixty One Dollars (\$11,262) per month.
2. Should the scope of work remain as amended herein for 2021 (to include basic maintenance services for LPGC and full service operation of EPGC), the Base Management Fee shall be Six Thousand Six Hundred and Sixty-Seven Dollars (\$6,667) per month;
3. Should the City permanently close LPGC at the conclusion of calendar year 2020 and Antares shall not provide any basic maintenance services, the Base Management Fee shall be Six Thousand Six Hundred and Sixty Seven Dollars (\$6,667) per month for full service operation of EPGC as outlined in the Agreement.

The Base Management Fee shall be payable on the fifth day of each month from the Operating Account.

Included in the Base Management Fee shall be the cost of Antares corporate personnel who supervise, or otherwise participate in the management, administration and operation of the Courses, but also do work for Antares and/or other golf courses managed by Antares. These persons include Antares corporate personnel responsible for: (i) the direct supervision of on-site personnel; (ii) training of on-site and supervisory managers by Antares regional staff; (iii) the coordination and supervision of routine repairs and maintenance at the Courses; (iv) overseeing inventory and supplies of the type used by the Courses; (v) marketing; (vi) administering the payroll for on-site employees, including the administration, withholding and payment of applicable worker’s compensation coverage; and (vii) accounting and other services relating to the operation and administration of the Courses. Owner acknowledges that some or all such persons may be

simultaneously engaged by and/or for other golf courses managed by Antares. Antares shall not be separately reimbursed for the time of its executive officers devoted to the Owner's affairs or to the other overhead expenses of Antares all of which are presumed to be included in the Management Fee.

5. Section 13 D entitled "Termination Fee: Owner's Termination for Convenience" shall be deleted in its entirety.

6. Section 19 J entitled "Notices" is amended to revise the addresses of Antares and the City as follows:

In the case of Antares: Antares Golf, LLC, 12700 Sunrise Valley Drive, Reston, Virginia 20191

In the case of the City: City of Duluth, Ground Floor City Hall, 411 West First Street, Duluth, MN 55802 Attn: Parks Division

7. Except as provided in this Second Amendment, all other terms and provisions of the Agreement shall remain in full force and effect.

**(SIGNATURE PAGE FOLLOWS)**

IN WITNESS WHEREOF, the parties executed this Amendment to be effective as of April 30, 2020.

**CITY OF DULUTH**

**ANTARES GOLF, LLC**

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

By: \_\_\_\_\_  
R. Alexander Elmore, President

Attest:

\_\_\_\_\_  
City Clerk

By: \_\_\_\_\_  
Michael K. Cutler, Sr Vice President

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

Countersigned:

\_\_\_\_\_  
City Auditor

Approved as to form:

\_\_\_\_\_  
City Attorney