

**THE CITY OF SEATTLE DEPARTMENT OF PARKS AND RECREATION GOLF COURSE
MANAGEMENT AGREEMENT
Contract ID: PR0PC25-1434**

THIS GOLF COURSE MANAGEMENT AGREEMENT ("Agreement") is entered into by and between the City of Seattle ("City"), a municipal corporation of the State of Washington, acting by and through its Department of Parks and Recreation ("Department") and the Superintendent thereof, and Premier Golf Centers, L.L.C., a Washington limited liability company ("Contractor" or "Operator").

RECITALS:

WHEREAS, pursuant to Article XI of the Seattle Charter, the Superintendent has the responsibility for the operation and control of the parks and recreation system of the City; and

WHEREAS, the City owns the Jackson Park Golf Course ("Jackson"), Bill Wright Golf Complex at Jefferson Park ("Bill Wright"), Interbay Golf Center ("Interbay"), and West Seattle Golf Course ("West Seattle") and their related facilities (collectively, the "Golf Courses"); and

WHEREAS, the City desires to enter into an agreement with an experienced public and/or municipal golf course operator to provide for the overall management and operation of golf services, collect fees on behalf of the City, and to ensure the highest quality of golf programs and related benefits for the public while operating within the budget approved by the City; and

WHEREAS, the Department issued a request for proposals in order to select a golf course operator and Contractor submitted the successful proposal;

NOW, THEREFORE, in consideration of the mutual commitments and covenants contained herein, and for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereby agree as follows:

1. DEFINITIONS.

The following terms shall be defined as follows for the purposes of this Agreement:

- 1.1 "Adjusted Gross Revenue" means Gross Revenue earned from the operation of the City's Golf Courses reduced only by a) Washington State sales taxes and other tax imposed by any government agency on sales, b) admissions taxes collected, c) lease payments from other parties to the City for cellular tower(s) placed on Department property, and d) revenue collected from the sale or surplus of equipment associated with golf course maintenance.

- 1.2 “Annual Budget” means the annual budget for all Golf Courses. The proposed Annual Budget for the upcoming Fiscal Year shall be delivered by the Operator to the City by May 1 of each year.
- 1.3 “Approved Annual Budget” means the Golf Courses budget that is approved by the City.
- 1.4 “Capital Expenditure” means any expenditure for new or replacement capital equipment or Capital Improvements to the Golf Courses that have an anticipated useful life equal to or greater than one year and a cost of no less than \$5,000 (Five Thousand Dollars).
- 1.5 “Capital Improvements” means any additions, alterations, or changes to the buildings, facilities, golf course, or other amenities at the Golf Courses.
- 1.6 “City” means the City of Seattle, a municipal corporation, and its elected officials and any department or subdivision thereof.
- 1.7 “Tournament Credit Book” means a system of accounts for money won and awarded from tournament events. The system tracks additions and spending from the accounts. The award money is received from entry fees and club contributions for each event.
- 1.8 “Dark” means ½ hour after sunset until ½ hour before sunrise.
- 1.9 “Department” means the City of Seattle’s Department of Parks and Recreation.
- 1.10 “Direct Cost” means any cost which is directly related to the normal and ordinary staffing, operations, or routine maintenance of the Golf Courses as approved by the City in the Annual Budget as further defined in Section 7.1.
- 1.11 “Director” means the Golf Manager in the Department of Parks and Recreation responsible for the management of the Golf Course Management Agreement and the overall operations of the City Golf Courses.
- 1.12 “Driving Range(s)” means the golf practice driving range facilities located at Jackson, Bill Wright, and Interbay, and any other practice driving range facility that may be operated at the Golf Courses during the Term of this Agreement.
- 1.13 “Effective Date” means the date the Agreement is executed by both parties following authorization by an effective ordinance of the City of Seattle.
- 1.14 “Executive” means any person who has a financial interest in Contractor or any officer of the Contractor (e.g., Vice President, Director of Operations or

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Director of Finance) who performs services for other facilities in addition to the Golf Courses. "Executive" does not include general manager or other managers or directors performing work solely for the Golf Courses and does not include the Director of Marketing assigned to Contractor facilities in or around the Golf Courses.

- 1.15 "Fees and Charges" means the fees and charges for use of the Golf Courses (greens fees and cart rental fees) as approved by the Department for the applicable Operating Year.
- 1.16 "Fiscal Year" means January 1 through December 31.
- 1.17 "Golf Course Manual(s)" means the manual for the operation of the Golf Courses, and all reasonable revisions thereto promulgated by the Department from time to time made after written notice to and consultation with Operator.
- 1.18 "Golf Courses" means all of the buildings, grounds, fixtures, structures, restrooms, equipment, computers, tools, vehicles, fencing, and all appurtenances thereto at Interbay, Bill Wright, Jackson, and West Seattle, more particularly described on Exhibit A, which is attached and incorporated herein.
- 1.19 "Golf Lessons" means the professional golf instruction given at the Golf Courses by either the Class "A" PGA Golf Professional or qualified golf instructors as approved by the Department and employed or subcontracted by the Operator.
- 1.20 "Gross Revenue" means any and all income received from the operation of the City's Golf Courses and business conducted from or at the Golf Courses, including but not limited to the proceeds from all retail and wholesale sales; sale of food and beverages; sales from vending devices; mail or telephone orders received or filled on or from the Golf Courses; all deposits not refunded to purchasers; orders taken although filled elsewhere; and fees. The term "Gross Revenue" does not mean or include the amount of money refunded to, and not merely credited to the account of, customers who return or do not accept merchandise sold by Operator; any exchange of merchandise between locations or the central warehouses where such exchange is made solely for the convenient operation of Operator's business; returns to shippers or manufacturers; any discount allowed by Operator to customers; business conducted by Operator on behalf of non-City entities; any gratuities or service charges distributed as compensation to the facility's employees; any property and/or liability insurance proceeds (other than business interruption insurance); amounts contributed by owner pursuant to the terms of this Agreement; and income or interest derived from the bank accounts.
- 1.21 "Operating Year" means:

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A. The first Operating Year shall commence on the Effective Date and end on December 31, 2025 at 11:59 p.m.

B. Each Operating Year thereafter shall comprise the period of 12 (twelve) full calendar months.

1.22 "Operator" means Premier Golf Centers, L.L.C. (the professional golf course operating company selected to operate the City's Golf Courses.) Premier Golf Centers, L.L.C. is a wholly owned subsidiary of Troon Golf, L.L.C.

1.23 "Operator Offices" means space located at the Interbay Clubhouse in the office area limited to 400 square feet. City has the right to eliminate or reduce space available for the use of Operator's corporate employees.

1.24 "Prepays" means money received on account as a credit available towards customers or groups. Gift cards are accessed by a physical card and good for any item. Credit books are designated by number and are generally for merchandise only unless they are temporary accounts set up for prepaid deposits on banquets or tournaments.

1.25 "Pro Shops" means the golf and merchandise facilities located at the Golf Courses.

1.26 "Restaurants" means the food and beverage dining facilities located at the Golf Courses. Vending machines, remote food carts, and other food-related activities on the Golf Courses are included in the definition of "Restaurants."

1.27 "Property" means the real property upon which the Golf Courses are located. The Property is described in Exhibit A hereto.

1.28 "Superintendent" means the Superintendent of the Department of Parks and Recreation or his designee.

2. RETENTION OF OPERATOR; KEY MONEY CONTRIBUTION

2.1 The City hereby retains the Operator for the management and operation of the Golf Courses and all related facilities and services, including, but not limited to, the Golf Courses, Pro Shops, Restaurants, Driving Ranges, golf cart rentals and barns, restrooms, and all other buildings located at the Golf Courses, excluding the golf course maintenance buildings. Notwithstanding the foregoing, the City reserves the right, in its sole discretion, to change, reduce, or relocate the Golf Courses for reasons that include, but are not limited to, the City's reasonable determination of regional transit needs, the City's need to relinquish property rights under threat of condemnation, or the creation of walking paths for public access within the perimeter of the golf courses that would be built so as to not to impact golf operations. If the City changes,

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reduces, or relocates any of the Golf Courses, the parties shall negotiate, in good faith, amendments to the terms of this Agreement consistent therewith.

2.2 Key Money Contribution.

2.2.1 Operator shall pay to the City a total of One Hundred Thousand Dollars (\$100,000) (the "Key Money Contribution") each year over the 15-year term to be used by the City for Capital Improvements to the Golf Courses as mutually agreed upon by the City and Operator. The Key Money Contribution shall be paid no later than June 1st of the first year of the Agreement and each year thereafter for the 15-year term as Capital Improvements are agreed upon by the parties. The Key Money Contribution from Operator to the City shall not be treated as an equity or other investment and Operator shall not be entitled to any profit, interest or dividend or other distribution or payment from the operation of the Golf Courses, or otherwise, except as specifically described herein.

2.2.2 In the event this Agreement is renewed by Contractor for the Renewal Term, Operator shall pay to the City a total of One Hundred Thousand Dollars (\$100,000) each year over the 5-year renewal term (the "Additional Key Money Contribution").

3. ACCEPTANCE.

Prior to the Effective Date of this Agreement, the Operator has made an inspection of the Golf Courses, the Operator Offices, and related fixtures and facilities and hereby accepts the condition of them for purposes of this Agreement on an "as is" basis.

4. TERM.

4.1 Term of Agreement. The initial term ("Initial Term") of this Agreement shall be for a period of Fifteen (15) years, beginning on the Effective Date and terminating at 11:59 pm Pacific Standard Time (PST) on December 31, 2039. After the Initial Term, Contractor shall have the option, in its sole discretion, to renew this Agreement for one (1) five (5) year renewal term conditioned on Contractor providing the Additional Key Money Contribution ("Renewal Term"; collectively with the Initial Term, the "Term"). If Contractor does not intend to exercise Contractor's option to renew the Agreement for the Renewal Term, Contractor must notify the City of this intention, in writing, at least 120 days before the termination of the Initial Term. The Term, if a Renewal Term is executed, shall be for total of 20 years.

4.2 Transfer. Upon termination or expiration of the Agreement, all employees and agents of the Operator shall vacate the premises of the Golf Courses and the Operator's Offices and shall have no further rights or duties thereon, except to

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ensure and organize a proper transfer of the premises, equipment and property, records, all inventories, Prepaids (credit books and gift cards), and change funds of the Golf Courses back to the City. The Operator will maintain a current list of contracts and leases for the benefit of the golf courses and surrender it to the City upon transfer.

- 4.3 Termination for Convenience. Either party to this Agreement shall have the right to terminate this Agreement by delivering to the other party written notice of its intention to terminate at least fifty (50) days prior to the effective date of the termination.

5. OPERATOR'S BASIC SERVICE OBLIGATIONS.

5.1 Golf Management Services. The Operator shall sell, rent, lease, store, and repair golf equipment, sell golf-related clothing and supplies, provide instructional services in the playing of golf, and operate the Golf Courses, Pro Shops, golf cart rentals, and Driving Ranges consistent with the standards and conditions in this Agreement. The Operator shall employ managers, golf professionals, and other personnel at the Golf Courses. The hiring of new general manager, or any person that reports directly to the general manager, at each Golf Course shall be subject to the approval of the City, which shall not be unreasonably withheld.

- 5.1.1 Merchandise. The Operator is authorized to make purchases in order to provide and maintain in the Pro Shops such inventory of golf merchandise as deemed necessary within the Department's Approved Annual Budget to adequately meet the expectations of the public.

The Operator is encouraged to prioritize sourcing merchandise from Women and Minority Owned Business Enterprises and locally owned suppliers. The Operator is also expected to have systems in place to report loss of merchandise to the Department and minimize loss wherever possible. The Operator and Department shall meet regularly to ensure that the merchandise being displayed and sold remains in alignment with the Department's Diversity, Equity, and Inclusion goals and objectives (diverse attire merchandise). This can happen as part of the Operator's typical reporting.

- 5.1.2 If the revenue from merchandise sales exceeds the amount in the Approved Annual Budget, the Operator may exceed the merchandise purchasing amount in the Approved Annual Budget by an amount approved by the Department. After written notice to and consultation with the Operator, the Department shall have the right to prohibit the sale and rental of any item of merchandise if the Department, in its sole discretion, determines that the item(s) is of such inferior quality as to not be in the public interest to be offered

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for sale or that such item(s) is not necessary or desirable for proper service to the public. Unless otherwise approved by the Director, the Operator will maintain minimum/maximum inventory levels for sale in the pro shops as follows:

- At Interbay a minimum of \$80,000 (Eighty thousand dollars) to a maximum of \$275,000 (Two hundred seventy-five thousand dollars).
- At Jackson, Bill Wright, and West Seattle courses a minimum of \$25,000 (Twenty-five thousand dollars) at each Golf Course to a maximum of \$200,000 (Two hundred thousand dollars) each.
- In the event that a new facility is built or retail shop expanded, Director and Operator shall set new minimum and maximum inventory levels for that facility.

5.1.3 Tournament Credit Books. The Operator shall keep a system of accounts for prepaid books (credit books) of tournament winnings awarded at each course for tournament play. The course manager shall control the credit book accounts such that he or she can only increase or decrease winners' book accounts. The system will only allow a total increase to winners' book accounts by no more than the total available in the tournaments' credit book account. The Operator shall be able to run reports for all tournaments at all courses and to check all credit book balance sheets. Credit book holders shall be able to spend funds at any of the City facilities. The Operator shall provide monthly credit book details to SPR Accounting.

5.1.4 Golf Lessons. The Operator shall provide for Golf Lessons by employing qualified instructors. Accreditation of such instructors by the PGA, LPGA, and the PGA, LPGA apprentice program is preferred, but not required. The Operator shall cause all golf instructors, including Class "A" PGA Golf Professionals, to comply with the rules and regulations of the Golf Course Manual.

The Operator and Department shall evaluate the cost effectiveness of hiring a full time Class "A" PGA Golf Professional, based on the demand for golf lessons and their alignment with the Department's goals and objectives.

The Operator shall perform background checks on all golf instructors annually and upon rehire after a separation of 6 months or more. The City has strict policies regarding the use of background checks, criminal checks and immigrant status for contract workers. The policies are incorporated into the contract and available for viewing use the following link: [Background Checks and Immigration Status - Purchasing and Contracting | seattle.gov](https://www.seattle.gov/purchasing/contracting/background-checks).

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- 5.1.5 Golf Programs. Operator shall at minimum implement and promote golf programs as provided in the Golf Course Manual by providing group lessons, range balls, and general golf instruction, and by conducting tournaments for men's and women's clubs, junior and senior groups, leagues, and outings. The Operator shall make good faith efforts to execute an access agreement with First Tee of Greater Seattle.

Unless otherwise directed by the Department, the Operator also agrees to continue the current practices of maintaining the following programs: First Tee Program, Fir State Golf Foundation, Youth on Course, U on Course, and Bogey Bear Golf Foundation. Such programs shall be supported in a manner consistent with past practice, unless otherwise directed by the Department.

- 5.1.6 Minimum Hours of Operation. At a minimum, the facilities shall initially be open and available to the public in accordance with the schedule agreed upon. Thereafter the days of operation and daily hours of operation shall be as recommended by the Operator and as approved by the Department. The Department will monitor and approve hours of operation at all sites, which approval shall not be unreasonably held. SPR will establish -on course hours of operation allowing adequate time to perform maintenance responsibilities in a safe manner without the threat of injury to staff by golfers on course. These hours can vary seasonally based on daylight. The Department will request 30 minutes from the staff's start time before the tee sheet is active. This cannot be changed without prior authorization for tournaments or special events. Failure to operate this schedule will result in later morning start times.
- 5.1.7 Food and Beverage. The Operator is responsible for all costs related to the purchasing of all food and beverage inventory at the Golf Courses as Direct Costs to such Golf Courses. The decision to sell alcohol at a Golf Course or Facility must be approved by the Department, and is subject to the operator meeting all legal requirements and providing proper liability insurance, liquor liability coverage, banquet liquor permits, etc.
- 5.1.8 The Department may review and audit the menu offerings, pricing and hours of operation. The Restaurant services operation shall be used as an enhancement to the golf programs administered by the Operator and will be coordinated with golf events sponsored by (1) the daily clientele visiting the facilities, (2) recognized clubs as defined in the Golf Manual, and (3) corporate groups. Tournament packages shall include special menu selections for events of Thirty-

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two (32) or more golfers. In situations where the food and beverage required to be purchased exceeds the budget due entirely because the revenue for food and beverage exceeds the revenue budget, Operator shall be entitled to exceed the food and beverage purchasing budget by a percentage agreed upon by the Department.

5.1.9 Quality Control. Operator shall, when reasonably requested by the City in writing, retain a qualified "shopping" service from an outside vendor to use trained shoppers to anonymously evaluate customer service, operations, employee integrity, merchandising, and product quality. All reports from the provider shall be forwarded to the City. These costs will be reimbursed by the City.

5.1.10 Loyalty Programs. Operator will offer a loyalty program that is fully integrated with Operator's software and provides discounts for green fees through earned spending levels. Program may also include discounts on cart rentals and range use. This program shall be free to all persons and structured so all participants, regardless of economic status can benefit.

5.2 Building and Equipment Maintenance Services. Throughout the term of this Agreement, the Operator shall keep and maintain as a Direct Cost of the City, in good, operable, usable, and sanitary order and repair the interiors and hard surface exteriors contiguous to the club houses, driving ranges, and parking lots of the Golf Courses, including, but not limited to, the Pro Shops, restrooms, storage spaces, the driving ranges, mini golf course, golf cart rentals, and restaurants, and all buildings, structures, improvements, fixtures, equipment, and utility systems, which may now or hereafter exist on or in the Golf Courses. Excluded are course restrooms, golf course grounds and grounds maintenance buildings maintained by the City. The Operator shall provide all custodial and grounds maintenance (including, shrub bed maintenance) in and around the clubhouses, parking lots, driving ranges, and course restrooms (Operator's employees shall restock bathrooms as needed), provided, however, Operator may engage a third-party for such services if in the Approved Annual Budget. The Operator shall provide for such ordinary repairs, replacements, rebuilding, and restoration as may be required to maintain the Golf Courses in compliance with this Agreement as long as such actions do not result in a new or significantly improved facility and does not require design and/or permitting. All replacements, rebuilding, and restoration, other than ordinary repairs, shall be approved in writing by the City prior to implementation. Maintenance that would exceed the Annual Approved Budgeted amount shall be approved in writing by the City prior to implementation.

5.3 Operator-Managed Lease(s): In addition to the building maintenance terms in this Agreement, the Operator also agrees to manage all the lease agreements related to operations at the facility. These leases may include, but are not

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limited to golf carts, beverage carts, and irrigation leases. Lease agreements are subject to approval by the Department.

- 5.4 Capital Improvements. The Operator shall not undertake any major Capital Improvements projects to the Golf Courses or appurtenant facilities without the prior, written approval of the Department. All work is subject to the Operator securing applicable permits, and compliance with all terms and conditions imposed by the Department in its sole discretion. Improvements shall be reimbursable under this Agreement.

5.5 Capital Improvements Projects

- 5.5.1 Small Capital Improvements Projects. Under the direction of the Department, Operator is authorized to propose and manage the design and construction of Small Capital Improvements Projects. "Small Capital Improvements Projects" means Capital Improvement projects with an aggregated amount under \$10,000 or an amount otherwise adjusted under SMC 20.40.010. Construction and design costs will be approved by the Department and shall be paid by the City. The Operator will manage the contracts and construction in compliance with all applicable laws, including state laws and City ordinances governing public works contracts and prevailing wage requirements. The Parks Superintendent will approve all conceptual designs and contract amounts using the standard City procedures for small public works projects. The Department reserves the right of inspection during construction. All work must be approved by Parks prior to start of use by Operator or general public.
- 5.5.2 Major Capital Improvement Projects. The Operator shall not undertake any major Capital Improvements projects with an aggregated amount equal to or in excess of \$10,000 or an amount otherwise adjusted under SMC 20.40.010 (collectively, "Major Capital Improvements Projects") to the Golf Courses or appurtenant facilities without the prior, written approval of the Department. All work is subject to the Operator securing applicable permits, and compliance with all terms and conditions imposed by the Department in its sole discretion, and all applicable laws, including state laws and City ordinances governing public works contracts and prevailing wage requirements. If a Major Capital Improvement Project is managed or implemented by Operator the parties shall execute a separate agreement between the City and the Operator outlining each parties duties and obligations.
- 5.5.3 All costs associated with Capital Improvements projects shall be paid by the City. The Department shall annually review the capital investment plan for the Golf Courses with the Operator and determine the most efficient implementation of Capital Improvement

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projects.

- 5.6 Department Ownership. Except for leased equipment and proprietary property of the Operator, the ownership of all Golf Courses structures, buildings, equipment, or improvements thereto or thereon, merchandise, golf hand carts, and Golf Course maintenance equipment constructed or acquired by the Department, or by Operator on behalf of the Department, and all alterations, additions, or betterments thereto, shall remain with and be owned by the City.
- 5.7 Inventories. The Operator and the Department shall jointly inventory City-owned maintenance equipment every 2 years.
- 5.8 Inspections. The City may conduct both scheduled and unscheduled inspections of the Golf Courses without interrupting the normal operations. The City shall retain a written report of such inspections for reference and a copy of the report shall be forwarded to the Operator. The Operator shall review the report and prepare a written response to the noted exceptions and findings within 15 (fifteen) days of the receipt of the report, including contemplated courses of action to correct the noted exceptions and findings. After consulting with the Superintendent, the Operator shall take corrective action suggested by the Superintendent.
- 5.9 Operator Offices. City has the right to eliminate or reduce space available for Operator Offices. In the event that the space allocated to Operator Offices is eliminated, Operator shall, with approval of the Department, be permitted to use shared/satellite workstation(s) at the Golf Courses on a periodic basis for the purpose of managing the City's Golf Courses. SPR will only pay for or provide office space for the City of Seattle golf facilities.

6. OPERATING RESPONSIBILITIES.

- 6.1 Annual Budget. The Operator shall submit to the City, for its review and approval, the Annual Budget for each Operating Year of this Agreement. The Annual Budget for the first Operating Year will be provided by the City. Beginning in 2025, the Operator will submit a proposed Annual Budget no later than May 1 of each year under the Agreement for the upcoming Fiscal Year (by way of example, the proposed Annual Budget for Fiscal Year 2026 shall be submitted by May 1, 2025). The City shall approve, disapprove, and adjust the proposed Annual Budget by December 1 of each year as part of its annual budget process. Each proposed Annual Budget shall be in a format acceptable to the City and shall include, but not be limited to, proposed Fees and Charges, the projected number of Operator employees, the projected number of rounds of golf played and Driving Range buckets of golf balls purchased, and all projected revenues by source and golf course and the proposed Direct Costs and expenses, identifying those that are paid by the Operator and reimbursed by the City. After consultation with Operator, the Superintendent shall have the authority to negotiate changes to the proposed

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Annual Budget including, but not limited to, the projected revenue, projected costs, and the method of cost allocation, marketing plans, and advertising.

The Department will review and approve invoices from the Operator and reimburse expenses up to the amount approved in the annual budget, without mark-up or profit, including but not limited to direct and indirect expenses necessary to manage and operate the courses.

Contractor shall comply, to the extent reasonably and commercially practicable, with the applicable Annual Budget. Notwithstanding anything contained in this Agreement to the contrary, the parties acknowledge that: (a) the approved Annual Budget is an estimate only, (b) unforeseen circumstances during the course of the applicable Fiscal Year may make adherence to the applicable Annual Budget impractical or impossible, and (c) Contractor shall be entitled to reallocate the amount budgeted with respect to any item in the Annual Budget to another budget item, so long as the total amount of expenditures authorized under the Annual Budget shall not be exceeded.

- 6.2 Annual Operations Plan. As part of the Annual Budget approval process each year, the parties will collaborate to establish a mutually agreed-upon operations plan ("Annual Operations Plan") for the upcoming Fiscal Year. This plan will outline golf and non-golf community activities, Public Benefits, as that term is defined Section 6.9.2, customer satisfaction and engagement initiatives, as well as overall operational strategies and objectives, including Capital Expenditure and Capital Improvement projects.

6.3 Reports

- 6.3.1 Annual Reports. Should be received on or before February 15, each Operating Year during the Term of the Agreement. The Operator shall submit to the Superintendent, for his or her review and approval, an annual report ("Annual Report"). Each Annual Report shall include a description of the physical condition of the Golf Courses and list any repairs or improvements made during the most recently concluded Operating Year. Each Annual Report also shall include a detailed revenue, cost, and expense report in a form acceptable to the City. Annual Reports will be submitted by the Operator in electronic media using mutually agreeable software and in hard copy when requested. If the Superintendent doesn't approve the Annual Report, the Operator shall take all corrective action and submit a revised report to the Superintendent for review and approval. A report of all inventories (including prepaids and change funds) as of December 31 of each year shall be submitted to the City by January 15 to the Parks Accounting Manager.

- 6.3.2 Financial Reporting. The Operator will provide the Department with
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an Annual Income and Expenses Report for all courses and any other financial reporting as requested by the Department. The Operator will make its financial records, printed invoices, and financial reports related to the Golf Courses available and accessible to the Department upon the Department's request. The Operator will keep and maintain an inventory of these financial records for the duration required in the contract.

- 6.3.3 Monthly Reports. The Operator shall submit to the Department, for its review and approval, on or before the 20th (twentieth) day of the month following each month of operations under this Agreement, a detailed and complete report regarding the prior month's operations in a form acceptable to the Department ("Monthly Report"). Each Monthly Report also shall include a summary of the financial condition of the Golf Courses including the revenue by category and course, the categorized costs, and other financial data as may be required by the Department. The Operator shall provide additional information and documentation relating to any expense or income entry as the Department may require. Monthly Reports will be submitted by the Operator in electronic media using mutually agreeable software and in hard copy when requested. SPR will require quarterly meetings with appointed SPR staff and Contractor leadership to discuss and review accounting issues, DEI hiring/trainings, access programing, PCI compliance reporting, KPI monitoring. Information and data for these meetings will be the responsibility of Contractor.

Loss Reports. A Loss Report shall be submitted to the Parks Accounting Manager within forty-eight (48) hours for any loss of any asset, including cash of any amount, and inventory or other items valued at more than \$100, capital asset valued at more than \$5000; small and attractive asset \$300 or more per occurrence. The report shall be submitted on the City's Loss Report form and shall include:

- A. The exact or estimated amount of the loss.
- B. Composition of the loss (cash/checks).
- C. Date of the loss.
- D. When and how the loss was discovered.
- E. Whether it is known, who is responsible for the loss, (and, if so, the name).
- F. When possible and appropriate to get, a copy of the police report shall be included in the report to the City.
- G. Whether the loss is covered by insurance.

- 6.3.4 Shopper Reports. Reports will be conducted at the request of the Director and will be promptly forwarded to the City.

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- 6.4 Compliance with Laws and Policies. The Operator shall comply with all municipal ordinances, all state and federal laws, and all regulations applicable to the operation of the Golf Courses and the management services provided under this Agreement. The Operator will comply with all applicable laws and regulations applicable to management or service contracts that involve facilities financed with tax-exempt bonds under federal tax law. The Operator shall not knowingly permit any illegal activities to be conducted on or at the premises of the Golf Courses. The Operator shall obtain all such required permits or licenses from the appropriate regulatory agency before undertaking any regulated activity.
- 6.5 Compliance with Rules and Regulations. The Operator shall comply with all rules and regulations set forth in the Golf Course Manual and will enforce all such rules at the Golf Courses.
- 6.6 Operator's Obligations to Refrain from Discrimination (Equality of Treatment). Without limiting the generality of Section 6.4, the Operator will comply and shall require its subcontractors to comply with all applicable equal employment opportunity and nondiscrimination laws of the United States, the State of Washington, and the City of Seattle, including but not limited to Chapters 14.04, 14.10, and 20.42 of the Seattle Municipal Code (SMC), as they may be amended from time to time; and rules, regulations, orders, and directives of the associated administrative agencies and their officers. In the event that Operator is a party to an administrative charge, litigation or arbitration from an employee (current or former) alleging discrimination or sexual harassment, Operator shall promptly notify Department regarding the same; provided, however, in instances of an administrative charge that are intended to be confidential, Operator shall not be obligated to disclose charging party's name, but only to the extent that the City determines, in its sole reasonable discretion, that the charging party's name is not needed to enforce or comply with applicable laws or City policies.

Compliance with Americans with Disabilities Act (ADA) and other Disability Laws. If Operator is providing services, programs or activities to City employees or members of the public, Operator shall comply with the ADA and other applicable Disability Laws. Operator shall provide the services specified in this Agreement in a manner that complies with Title II of the ADA and any and all other applicable federal, state and local disability laws and regulations at all times and at no additional cost to City, including but not limited to the Americans with Disabilities Act of 1990; Section 504 of the Rehabilitation Act of 1973, 29 U.S.C § 701 et seq.; and the Washington Law Against Discrimination, Wash. Rev. Code Ann. § 49.60.

The final project design for Capital Improvements shall comply with all applicable laws, building codes and regulatory requirements, including but not

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limited to the requirements of Title II the Americans with Disabilities Act (ADA) as amended (42 U.S.C. 12101 et seq.), its regulations, standards and guidelines. In cases where Title II and III of the ADA differ, the design shall comply with the provision that provides the highest degree of access to individuals with disabilities. Additionally, in cases where the 2010 ADA Standards for Accessible Design and building codes and other regulations differ, the design shall comply with the standard that provides the highest degree of access to individuals with disabilities. It is the responsibility of the Operator to determine the applicable code provisions.

6.7 Signs. The Operator shall not post any permanent signs at the Golf Courses without the prior approval of the Department.

6.8 Public Use and Access.

6.8.1 The Operator will ensure all park areas adjacent to the Golf Courses remain free and clear of obstructions to park use caused by the Golf Courses.

6.8.2 Public Benefits. A central element of this Agreement is the Operator's ongoing provision of certain public benefits ("Public Benefits") to the community. Operator will partner with the City to ensure the continuing provision of Public Benefits similar to those identified in Exhibit D in types, scale, frequency and community impact; provided, however, the parties may modify the types, scale, and frequency of Public Benefits based on the needs of the Golf Courses, the City and the community. The goal of Public Benefits shall be to provide access to Seattle's underserved populations in similar scale and impact as outlined in Exhibit D. Operator shall make commercially reasonable efforts to maintain the Target Metrics and Estimated Value of Services outlined in Exhibit D, provided, however, the parties may modify the Target Metric and Estimated Value of Services goals each year. The Estimated Value of Services shall not increase by more than CPI each Fiscal Year. The Public Benefits and associated Target Metrics and Estimated Value of Services for each Fiscal Year shall be outlined in the Annual Operations Plan, and such determinations shall be based on the most recent Public Benefit Report. The "Value of Services" shall be a mutually agreed upon dollar valuation of Public Benefits based on commercially reasonable and available data. The "Target Metrics" shall be the number of individuals receiving or availing themselves of the Public Benefit. "CPI" shall mean the Consumer Price Index for Urban Consumers for the Seattle-Tacoma-Bellevue area, or its functional widely recognized and utilized successor index as determined by the parties, measured as of June 30 of the prior Fiscal Year.

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- 6.8.3 Public Benefit Report. Within sixty (60) days after the end of the Fiscal Year, Operator shall submit to the City a report on the Public Benefits for such Fiscal Year. The Operator will include in each annual Public Benefits report a description of the Public Benefits the Operator has provided, including, but not limited to, descriptions of the Public Benefits, actual Target Metrics, actual Value of Services and the scale and impact of those Public Benefits. A shortfall in Public Benefit Target Metrics or Value of Services during any Fiscal Year will not constitute an event of default as long as the Operator has made commercially reasonable efforts to provide the Public Benefits as set out in this Section.
- 6.8.4 Financial Disruptions. The parties understand that the ability of the Operator to continuously provide and increase the value of Public Benefits as required herein may be compromised by unanticipated reductions in attendance or revenue associated with economic recessions identified by the National Bureau of Economic Research (NBER) or its functional successor; emergency closures; the reduction of amenities; and other events beyond the Operator's reasonable control. While the Operator will make a good faith effort to maintain Public Benefits under such circumstances, the City understands that the scale and value of such benefits that the Golf Courses can reasonably sustain during periods affected by such events may be reduced. When the impact of such events dissipates, the Operator shall endeavor to restore the scale and value of its Public Benefits to the level before the Operator revenue declined as soon as reasonably possible.
- 6.8.5 Annual Review. The Operator agrees that it will provide at an initial level and value public benefits as summarized in this Section and Exhibit D. The parties recognize that over the Term of the Agreement, the Operator, or the City may develop new programs and strategies that may more effectively achieve the desired outcomes and equity outcomes. The year following the Effective Date and every year thereafter during the Term, the City and the Operator shall review the public benefits outlined herein and, if reasonably approved by both parties, shall modify Exhibit D to reflect the goal of providing public access to the City's underserved populations and allow room for adjustments based on programming and facility changes. While the value of the Operator Public Benefits shall escalate at the level set out in the Section 6.9.2 above, the program and strategies used by the Operator to deliver that value will be evaluated every year following the Effective Date in conjunction with the program evaluation.

- 6.9 Marketing and Advertising. The Operator shall use its best efforts to maximize
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the public use of the Golf Courses by effectively marketing and promoting the Golf Courses to ensure financial and operating success. For each operating year, the Operator shall submit to the Department as a part of the proposed Annual Budget a complete marketing and advertising plan and shall include a year-end marketing and advertising report along with the Annual Report concerning all activities undertaken by the Operator with respect to the approved marketing and promotion plan for the applicable Operating Year. The Operator may deviate from the amounts provided within the budget and marketing plan to respond to unexpected market conditions after first consulting with and obtaining the approval of the Director. The City reserves all advertising rights associated with the Golf Courses and Operator will purchase any advertising on behalf of the City.

- 6.10 Utilities. Upon commencement of the term of this Agreement, the Operator shall be responsible for arranging for the utility services required by the Golf Courses, including, but not limited to, internet, water, gas, electricity, sewer service, and trash removal. The Operator acknowledges that during the term of this Agreement there may be a defect, deficiency, or impairment of any utility system, water system, water supply system, drainage system, waste system, heating or gas system, or electrical apparatus or wires serving the Golf Courses. Any expenses incurred by the Operator to correct any such defect, deficiency, or impairment shall be a Direct Cost, aside from Capital Expenditures.
- 6.11 Safety. The Operator shall immediately correct any unsafe conditions to the Golf Courses, or notify the Department of any potentially unsafe conditions, as well as any potentially unsafe practices occurring thereon. The Operator shall contact an emergency medical response provider as soon as reasonably possible after becoming aware of any person on or at any of the Golf Courses who is in need of medical attention because of illness or injury. The Operator shall cooperate fully with the Department in the investigation of any accidental injury or death occurring at the Golf Courses and shall submit promptly to the Superintendent an accident report describing any injuries or deaths at the Golf Courses. An incident log will be maintained at the Golf Courses by the Operator.
- 6.12 Use of Facilities Restrictions. The Operator shall obtain from the Director prior written approval of any events or activities not otherwise specifically provided for or authorized under the Agreement, or any extraordinary events or activities requiring the exclusive use of any of the Golf Courses or any portion thereof.
- 6.13 Meetings. Representatives of the Operator and the Department shall, at a minimum, meet monthly and at such other times as may be required by the Department to review the Operator's performance under this Agreement, to review the monthly financial reports submitted by Operator, and discuss any

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problems or emerging issues.

6.14 Fee Structure.

- 6.14.1 Fees and Charges. Initially all Fees and Charges shall be the current Fees and Charges in effect at the Golf Courses as of the Effective Date. Beginning with the Operator's submission of the proposed Year Annual Budget on May 1, each year, the Operator shall propose Fees and Charges for the coming year. Additionally, Operator shall conduct a biannual market survey of comparable local municipal golf courses and driving ranges and provide the Director with the results. The Operator, in the exercise of its professional judgment, shall recommend Fees and Charges at such rates that will best meet the goals of maximizing Golf Courses net revenue and the positive golfing experience of golfers of all ages and skills. The Department will review, revise as needed, and establish Fees and Charges for the upcoming operating year.
- 6.14.2 Changes to Fees and Charges. At any time during the Term, the Operator may propose off-season Fees and Charges for rounds of golf, cart fees, Driving Range fees, and temporarily lower fees, discounts, or promotional programs based on sound business practice. Any change to Fees and Charges are subject to prior approval by the Department.
- 6.14.3 Other Charges. All charges directly charged to the public that are related to golf course operations, including course and range fees, fees for classes and lessons, equipment fees and other usual golf course fees and charges paid by golfers shall be proposed by the Operator in its proposed Annual Budget and are subject to approval by the Department. Restaurant and retail prices, including prices for Pro Shop equipment and supplies, are not included in Fees and Charges and shall be proposed by the Operator in its proposed Annual Budget, and may be changed at other times by Operator as market conditions and costs change, subject to Department approval. The Department shall have the right to reject any price changes and request Operator to change to a specified price. If the Operator proposes an increase in the maximum fees authorized by the Department other than in the proposed Annual Budget submission, the Operator shall submit such proposed changes to the Department for approval at least sixty (60) days prior to the proposed implementation date. Any such change will be implemented only with the written approval of the Superintendent.
- 6.14.4 Discounts. Except as specifically authorized in writing and by mutual agreement as part of this Agreement, employees of the Operator shall not receive discounts to the above listed fees. Department shall
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provide its standard policy for food and beverage consumption to Operator each year.

6.14.5 Reciprocal Play. In addition, parties shall agree upon an established reciprocal play policy.

6.14.6 Operator Employee Merchandise Discounts. All Operator employees are eligible to purchase pro-shop merchandise at cost plus 10%. If the item is discounted to the public below this price, then the employee would pay that price with no additional discount. Employees must not use their discount to purchase items for resale.

6.15 Business License, Permits, and Leasehold Excise Tax.

6.15.1 Non-Reimbursed Costs and Expenses. The Operator shall obtain and pay for without reimbursement by the City a) the state licenses, registrations, and permits; unless authorized herein, b) any federal government fees, taxes, charges for the Operator's business, c) the Operator's City of Seattle Business Licenses, and d) leasehold excise taxes, if any. Any Operator legal and administrative costs associated with obtaining these licenses and permits will not be reimbursed by the City. Any late charges or penalties incurred by the Operator associated with obtaining these licenses and permits will not be reimbursed by the City without prior approval.

6.15.2 Reimbursed Direct Costs and Expenses. The City will reimburse Operator, as a Direct Cost, the actual fees paid by the Operator for Washington State Liquor Control Board licenses and permits, Seattle-King County Department of Public Health permits and inspections, and other permits and fees directly related to the operation of the Golf Courses and approved by the City in the Approved Annual Budget. Any Operator legal and administrative costs associated with obtaining these licenses and permits must be approved in advance by the City. Any late charges or penalties incurred by the Operator that is associated with obtaining these licenses and permits will not be reimbursed by the City without prior approval of the Director.

6.16 Restaurant and other Goods and Services. The Operator shall at all times maintain a complete list or schedule of the prices charged for all goods and services supplied to the public by or at the Golf Courses. Such list or schedule of proposed prices shall be included in each proposed Annual Budget provided to the Department. Such prices shall be based on the following considerations: a) that the Golf Courses are intended to serve the needs of the public with the goods and services supplied at a cost comparable to other local sources of similar goods and services and b) that the potential profit

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margin should accommodate the cost of providing the goods or services in compliance with the obligations of this Agreement. If the Department notifies the Operator that a fee or a price being charged is not fair and reasonable, then Operator shall have the right to confer with the Department to justify such fee. Following reasonable conference and consultation thereon, the Operator shall immediately make such fee/price adjustments as may be ordered by the Department.

6.17 PCI-DSS Compliance

6.17.1 Definitions.

"AOC" means Attestation of Compliance

"PCI-DSS" means Payment Card Industry - Data Security Standards

"PTS" means PIN Transaction Security Devices

"QSA" means Qualified Security Assessor

6.17.2 Transaction Data Security, Certification and Compliance. Throughout the Term of this Agreement, Operator shall demonstrate compliance and shall provide on an annual basis a current AOC from a PCI-DSS Qualified Security Assessor.

6.17.3 PTS-Devices. Operator will use devices which appear on the PCI Security Standards Council approved PTS device list, if PTS devices are employed.
https://listings.pcisecuritystandards.org/assessors_and_solutions/pin_transaction_devices

6.17.4 AOC Assessors. A QSA is required to perform annual AOC assessments; the costs of such assessments shall be the Operator's expense and not reimbursable by the City.

6.17.5 Operator is responsible for the security of cardholder data that its subcontractor possesses, including the functions relating to storing, processing, and transmitting of the cardholder data.

6.17.6 Operator affirms that, as of the Effective Date of this Agreement, it has complied with all applicable requirements to be PCI-DSS compliant.

6.17.7 Operator will immediately notify the City if Operator learns that

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Operator or subcontractor is no longer PCI-DSS compliant and will immediately provide the City with the steps being taken to remediate the noncompliance status. In no event should Contractor's notification to the City be later than five (5) calendar days after Operator learns it or a subcontractor is no longer PCI DSS complaint.

Operator is responsible to reimburse the City of all and any fines or fees associated with any non-compliance to the PCI-DSS. This may include direct fines from the credit card brands and expenses related to remediation efforts by the city to bring the operator into compliance.

6.17.8 Unauthorized Access to Cardholder Data

6.18.8.1 Upon discovery of a breach or intrusion or otherwise unauthorized access to cardholder data stored at or for Operator, shall notify the City's CISO within 24 hours to allow the proper PCI DSS compliant breach notification process to commence. The CISO is to be contacted via email at COS-OIS@seattle.gov. A phone message can be left at 206 615-1233. The DPR Director of Golf is to be cc'd on the email and contacted by phone also.

6.18.8.2 Promptly following Operator's notification to the City, the parties shall coordinate with each other to investigate the security breach. Operator agrees to fully cooperate with the City in City's handling of the matter, including, without limitation: (i) assisting with any investigation; (ii) providing City with physical access to the facilities and operations affected; (iii) facilitating interviews with Operator's employees and others involved in the matter; and (iv) making available all relevant records, logs, files, data reporting and other materials required to comply with applicable law, regulation, industry standards or as otherwise required by the City.

6.18.8.3 Operator shall ensure appropriate payment card companies, acquiring financial institutions and their respective designee's access to the Contractor's and subcontractor's facilities and all pertinent records to conduct a review of the Contractor's and subcontractor's compliance with the PCI-DSS requirements.

6.18.8.4 Operator acknowledges cardholder data can only be used to assist card brands or acquiring banks in completing a cardholder transaction. Operator will also

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support and provide documentation upon request, in completing a transaction, supporting a loyalty program, and providing fraud control services, and/or uses specifically required by law.

6.17.9 Background/Criminal History Checks.

- 6.18.9.1 City reserves the right to require background/criminal checks during the course of the Agreement for essential City purposes so long as such background/criminal checks do not violate applicable laws, rules, or regulations. The City has strict policies regarding the use of background checks, criminal checks and immigrant status for contract workers. The policies are incorporated into the contract and available for viewing use the following link: Background Checks and Immigration Status - Purchasing and Contracting | seattle.gov.
- 6.18.9.2 The City does not intend to request background checks/verifications unless essential to the operation of the Golf Courses, in the reasonable opinion of the City.
- 6.18.9.3 Contractor shall require employees that operate point of sales systems complete security awareness training as directed by the City.
- 6.18.9.4 This Section 6.18.9 covers background/criminal checks for Operator workers before they work on certain City tasks, systems and/or locations, to include the discovery and verification of criminal convictions and civil findings.
- 6.18.9.5 For returning employees who have been laid off for more than one year, the Operator must complete a new background /criminal check.
- 6.18.9.6 The Operator shall revoke access to any PCI applications or areas promptly and provide to the City, no less than forty-eight (48) hours from when the status change becomes effective, notice of any Operator worker who is: (i) reassigned or no longer requires access to the point of sale systems to perform their job, or (ii) terminated by the Operator for cause.
- 6.18.9.7 Upon learning of a change in criminal history or

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background status of an existing employee, and such change affects their ongoing job duties, the Operator shall promptly notify the SPR Director of Golf. The City may request a new background/criminal check for this or other cause during the term of the worker's access to the secure areas or credit card payment systems.

6.18.9.8 Routine background/criminal history check reports shall include identity verification (e.g. social security number or driver's license verification) and a search of records from any federal, state or county court in the United States, based on applicant location or residential information, and records of all convictions or releases from prison within the last seven (7) years.

6.17.10 Training. The City requires the Operator's employees who have access to credit card data or secure areas to complete PCI training on an annual basis.

7. COSTS AND EXPENDITURES, LATE FEES.

7.1 Direct Costs. All Direct Costs (the normal and ordinary costs of operating and maintaining the Golf Courses) shall be paid by the Operator from the Operator's bank accounts, and Operator shall be reimbursed by the City. The City will reimburse Direct Costs without mark-up or profit to the Operator, and such costs will include only the actual amount paid by Operator to persons and entities unrelated to the Operator.

The amounts paid by the Operator for salaries, wages, compensation, and benefits to its employees that are to be reimbursed by the City are required to be determined at fair market value and not be based upon any share of net profits from the operation of the Golf Courses. Executive personnel are not to be reimbursed as Direct Costs but instead are to be included as part of the Base Management Fee provided in Section 8 below.

Late fees paid to vendors will not be reimbursed without approval of the Department's Operations Director. Subject to the above limitations, a Direct Cost shall be any cost which is directly related to the normal and ordinary staffing, operations or maintenance of the Golf Courses only when approved by the City in the Approved Annual Budget or when proposed by the Operator and approved in writing by the City, including but not limited to the following:

7.1.1 Operator employee salaries, wages, and compensation.

7.1.2 Operator's employee benefits including vacation, sick leave, health insurance, HSA Contributions, 401(k) contributions, disability

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insurance, and worker's compensation insurance.

- 7.1.3 Employee Incentives and Bonuses. Employee incentives that comply with City policies are authorized and will be considered a Direct Cost. Authorized incentives are to express employee appreciation and are generally of minimal value (\$10 or less). The reimbursement request for any incentives that comply with City policies must include a completed City Form. Any other employee incentive or bonus will be excluded as a Direct Cost and will be paid at Operator's sole expense.
- 7.1.4 Food for Operator Employees. Food provided to employees that complies with City policies is authorized and will be considered a Direct Cost. Operator shall comply with the City's standard policy for food and beverage consumption. All food purchased by employees under such food and beverage policy will be excluded as a Direct Cost and will be at the Operator's or employee's sole expense.
- 7.1.5 Personal Mileage Reimbursement. Reimbursement of Operator employee usage of personal cars for business purposes shall be considered a Direct Cost, up to the then current rate approved by the IRS. Operator employees requesting mileage reimbursement shall maintain and submit mileage/trip logs as required by the Department. Mileage will be reimbursed no greater than the current rate authorized by the IRS. The employee must submit with the reimbursement request a log of beginning and ending mileage and beginning and ending location, the business reason for the travel, along with the date of trip.
- 7.1.6 Lease and/or rental of equipment.
- 7.1.7 Repair and maintenance of golf and hand carts, irrigation systems, and capital equipment.
- 7.1.8 Uniforms, laundry, and linens.
- 7.1.9 Operating supplies, office supplies, cleaning supplies, and other miscellaneous supplies.
- 7.1.10 Audit. Performance or financial audits that may be required by the City.
- 7.1.11 Advertising and marketing expenses.
- 7.1.12 Travel. The City of Seattle's Travel Policy and Procedures are included in Exhibit C. All travel must be aligned with this policy

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unless otherwise agreed in writing by the Seattle Golf Director.

- 7.1.13 Telephone, postage, and freight directly related to the operation of the Golf Courses.
- 7.1.14 Utilities and utility deposits, including natural gas, water, electric power, internet, telephones, garbage, recycling, and trash collection.
- 7.1.15 Parking lot maintenance.
- 7.1.16 Washington State Business and Occupation taxes on the Direct Costs or reimbursement of same. The Operator shall be responsible for the collection and payment of all applicable taxes arising out of the operations, including Sales, Use, Admissions, and Business and Occupation taxes. While these taxes are subject to reimbursement by the City in accordance with Section 7 of this Agreement, any fines or costs that result from not complying with deadlines or administrative requirements imposed by taxing authorities shall be the sole responsibility of Operator.
- 7.1.17 Purchase Refunds. Purchase Refunds will be deducted from expenses.
- 7.1.18 Food, Beverages, and restaurant supplies.
- 7.1.19 Reservation Center. The Golf Courses shall share in the direct and actual costs of a Reservation Center based upon each Golf Course's actual volume of calls as percentage of total calls for the Reservation Center.
- 7.1.20 Shared Services. Costs for Administrative Support (e.g., Accounting, Marketing, HR and IT) shall be paid by each Golf Course on a pro-rata basis to be outlined in the Annual Budget each year by the Parties.
- 7.2 Direct Cost Budget. The Direct Cost Budget is a portion of the Annual Budget and includes inventory.
- 7.3 Excluded Operating Costs. Those operating costs that are paid by the City but are not included in the Direct Cost Budget include and are limited to the following:
 - 7.3.1 Those maintenance and/or operating costs that are due to any reason beyond Operator's reasonable control, an "occurrence of force majeure" including, without limitation, acts of God, riots, strikes, and/or fires, provided, however, that such expense shall continue only during the pendency of the particular occurrence of force

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majeure and are subject to the prior approval of the Superintendent.

7.3.2 Base Management Fees and Incentive Management Fee paid as part of this Agreement to the Operator.

7.4 Capital Expenditures. A Capital Expenditure is not a Direct Cost and each must be separately approved by the Director before it may be undertaken. The City is responsible for the cost of any Capital Expenditure approved by the Director. Examples of such expenditures include, but are not limited to equipment for the driving ranges, golf course maintenance, kitchen, and restaurant fixtures, etc.

8. OPERATOR COMPENSATION.

8.1.1 Base Management Fee. (a) From and after the Commencement Date, the City shall pay to Operator a base management fee (the "Base Management Fee") equal to Three Hundred Seventy-Five Thousand Dollars (\$375,000.00) for each full Fiscal Year during the Term, equitably pro-rated for any partial Fiscal Year. Commencing on January 1, 2026, and continuing on each January 1 thereafter, the Base Management Fee amount for such Fiscal Year shall be the Base Management Fee amount applicable to the last day of the immediately preceding Fiscal Year as increased by two and one-half percent (2.5%)

8.1.2 The Base Management Fee shall be paid monthly based on one-twelfth (1/12th) of the annual Base Management Fee amount for the Fiscal Year in question (pro-rated for any partial calendar month). For the purposes of pro rata calculations only it is agreed months will contain thirty (30) days. The City will pay the Management Fee by EFT to the Operator within ten (10) working days (excluding City holidays) after receipt and City acceptance without contest or question of the Monthly Report and supported by an invoice from the Operator.

8.1.3 Incentive Management Fee. For each Fiscal Year during the Term, the City will pay the Operator an incentive management fee ("Incentive Management Fee") equal to ten percent (10%) of the amount Adjusted Gross Revenue exceeds the annual Adjusted Gross Revenue threshold ("Annual Threshold") for that Fiscal Year if Gross Revenue covers all golf expenses, including the Operator's golf expenses, the City's golf expenses, the required 3.5% contribution to the Park Fund to cover department overhead costs, and the Current Debt Service ("Incentive Management Fee Conditions"). The Annual Threshold for Fiscal Year 2025 is Sixteen

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Million Five Hundred Thousand Dollars (\$16,500,000). Beginning on January 1, 2026, and continuing each January 1st thereafter, the Annual Threshold amounts for the applicable Fiscal Year shall be the Annual Threshold amounts applicable to the last day of the immediately preceding Fiscal Year as increased by two and one-half percent (2.5%). For example, the Annual Threshold for Fiscal Year 2026 shall be \$16,912,500. If a revenue-generating amenity is permanently or temporarily closed or modified such that Adjusted Gross Revenue is likely to be negatively impacted, the parties shall negotiate in good faith and agree upon a reasonable reduction of the Annual Threshold during the applicable impact period. If Gross Revenue do not meet the Incentive Management Fee Conditions such that the Golf Courses operate at a loss in any given Fiscal Year, and such losses are determined by the City and Operator, both acting in good faith, to be directly due to Operator failure to operate the Golf Courses as outlined in this Agreement, then any Incentive Management Fee owed to Operator shall be reduced by such loss, provided, however, under no circumstances shall Operator be required to cover such losses beyond the amount of its Incentive Management Fee.

- 8.1.4 The City will pay the Incentive Management Fee by EFT to the Operator within ten (10) working days (excluding City holidays) after the Annual Report is accepted by the City. The Annual Report will include an invoice from the Operator that details the calculation of the Incentive Management Fee. Operator will allocate a percentage of the Incentive Management Fee to key staff members at each Golf Course as an annual bonus distribution.

8.2 Payment Procedures.

- 8.2.1 After receipt from the Operator of applicable invoices that have been approved without contest and accepted by the City, the City shall reimburse the Operator for Direct costs by ACH or EFT to the Operator within 10 (ten) business days, excluding City holidays, after receipt of the Operator's invoices in a form approved by the City.

- 8.2.2 The Operator shall submit original copies of all bills and invoices. Each bill and invoice shall be approved and shall be signed by an Operator management employee. Operator shall submit weekly invoices to be approved and paid by the City.

- 8.3 Reimbursement Submittals. The Operator will submit receipts, invoices for all Direct Costs, and expenses to the City according to a schedule that has been approved by the City. In no event shall the reimbursement submittals be processed more often than once a week with the exception of twice per month payroll reimbursements. The City reserves the right to review all

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reimbursement submittals, seek justification from the Operator and once accepted by the City, issue a reimbursement.

8.3.1 Salary reimbursement requests must be separated by golf course and include by employee: name, total hours, pay rate, total cost, and cost for each benefit (taxes, health insurance, etc.). The request must include a report from the Operator's payroll system that includes the above information.

8.3.2 At year-end, if requested by the City, reimbursement requests must be separated by calendar year; any single request that includes expenses from two calendar years will not be reimbursed and returned to the Operator for resubmission as separate requests by year.

8.3.3 Reimbursement Summary. Each request shall include a summary that includes sub-totals by golf course and list each vendor, date paid, check number, and amount. Attached to the summary shall be the original invoice that was paid. Upon request by the City, a copy of the check must be attached to each invoice(s). Vendor invoices shall include detail itemization and be on the vendor's letterhead or invoice with the vendor's name, address, etc., or if on an invoice form provided by the Operator, shall include identifying information and the vendor's signature.

The City and Operator shall agree to work diligently toward an electronic submission system acceptable to state auditors that increases efficiency and combined cost of submission to City.

8.3.4 Payment Approval and Certification. At least once annually, the Operator shall provide a letter signed by an authorized Operator representative including all employees who are authorized to sign reimbursement requests. Prior to submission of any requests for reimbursement, the Operator shall provide a letter signed by the CEO that identifies all employees authorized to sign and approve reimbursement requests (on the summary page). Each summary invoice shall include a certification statement as follows:

"I, the undersigned, do hereby certify under penalty of perjury that the materials have been furnished, services rendered, or labor performed as described herein and the claim is a just, due, and unpaid obligation against the City by the Operator, and I am authorized to authenticate and certify to said claim." The certification shall be signed and dated.

9. FINANCIAL AND ACCOUNTING PROCEDURES.

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- 9.1 Bank Account. The City has established a bank account ("City's Bank Account") for the purposes of accepting deposits of revenues under this Agreement. The funds in this account are the property of the City. Payments by Operator from this account are prohibited.
- 9.2 Revenue Requirements for Program Expenses. Operator shall, to the extent reasonably and commercially practicable, ensure Gross Revenue are sufficient to cover all golf related expenses related to operation of the Golf Courses as outlined in the Annual Budget, including the required 3.5% contribution to the Park Fund to cover department overhead costs. Notwithstanding anything contained in this Agreement to the contrary, the parties acknowledge that: (a) the Approved Annual Budget, and anticipated Gross Revenue associated therewith, are estimates only, and (b) unforeseen circumstances during the course of the applicable Fiscal Year may make adherence to the applicable Annual Budget, or achieving Gross Revenues targets, impractical or impossible. In addition to the above, Operator will make commercially reasonable efforts to ensure Gross Revenue are sufficient to cover remaining annual debt service on capital improvements completed at the Golf Courses as of the Effective Date ("**Current Debt Service**"). The City shall disclose its Current Debt Service obligations to Operator at least thirty (30) days prior to the Effective Date. If Gross Revenue are not sufficient to cover the City's Current Debt Service on the Golf Courses or related equipment and assets, Operator shall not under any circumstances be responsible for paying the shortfall to the City or the Current Debt Service lender(s). The Current Debt Service, and any future debt service, are the sole obligations of the City. In addition to the above, remaining earned revenues net of the above expenses is typically invested by the City in Capital Improvements to City-owned golf facilities (i.e., buildings, grounds, equipment, etc.).
- 9.3 Revenue Deposit. All revenues from sales and rentals at Interbay, Jackson, Bill Wright, and West Seattle Golf Courses are the property of the City and not part of the fees or consideration paid to the Operator and shall be deposited into the City's Bank Account daily. No deposits of the four golf courses' revenue may be made into any other bank account for any purpose or under any circumstances.
- 9.4 Accounting Procedures. For expenditure process, please refer to Section 8.2.
- 9.4.1 Each business day, the City will reconcile all daily sales and other revenue transactions by using data from the Operator's point of sale system that can then be uploaded by the City into the City's financial system (PeopleSoft 9.2).
- 9.4.2 If the Operator makes an adjustment after submission, it should notify Department Accounting on the same business day.

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- 9.4.3 If the Operator proposes any new business revenue, it must be approved by the City and incorporated into the sales and revenue reconciliations and reporting.
 - 9.4.4 The Operator will provide the City with a monthly sales and revenue report that separates the revenue by category and source approved by the City.
 - 9.4.5 With Department approval, Operator has the right to choose preferred credit card payment, payment processing and golf operating systems as long as Operator's chosen provider is acceptable by the City's Level 1 PCI compliance assessor. Department's approval shall not be unreasonably withheld.
 - 9.4.6 Fixed Assets and Inventory: All assets belong to the City.
 - 9.4.7 The Operator shall employ a method of accounting for all the revenues and expenses in connection with the operation of the Golf Courses that is consistent with the City's modified cost basis reporting, and that correctly and accurately reflect the gross receipts and disbursements received or made by the Operator from the operation of the Golf Courses. The Operator shall establish and implement adequate internal controls for this operation and all cashiering and cash handling that comply with GAAP, and with the City's cash handling policies. The method of accounting, including bank accounts, established for the operation shall be separate from the accounting system used for any other business operated by the Operator.
- 9.5 Monthly Reports and Transactions. The Operator shall provide to the City a Monthly Report of the previous month's transactions and financial status of the Golf Courses.
- 9.5.1 Monthly Report. Within Twenty (20) days of the end of each month, the Operator shall provide the City with a Monthly Report that includes the current month and year-to-date inventory levels, a monthly and year-to-date balance sheet, cash flow report, and income statement.
 - 9.5.2 On a weekly basis and schedule provided by the City, the Operator will provide a copy of every bank deposit slip and a copy of every credit card batch settlement for the previous week.
 - 9.5.3 After review of the above items, the City may request additional reports that detail previous transactions.

10. BUSINESS RECORDS.

- 10.1 Types of Records. The Operator shall keep the following records and

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documents:

- 10.1.1 Regular books of account such as general ledgers;
 - 10.1.2 Journals including any supporting and underlying documents such as vouchers, checks, tickets, bank statements, etc.;
 - 10.1.3 Sales tax returns and checks and other documents proving payment of sums shown;
 - 10.1.4 Cash register tapes or computerized records for the identification of day-to-day sales;
 - 10.1.5 Logs showing the dates and times of Driving Range and greens usage and Golf Lessons at the Golf Courses; and
 - 10.1.6 Any other accounting records that the City, in its sole discretion, deems necessary for proper reporting of receipts.
- 10.2 All books and records will be retained and turned over to the City in accordance with the City's retention schedule for the Department for retention in City archives, in City-authorized storage boxes with a completed City archival form attached to each box as required by the City Archivist. These records may be in electronic or digital format.
- 10.3 Audit of Records. All documents, books, and accounting records kept by the Operator pursuant to this Agreement shall be open for inspection by representatives of the City during usual business hours and at a location within the Seattle City limits during the term of this Agreement and for at least 6 (six) years thereafter. In addition, the City or its authorized representative may, from time to time, conduct an audit of the books of the operation of the Golf Courses and observe the operation of the business. The City will use its best efforts to minimize the interruption with the normal operation of the Golf Courses during any inspection or audit performed pursuant to the provisions of this section. The City and Operator will independently conduct and jointly conduct "surprise" cash and inventory audits as each deems appropriate. The results of the audits will be documented in a written report, a copy of which will be given to both parties.
- 10.4 Annual Financial Statements. The City may request and the Operator shall provide to the satisfaction of the City audits of financial statements and golf course operations. The audit shall be performed by independent certified public accountants or other persons designated by the City, and the cost of the audit shall be included as a Direct Cost of operation.
- 10.5 Public Records. All information obtained in connection with the City's inspections of the records or audits and all information submitted to the City

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may be or become subject to public inspection and/or reproduction as public records.

11. INSURANCE AND INDEMNITY.

11.1 The Operator's Insurance Requirements.

- 11.1.1 Worker's Compensation Insurance. The Operator shall keep in full force and effect at all times during the term of this Agreement worker's compensation insurance for all workers employed pursuant to this Agreement in compliance with RCW 51 and any applicable federal statute. If any work is sublet, the Operator shall require its sub-operator(s) similarly to provide worker's compensation insurance for all of the latter's employees unless all the employees are covered by the Operator.
- 11.1.2 Liability Insurance. The Operator shall keep in full force and effect, at all times during the term of this Agreement, Commercial General Liability ("CGL") insurance (including Premises/Operations, Products/Completed Operations, Personal Injury/Advertising Injury, Contractual Liability, Independent Contractors, Stop Gap/Employers Liability, Commercial Liquor Liability, and Sexual Misconduct and Molestation Liability), Business Auto Liability, and, if necessary, Umbrella/Excess Liability insurance so as to provide total limits of liability of not less than \$6,000,000 per occurrence Combined Single Limit Bodily Injury and Property Damage, except \$1,000,000 each offense as respects Personal Injury/Advertising Injury and \$1,000,000 each Accident/Employee Stop Gap/Employers Liability. Operator shall be permitted to procure the insurance through Troon Golf, L.L.C.'s insurance program.
- 11.1.3 Commercial Crime Insurance. The Operator shall keep in full force and effect at all times during the term of this Agreement a Commercial Crime insurance policy with a minimum of \$250,000 per occurrence for employee dishonesty and coverage for theft, disappearance, and destruction of or to monies or funds of, in, or at the Golf Courses in an amount as dictated by the exposure at any given time, but in no event less than \$50,000. All amounts set forth in herein shall be per occurrence and in the aggregate. The City may require the Operator to purchase a fidelity bond on behalf of the City whereby in the event any officer, employee, agent, or subcontractor of Operator embezzles, steals, or otherwise fraudulently or improperly takes or obtains City funds, money, or property, the City shall be reimbursed for the total amount of funds taken. This cost shall be a direct insurance cost.

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11.1.4 Information Technology. The Operator shall keep in full force and effect at all times during the term of this Agreement Network Security (Cyber) Liability insurance with a minimum of \$1,000,000 per occurrence and annual aggregate. This shall include, but not be limited to, coverage for any actual or alleged breach of duty, neglect, error, act, mistake, omission, or failure arising out of Service Provider's Internet and Network Activities including coverage for, but not limited to, the following:

- An attack that has the intent to affect, alter, copy, corrupt, destroy, disrupt, damage, or provide unauthorized access or unauthorized use of Service Provider's or Vendor's computer system;
- Computer Crime or Information Theft;
- Denial of Service;
- Extortion;
- Introduction, implantation, or spread of a Computer Virus;
- Loss of Service;
- Identity Theft;
- Infringement;
- Electronic data loss and restoration;
- Unauthorized Access or Use, including the gaining of access to Service Provider's or participating cities computer systems by an unauthorized person or persons or an authorized person in an unauthorized manner; and
- Credit monitoring

11.2 The City's Insurance Requirements.

11.2.1 Property Insurance. The City shall insure or self-insure real property and personal property, including new buildings and additions under construction on City premises (but excluding land such as greens, fairways, trees, and landscaping, and Operator's personal property), inventory, and mobile equipment (including leased mobile equipment) for the current replacement value thereof subject to various deductibles for the benefit of both the City and Operator. The City shall obtain from its property insurer a waiver of subrogation in favor of the Operator to the extent that property insurance applies to any loss. In addition, the City agrees to waive its rights of recovery for claims involving damage to City property in excess of \$1,000 for any loss within the applicable deductible amount up to the attachment point of property insurance coverage.

11.3 Additional Insurance Requirements.

11.3.1 Cost of Insurance. The Operator is responsible for the cost of any

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insurance on Operator's personal property kept on-site at the Golf Courses, and such amount will not be a Direct Cost. The Operator hereby releases the City from any claim arising in any way from loss or damage to Operator's personal property.

- 11.3.2 City as Additional Insured; Products-Completed Operations: The Operator shall include "The City of Seattle" as an additional insured to all of the applicable liability insurance coverage listed in Section 1.1; which must also be as primary and non-contributory with any insurance or self-insurance coverage or limits of liability maintained by the City, and in the form of a duly issued additional insured endorsement and attached to the policy or by the appropriate blanket additional insured policy wording, and in any other manner further required by the Operator's insurance coverage to provide the City additional insured coverage as set forth herein.
- 11.3.3 No Limitation of Liability: Insurance coverage and limits of liability as specified herein are minimum coverage and limit of liability requirements only. Nothing in the Operator's requirements for minimum insurance coverage under Section 1.1 shall be interpreted to limit or release liability of the Operator or any the Operator's insurers. The City shall be an additional insured as required in Section 1.3.2. regarding the total limits of liability maintained, whether such limits are primary, excess, contingent or otherwise.
- 11.3.4 Required Separation of Insured Provision; Cross-Liability Exclusion and Other Endorsements Prohibited: The Operator's insurance policy shall include a "separation of insureds" or "severability" clause that applies coverage separately to each insured and additional insured, except with respect to the limits of the insurer's liability. The Operator's insurance policy shall not contain any provision, exclusion or endorsement that limits, bars, or effectively precludes the City from coverage or asserting a claim under the Operator's insurance policy on the basis that the coverage or claim is brought by an insured or additional insured against an insured or additional insured under the policy. The Operator's CGL policy shall NOT include any of the following Endorsements (or their equivalent endorsement or exclusions): (a) Contractual Liability Limitation, (CGL Form 21 39 or equivalent), b) Amendment Of Insured Contract Definition, (CGL Form 24 26 or equivalent), (c) Limitation of Coverage to Designated Premises or Project, (CGL Form 21 44 or equivalent), (d) any endorsement modifying or deleting the exception to the Employer's Liability exclusion, (e) any "Insured vs. Insured" or "cross-liability" exclusion, and (f) any type of punitive, exemplary or multiplied damages exclusion. The Operator's failure to comply with any of the requisite insurance provisions shall be a material breach of, and grounds for, the immediate termination of the Agreement; or if

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applicable, and at the discretion of the City, shall serve as grounds for the City to procure or renew insurance coverage with any related costs of premiums to be repaid by the Operator or reduced and/or offset against the Agreement.

- 11.3.5 Substitution of Sub-Operator's Insurance: If portions of the scope of work are subcontracted, the sub-operator or subcontractor may provide the evidence of insurance for the subcontracted body of work provided all the requirements specified in Section 1.1 are satisfied.
- 11.3.6 Notice of Cancellation: The insurance coverages in Section 1.1 shall not be canceled by the Operator or Insurer without at least forty-five (45) days written notice to the City, except ten (10) days' notice for non-payment of premium.
- 11.3.7 Claims Made Form: If any insurance policy is issued on a "claims made" basis, the retroactive date shall be prior to or coincident with the effective date of the Agreement. The Operator shall either maintain "claims made" forms coverage for a minimum of three years following the expiration or earlier termination of the Agreement, providing the City with a Renewal Certificate of Insurance annually; purchase an extended reporting period ("tail") for the same period; or execute another form of guarantee acceptable to the City to assure the Operator's financial responsibility for liability for services performed.
- 11.3.8 Insurer's A.M. Best's Rating: Each insurance policy shall be issued by an insurer rated A-: V or higher in the A.M. Best's Key Rating Guide, unless a surplus lines placement by an licensed Washington State surplus lines broker, or as may otherwise be approved by the City.
- 11.3.9 Self-Insurance: The City acknowledges that the Operator may employ self-insured and/or alternative risk financing and/or capital market risk financing programs for some or all of its coverages. The term "insurance" wherever used herein shall include any such self-insured and/or alternative risk financing and/or capital market risk financing programs. The Operator shall be liable for any self-insured retention or deductible portion of any claim for which insurance is required.
- 11.3.10 Evidence Of Insurance (Not Applicable To Washington State Workers Compensation): The Operator must provide the following list of evidence of insurance:

- a) A certificate of liability insurance evidencing coverages, limits of liability
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and other terms and conditions as specified herein;

- b) An attached City of Seattle designated additional insured endorsement or blanket additional insured wording to the CGL/MGL or other additional insurances required (and if required the Operator's Pollution Liability insurance policy).
- c) A copy of all other amendatory policy endorsements or exclusions of the Operator's insurance CGL/MGL policy that evidences the coverage required.

At any time upon the City's request, the Operator shall also cause to be timely furnished a copy of declarations pages and schedules of forms and endorsements. In the event that the City tenders a claim or lawsuit for defense and indemnity invoking additional insured status, and the insurer either denies the tender or issues a reservation of rights letter, the Operator shall also cause a complete and certified copy of the requested policy to be timely furnished to the City.

Each insurance policy required hereunder shall provide that cancellation shall not be made without 30 days (10 days with respect to cancellation for non-payment of premium) prior written notice to the City. Insurance Certification shall be issued to, and notice of cancellation/reinstatement may be mailed to:

The City of Seattle
Attn: Seattle Parks and Recreation
100 Dexter Ave N
Seattle, WA 98109-5119

Insurance certification shall not be mailed, but shall be delivered electronically (as may notice of cancellation/reinstatement) by facsimile transmission to (206) 615-1813 or as an email attachment in PDF or XLS format to pks_info@seattle.gov

- 11.3.11 Changes In Insurance Requirements: The City shall have the right to periodically review the adequacy of coverage and/or limits of liability in view of inflation and/or a change in loss of exposure and shall have the right to require an increase in such coverages and/or limits upon ninety (90) days prior written notice to the Operator. Should the Operator, despite its best efforts, be unable to maintain any required insurance coverage or limit of liability due to deteriorating insurance market conditions, availability and or cost associated with any request, the Operator may upon thirty (30) days prior written notice request a waiver of any insurance requirements, which request shall not be unreasonably denied.

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11.4 Indemnity.

- 11.4.1 The Operator shall defend, protect, indemnify, and hold the City, its officers, elected officials, volunteers, agents, and employees from and against any and all suits, judgments, causes of action, claims, losses, demands, damages, liabilities, and expenses, including, but not limited to, attorney's fees and costs of litigation, resulting from death or injury to any person or damage or destruction of any property or property rights arising out of or relating to any act or omission of the Operator, its agents, subcontractors, or employees, or arising out of or relating to the work to be performed under this Agreement, including any breach of Operator's obligations herein. In the event a claim or legal action is covered by RCW 4.24.115, Operator's indemnification obligation shall not extend to damages resulting from the City's sole negligence, and in the case of concurrent negligence, Operator's indemnification obligation shall apply to the extent of the negligence attributed to the Consultant, its employees, subcontractors, and agents.
- 11.4.2 The Operator shall defend, indemnify, and hold harmless the City for any fines imposed by administrative regulatory bodies and all credit card brands, except for fines resulting from and directly related to action for which the City is solely and completely responsible. In the event the City is only partially responsible for said action or inaction, the Operator shall defend, indemnify, and hold harmless the City for the full amount of such fines.
- 11.4.3 The City does not and shall not waive any rights against the Operator which it may have by reason of the indemnity clause of Section 11.2 because of the acceptance by the City of any of the insurance policies described in Section 11.1.
- 11.4.4 The indemnity clause of Section 11.2 shall apply to all damages and claims for damages of every kind suffered, or alleged to have been suffered, by reason of any of the operations of this Agreement, regardless of whether or not the insurance policies referred to herein shall have been determined to be applicable to any of such damages or claims for damages.
- 11.4.5 The foregoing indemnity is specifically and expressly intended to, constitute a waiver of Operator's immunity under Washington's Industrial Insurance Act, RCW Title 51, but only as to the City and to the extent necessary to provide City with a full and complete indemnity from claims made by Operator's employees.
- 11.4.6 THE OBLIGATIONS UNDER THIS SECTION 11.4 SHALL SURVIVE
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THE EXPIRATION OR TERMINATION OF THIS AGREEMENT.
OPERATOR AND THE CITY EACH REPRESENT THAT THIS
SECTION WAS MUTUALLY NEGOTIATED AND AGREED UPON.

- 11.4.7 In addition to all other indemnities, Operator shall defend, indemnify and hold the City harmless from any damages, claims, liabilities, costs and expenses resulting from Contractor's failure to be and to remain PCI-DSS compliant.

12. REPRESENTATIONS AND WARRANTIES.

- 12.1 Organization and Authority. As of the date of this Agreement and thereafter, the Operator hereby represents and warrants that (a) it is a Limited Liability Company (type of organization) duly organized, validly existing, and in good standing under the laws of the State of Name the State (state) and is qualified to do business in all other states where necessary in light of its business or properties and has all requisite power and authority to conduct its business and own its property utilized under this Agreement, (b) it has all necessary power and authority to execute, deliver and perform its obligations under this Agreement, (c) the execution, delivery, and performance by the Operator under this Agreement has been duly authorized by all necessary action and this Agreement has been duly and validly executed and delivered by the Operator, and (d) this Agreement constitutes the legal, valid, and binding obligation of the Operator and is enforceable against the Operator in accordance with its terms, except as the enforceability thereof may be limited by applicable bankruptcy, insolvency, reorganization, or moratorium or other similar laws relating to the rights of creditors generally.
- 12.2 No Conflict. As of the Effective Date and thereafter for the term of this Agreement, the Operator hereby represents and warrants that the execution, delivery and performance by the Operator of this Agreement does not and will not a) conflict with or violate any provision of its articles of incorporation or bylaws, b) result in a material breach or violation of any term or provision of, or constitute a material default under, any material agreement or instrument to which the Operator is a party or by which the Operator or any of its assets are bound, or c) contravene or constitute a material default under any provision of applicable law or regulation.
- 12.3 Accuracy of Representations and Warranties. The representations and warranties contained in this Agreement do not contain any untrue statement of a material fact or omit any material fact necessary in order to make the statements contained herein not misleading or incomplete.
- 12.4 Survival of Representations and Warranties. The representations and warranties set forth by the Operator in this Section 12 shall survive the date of this Agreement and shall terminate only upon the sixth anniversary of the date

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of termination of this Agreement.

13. DEFAULT AND TERMINATION.

13.1 Default. If Operator violates, breaches, or fails to keep or perform any term, provision, covenant, or obligation under this Agreement, the City may provide the Operator with written notice specifying the failure or breach and providing a period of time determined by the City as reasonably necessary to cure the failure or breach. If Operator's breach relates to a monetary obligation, a reasonable time to cure will not exceed ten (10) days. If the Operator does not cure the breach or failure within the time required by the City's notice, Operator's breach will be a "Default". If the cure cannot reasonably be completed in the time provided by the City, Operator will not be in Default if a cure is commenced within the notice period and thereafter diligently pursued to timely completion. No waiver by the City of any Operator breach or Default hereunder shall be construed to be or act as a waiver of any subsequent breach or Default by the Operator.

13.2 City Remedies. If the Operator fails to cure any Default, the City shall have the following nonexclusive rights and remedies at its option: (1) to cure such Default on Operator's behalf and at Operator's sole expense and to charge Operator for all actual and reasonable costs and expenses incurred by City in effecting such cure; (2) to terminate this Agreement upon written notice to Operator.

13.3 If there is an Operator Default, the City shall not be liable for damages by reason of termination or City entry onto the Golf Courses. The City may also avail itself of any other remedy provided by law.

13.4 Upon termination of this Contract, Operator will provide PCI compliant protection to cardholder data until data is destroyed or returned to the City. A statement of Work will be developed and mutually agreed upon by the City and the Operator for this protection. Hours will be billed at agreed upon hourly rates.

13.5 Operator shall return all City data to the City in a useable electronic form, and erase, destroy, and render unreadable all City data in its entirety in a manner that prevents its physical reconstruction through the use of commonly available file restoration utilities, and certify in writing that these actions have been completed within 30 days of the termination of this Agreement or within 5 business days of the request of the City's CISO, whichever shall come first.

14. MISCELLANEOUS.

14.1 Entire Agreement. This Agreement and the documents expressly referred to herein constitute the entire agreement among the parties with respect to the subject matter hereof and supersede any prior agreement or understanding

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among the parties with respect to such subject matter.

14.2 Severability. If any provision of this Agreement or the application of such provision to any party or circumstance shall be invalid, the remainder of this Agreement or the application of such provision to other parties or circumstances shall not be affected thereby.

14.3 Notices. All notices, requests, demands, consents, and other communications required or permitted to be given by this Agreement shall be in writing and personally delivered or placed in the United States mail, properly addressed and with full postage prepaid, certified, and return receipt requested. Such notices shall be deemed received at the earlier of (a) the date actually received, or (b) 5 (Five) business days after such mailing. Such notices shall be sent to the parties at the following addresses, unless other addresses are furnished by appropriate notice:

If to the City, to:
The City of Seattle Department of Parks and Recreation
Attention: Golf Manager
100 Dexter Avenue North Seattle, Washington 98109-5119

If to the Operator, to:
Premier Golf Centers, L.L.C.
c/o Troon Golf, L.L.C.
Attn: Legal Department
15044 N. Scottsdale Rd., Suite 300
Scottsdale, AZ 85254
Email: jhansen@troon.com and akaufman@troon.com

14.4 Assignment; Subcontract; Sale or Transfer of Assets. This Agreement shall be binding on, and shall inure to the benefit of, the parties to it and their respective heirs, legal representatives, successors, and assigns. The City's willingness to enter into this Agreement with Operator is conditioned, in part, on City's confidence in Operator's management structure. Operator shall not subcontract or assign any of its rights or delegate any of its duties under this Agreement to an unaffiliated third party unless a) the Superintendent gives his/her prior approval, in writing, of the third-party contract prior to execution, and b) the third party contract is consistent and complies with all the terms and conditions of this Agreement. If Operator's management structure is changed by a sale or transfer of company ownership or assets that results in a change in the voting or decision making control of the limited liability company or change in corporate structure ("Sale or Transfer of Assets"), but does not otherwise change the responsibilities of, or available remedies to, the Parties under this Agreement, Operator shall provide written notice to the City when reasonably practicable, but no less than 30 days after the Sale or Transfer of Assets. Any other Sale or Transfer of Assets shall constitute an assignment subject to the approval of the Superintendent and the agreement

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of any new ownership to comply with all terms and conditions of this Agreement. No assignment, subcontract, or Sale or Transfer of Assets shall release Operator from any of the obligations under this Agreement and Operator shall remain jointly liable for performance of this Agreement unless expressly released by the Superintendent in writing.

14.5 Counterparts. This Agreement may be executed in one or more counterparts, all of which shall constitute one in the same instrument.

14.6 Headings. The article and section headings in this Agreement are for convenience of reference only, and shall not be deemed to alter or affect the meaning or interpretation of any provisions hereof.

14.7 Governing Law and Venue. This Agreement shall be construed and enforced according to the laws of the State of Washington without regard to any otherwise governing principals of conflicts of laws. Venue for any action relating to or arising from this Agreement will be in the Superior Court of King County. This Agreement shall be construed neutrally and not in favor of or against any party.

14.8 Amendment. This Agreement shall not be modified or amended except by a written agreement executed by both of the parties.

14.9 Further Actions. Each party shall execute and deliver such other certificates, agreements and documents, and take such other actions, as may reasonably be required to carry out the provisions or the intent of this Agreement.

Exhibits. The following exhibits are incorporated and made a part of this Agreement:

- A. Real Property Description.
- B. SPR Golf Finance Cash Handling Manual
- C. City of Seattle Travel Policies and Procedures
- D. Public Benefits

IN WITNESS THEREOF, The City of Seattle Department of Parks and Recreation and _____ (Operator Name) caused this Agreement to be executed by its proper officers on the dates shown below.

By the Operator

_____, Year
Signature Date

By the Department of Parks and Recreation

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_____, Year
Anthony-Paul Diaz, Superintendent Date

EXHIBIT A - REAL PROPERTY DESCRIPTION

INTERBAY GOLF COURSE PROPERTY DESCRIPTION.

That part of E1/2NE1/4 of Section 23, Township 25 North, Range 3 East W.M. described as follows:

The following blocks and portions of blocks of Gilman's Addition

- Block 21 less that portion condemned for street purposes by condemnation Ordinance 86751;
- Blocks 123,124,125;
- Blocks 126,136, less the west 25 feet deeded to the Municipality of Metropolitan Seattle, Ordinance 94155;
- Blocks 137,138,139;
- Lots 1 through 6, inclusive and Lot 23, Block 140;
- Block 147, less portion condemned for street purposes by Ordinance 86751 and less the south 15 feet condemned for street purposes by Ordinance 23041;
- Block 148, less the south 15 feet condemned for street purposes by Ordinance 23041;
- Block 149 less part of Lot 30 condemned for street purposes by Ordinance 23041;
- Block 150, less the west 25 feet and south 13.7 feet of Lot 24 deeded by Ordinance 94155 and that portion condemned for street purposes by condemnation Ordinance 23041;
- Together with those alleys and portions of 16th Avenue W, 17th Avenue W, 18th Avenue W, W. Armour Street, W. Raye Street, Gilman Avenue W. vacated by Ordinances 18078 and 92373, excepting the west 25 feet of W. Armour Street and W. Raye Street and the north half of W. Wheeler Street.
- Also excepting the Interbay P-Patch, located in part of Block 147 and vacated 16th Ave W adjoining.

JACKSON PARK GOLF.

Part of the East Half of Section 20, Township 26 North, Range 4 East W.M. described as follows:

- The W1/2 NE1/4 together with the W1/2 E1/2 NE1/4 and the N1/2NW1/4SE1/4;
- All of Block 9 and Tracts 1,2 of Block 10, Paramount Park Addition, together with the vacated portions of 12th Ave. N.E. and vacated N.E. 137th, vacated by Ordinance 85539;
- Excepting:
- The West 30 feet of the W1/2NE1/4, being a part of 5th Ave N.E. The North 30 feet of the W1/2NE1/4 and the north 30 feet of the W1/2E1/2NE1/4, being a part of NE. 145th Street;
- Also, excepting the North 110 feet of the West 90 feet of the W1/2NE1/4 (less the west 30 feet and north 30 feet thereof) being the Seattle City Light Substation.

WEST SEATTLE GOLF PROPERTY DESCRIPTION.

That portion of the SW1/4 of Section 13, Township 24 North, Range 3 East, W.M. and That portion of the NW1/4 of Section 24, Township 24 North, Range 3 East. W.M.

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lying within the following described boundaries:

Southerly of the south margin of S.W. Genesee Street; westerly of the west margin of the alley adjoining blocks 1,3,4,5,9,10 of Cottage Grove Addition; northerly of the north margin of S.W. Brandon Street ; easterly of the east margin of 35th Avenue S.W.

Except that portion of said SW1/4 of Section 13 commonly known as the West Seattle Stadium; And except that portion of said NW1/4 of Section 24 commonly known as Camp William G. Long.

**BILL WRIGHT GOLF
COMPLEX DESCRIPTION.
EIGHTEEN HOLE GOLF
COURSE**

S1/2NW1/4, E1/2SW1/4 of Section 16, Township 24 North, Range 4 East, W.M. lying south of South Spokane Street, east of Beacon Avenue South and north of South Alaska Street.

NINE HOLE GOLF COURSE AND CLUBHOUSE

Part of the N1/2SW1/4 of Section 16, Township 24 North, Range 4 East, W.M. lying south of the north line of South Dakota Street produced easterly, west of Beacon Avenue South, north of the northerly boundary of Government Lot 5 and east of Jefferson Park Playfield.

DRIVING RANGE

Part of the SW1/4NW1/4 and NW1/4SW1/4 of Section 16, Township 24 North, Range 4 East, W.M., lying north of the north line of South Dakota Street produced easterly, west of Beacon Avenue South, east of Jefferson Reservoir, and south of Jefferson Community Center.



Seattle
Parks & Recreation
healthy people healthy environment strong communities



Golf Cash Handling

Version 1

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SECTION 1

General Financial Operation

The City of Seattle expects that all golf courses will comply with primary cash handling standards that include the use of Club Prophet Systems and the specific procedures defined in this document. The care and handling of public money is a top priority.

Public Perception

- You have custody of public money; take more precautions to protect it than if it were your own. Do not borrow money, do not loan money, and do not steal money.
- The work site should be neat, clean, and organized with a professional appearance.
- Display money outside of the till while completing each transaction and making change.

Security

- Money is to be counted carefully and placed into the safe. The following morning, managers are required to check the counting, put it in deposit bags and placed in Brink's safe for pick up. The current pick up schedule is Monday, Tuesday, Thursday and Saturday.
- Site Manager and Golf accounting to regularly review all Voids or Cancelled transactions.
- Secure all monies; never leave it unattended or unsecured. Secure credit card slips in locked location. Secure passes and certificates as if they were cash.
Lock the register by logging out of point of sale (POS) and ensure that the cash drawer is closed and locked when you leave... even for just a moment.

Deposit

- Prepare deposits every night for the transactions of the day. Identification of errors, adjustments, **over/short must be entered in POS on the same business day.** Notify Manager of discrepancies.
- Golf courses should deposit Cash and checks within 24 hours and must be made within 48 hours.
- A stamped endorsement is required for every check at the time received.
- Enter checks, cash, and charges correctly; verify actual with closing or shift change reports. Do not exchange check for cash.
- Financial/ Cash Balance reports can only be taken at shift changes and close of operation. Manager may authorize a mid-shift report, however no attempt to force a balance may be made.

Every golf course must have at least one locking **Primary Safe** that meets these requirements and defined uses:

- Drop slot to allow materials to be added without opening the safe.
- Combination safe (digital or manual) that is securely bolted to the floor.
- Access only by those who have an essential business need; a smaller number of people will improve security.
- Combination changed quarterly or when there is a staffing change.
- Inside the door of the safe, a safe log of the names of those with the combination and the date the combination was changed.
- For new safe boxes, the combination to the safe will be hand delivered to the Manager.

**The safe is to remain locked when not attended.
Spin the dial after you close the door.**

Methods of Payment

Cash: United States currency or coin.

- Accepted for payment of services and change is given.
- Foreign money, including Canadian, cannot be accepted.
- Counterfeit detection pen must be used to check authenticity of all \$100 bills or larger and should be used whenever there is a question of authenticity.
- If counterfeit cash is received it is not accepted as payment and should be taken out of circulation if it does not pose a risk to the cashier.
- Notify your supervisor to assist with any customer service issues that arise.

Personal Checks: A “promise to pay” from one person to another person or entity.

- Accepted for exact amount due.
- \$20 NSF charge for all returned checks (*Posting of this City Ordinance (#114345) is required for each course*).
- In order to be valid, a check must have the following: Routing Number, Account Number, Amount, Date and Signature.
- Checks do not need to be pre-printed with name and address but this information needs to be connected to that specific payment and tied to a POS customer account; personal data retained in POS is an acceptable connection by writing the Customer ID on the back of the check.
- **Company Checks, Cashier Checks, Personal Money Orders** may be accepted for the amount of the purchase (or less).

Two Party Checks:

A check written to an individual, endorsed on the back “pay to the order of City of Seattle” and presented to you as payment for a service will not be accepted because of the difficulty with collection if the check is returned as NSF.

Traveler Checks:

A check which is signed at purchase and countersigned upon use; intended as a more secure method of handling money while traveling.

- Traveler's checks may be accepted, and change given.
- Must be payable to City of Seattle countersigned in your presence, and signatures must match.
- Ring in as cash so that change may be given. Note this on your financial paperwork.
- \$20 checks are recommended but higher bills may be accepted if the change given does not reduce your change fund below your opening fund amount within the cash drawer.
- Cannot be accepted if drawn on foreign currency.

Credit Cards/ Debit Cards: A payment method which is secured by a Credit Card service when a valid card is presented for use, the signatures match, and an electronic authorization is received.

- We accept Visa, Mastercard, American Express, and Discover. There is no distinction between Credit or Debit cards. (*Posting of all four of these credit card logos is required for each site*).
- Have customer use the Pin Pad to provide credit/debit card payment.
- Attach the note to the business copy of the receipt and indicate how verification was obtained.

Split Tendering: Payment comprised of multiple methods of payment for one sale may be taken.

- Each method of payment must be correctly attributed to payment type. Cash rung in as cash, checks rung in as checks, etc.
- Must conform to all the individual payment method requirements.

Keep the cash drawer tidy!

Currency of \$20 or less and coin in the drawer compartments.

Currency of \$50 or more, endorsed checks and credit card receipts are kept under the tray. The currency is bundled in groups of 20.

Point of Sale

A point-of-sale (POS) workstation is a computerized cash register system. The POS system can include the ability to record and track customer orders, process credit and debit cards.

Our Point of Sale workstation consist of:

- Desktop computer
- POS Receipt tape printer
- Cash drawer
- Desktop printer for Monitor
- Receipts.
- Membership Card scanner

Only one staff member should have access to the cash drawer. They are responsible for the contents. When another staff member comes on shift, a complete accounting of the funds within the drawer must be done.

Unclaimed Property

Unclaimed Property is money or intangible property owed to an individual or business.

For Governmental agencies, property is considered unclaimed after it is held for a two-year time with no owner contact, and a good faith effort has been made to locate the owner.

Abandoned property is turned over to the Department of Revenue (DOR) by SPR on a yearly basis.

Premier will provide detail of unclaimed property on or before September 30th of every year. **Page 49 of 72**

Per unclaimed property report detail received from Premier, SPR will submit the fund to DOR on or before Oct 31st of every year.

Upon confirmation from SPR, PREMIER will update its customer record to reflect the transfer of fund to (DOR)

Procedure Update

This document will be reviewed and revised yearly if there are any applicable changes.

Staff Training

- Supervisors must ensure that staff receive required training.

Training Unit	Description	Operated By	Training Time	Expiration
Cash Handling Training	Cash Handling – Required for everyone who handles money in any job within the Park system.	Premier	Varies	Renew every three years.
POS	Units offered for Registration, Daily Operations, Point of Sale Training is strongly encouraged for anyone using POS.	Premier	Varies	None
Stratago	Data entry for reporting	Premier	As needed	None
Front Desk Operation	Orientation to “Front Desk Resources” manual including cash handling policies required for all staff who touch money.	Premier	Varies	None

The official customer service model “quick highlights”

- Greet the Customer-** Say hello and ask what you can do for them. Everyone wants to be recognized as soon as they enter the facility. Eye contact and a smile create a smooth start to any transaction!
- Listen to the Customer-** Wait until the customer has finished explaining what they want before you start to ring in their transaction. Make sure you really listen. Mistakes are often made during this stage. Avoid the temptation to jump ahead and start ringing in the transaction. Just because the last 100 customers in line wanted to play golf, does not mean that the next one wants to.
- Repeat the Request-** Let the customer know that you heard them by repeating what they said to you, and then wait for verification.
- Enter Transaction into POS** - Refer to the POS user procedures for specifics of how to enter Point of Sale.

- **Say the Sale Amount-** Tell the customer the total amount of the sale.
- **Say the Tendered Amount-** When you take payment, say the method of payment and amount tendered; display on the register until the transaction is completed. Please use the Method of Payment guidelines on the next page.
- **Give Change-** Give change if required. Count back change for the customer from the sale amount up to the tendered amount. Place the payment into the register.
- **Give Receipt to Customer-** All customers should be given a receipt.

SECTION 2

Daily Financial Operation

Opening a Golf Course

Before opening the golf course...

Ensure the necessary signage is properly displayed.

- \$20 fee charged for dishonored checks. Ordinance 114345.
- Receipts provided for every transaction.
- Taxes included in prices where applicable.
- Logos for Visa, Master Card American Express and Discover.
- We are not responsible for Lost or Stolen Items
- All Lost and Found items unclaimed after 30 days subject to disposal.
- You are welcome to enjoy this golf course.

Front Counter Tool Kit

- Front Desk Resources manual; Counterfeit detector pen
- Registration forms
- Sale receipt tape
- “For Deposit Only” with City account number, Stamp
- Rental Forms
- Cashier Locked Drawer

Each course should have **locked secure storage** for routine business records that may have confidential information.

Performing Transactions

Any time you are performing a transaction there is a possibility of mistakes. Common errors include mistakes that arise from miscommunication between staff and the customer and losing track of what step you are performing during a transaction. Problems often occur due to distractions in our busy work environment. When you start a transaction, follow it through to completion. Do not start another transaction until you have completed the first. Avoid passing the transaction to another staff member in mid transaction.

To avoid errors and loss of funds, all transactions should be completed in the same manner by all Golf course Staff. All transactions will follow the same basic steps. A few of the steps are a reiteration of

what you have learned during customer service training and will help your interaction with the customer flow better. The steps are as follows:

Starting your financial day...

- The staff opening the financial day must have access to the safe-
- Log into POS.
- Count opening change fund to verify amount and place in cash register drawer.

Processing Refunds/Voids

When to Issue a Refund

- A customer is unsatisfied with their merchandise purchase and returns it for a refund.
- A customer is incorrectly charged for an item and it is not realized until after the purchase (re-ring with the correct purchase price)

How to issue a refund?

- Look up transaction
 - Receipt number
 - Last 4 digits of card used for purchase
 - Premier customer – name or customer number
- Pull up transaction detail
 - Refunds with no sales receipt – can be looked up using the instructions above – prefer to issue a gift card to use for a future in-store purchase – no receipt & no record of purchase should not be issued a refund
 - If return is for the full amount of the purchase, select return – use this method for returns on same day as purchase.
 - Screen should show a negative transaction for the exact amount of the original purchase.
 - Finalize transaction – this will refund to the same method as the original purchase (if cash, return cash to the customer, if credit card amount will automatically be refunded to the card used on the original purchase)
 - Write the customer's name and phone number on the return receipt.
 - Customer must sign on the signature line.
 - Give customer their copy of the return receipt for their records.
 - If customer is returning only a portion of the original purchase
 - Select items not being returned – click delete item (this will remove this item(s) from the return)
 - Once only the item(s) being returned is showing on the screen, select finalize sale.
 - cash purchase – return cash to customer
 - credit card purchase – scan credit card to return funds to customer's card

Who can issue a refund?

- Refunds should be approved by a manager/pic (person in charge)
- Site Staff can issue a refund with manager approval.

When to void:

- Void is used within a transaction when a customer determines they do not want an item previously scanned into the purchase.
 - On the screen with the sale showing select the item no longer wanted
 - Select delete item (this will remove this item(s) from the purchase)
 - Continue processing transaction as usual.

Manager Procedures for Refunds

Refunds

- When daily audit is performed by a person in charge (PIC), the manager should regularly review all refunds during his or her next shift.
- Manager should perform randomized audits calling customers to verify the return and ensure the return went smoothly and they are satisfied with their transaction.

Merchandise Management

Every course manager has the responsibility to monitor the retail sales operation at their golf course- The primary intent of this system is improved security and accountability.

The management should include four elements: 1) New merchandise, 2) Daily Sales, 3) Security, and 4) Verification or reconciliation. The following outlines the minimum requirements for management of retail merchandise:

New merchandise

- Maintain a record of orders placed including date, names, quantity, cost, etc.... in POS.
- Carefully inventory shipments as received. Record information on master record.

Daily sales

- Establish a price for each item that covers costs, generates a profit, and includes Washington State Sales Tax.
- Price for each unique item to be programmed into POS.
- As items are sold, enter Point of Sale.

Security

- Merchandise must be kept in locked secure storage.

Defective Merchandise

- Defective merchandise may be exchanged on site.
- Process a refund if the customer does not want to exchange.
- Retain and label all returned merchandise with date, customer, and justification.
- For any reason, if merchandise cannot be returned to vendor, it can be disposed. But keep record of all disposed merchandises with reason for disposal.

Verification or reconciliation

- On a regular basis prepare a total of each type of item sold from the information gathered on the POS Sales Report. It is recommended this be done monthly but must be done quarterly.
- On a regular basis count the quantity of each type of item on hand, less any new merchandise received during the month. It is recommended this be done monthly but must be done quarterly.

- Compare the sales and stock on hand to determine if there is a difference.
- This report to be signed by the Manager and one other staff person verifying the accuracy.
- Discrepancies are to be reported to the golf Manager.

Petty Cash and Change funds

- **At the start of 2025 Contract, Premier will return city Petty cash; and any Petty cash they use on site will be Premier funds. The Change funds will remain city funds and need to comply with the City financial policy.** Maintaining accountability for the full amount of the account and its safekeeping,
- The custodian must ensure funds on hand are kept in a secured place (e.g. locked drawer or box).
- To support segregation of duties, the custodian should be independent of invoicing, cash receipting, check signing, and accounting functions. Also, reconciliations of the Change fund cash accounts should not be performed by the custodian. In instances where segregation of duties cannot be maintained, Departments must develop compensating controls to mitigate against associated risks.
- Change fund cash accounts must be reconciled on a monthly basis.
- Citywide Accounting maintains a list of authorized Change fund cash accounts. A listing of custodians is available real time from the City's centralized financial management system.

Accounting will be contacting all sites for yearend cash count and reconciliation for change fund as of December 31st every year.

Please email PKS_GOLF_ACCOUNTING@seattle.gov for custodian change request.

Credit card signature & Chargebacks

Charge Back is a return of funds to a customer or reversal of a prior outbound transfer of fund due to any reason like duplicate payment, incorrect/unknown charge...etc. Charge backs are handled centrally by City Treasury. SPR accounting is responsible for reviewing charge back notices, determine coursoers of action & provide supporting documents that backs the recommended course of action.

To facilitate credit card payment chargebacks, all credit card transactions more than \$20 are required to have customers' signature.

NSF Checks

City Treasury will send NSF statement that include NSF Fee to SPR as they occur. SPR will immediately notify Premier and forward the Statement received from treasury.

As soon as Premier Accounting is made aware of an NSF check the following steps.

- Notification is posted in POS for staff stating not to accept checks from the individual.
- Notify staff to ensure they are aware of how to handle this.
- Any contact information available to Premier is provided to the City.
- Premier alerts all Premier managed courses of the potential for a bad check by the identified individual

- Premier will put a note on the account in CPS that will pop up whenever someone is booking a tee time or checking in. All courses should be able to view the message when the golfer's account is pulled up.
- Below is Contact information for any questions.
 - Ryan Sires – rsires@premiergc.com
 - Beth Hagen – bhagen@premiergc.com
 - Fancy Promet – Fpromet@premiergc.com
- Premier can verify with customers that the address and phone listed on the check are correct.
 - This does not mean customers will actually tell premier if they have a new address or phone.
- Premier can request an email address.
- Premier will follow up with customer and exert effort to collect amount of NSF check with a \$ 20.00 fee.

Network Outage Plan

In the event of any power failure or computer outage, this procedure must be used to continue to do business:

- For planned outage, close out 15 minutes before announced time. Close out as through you are closing for the day and prepare your bank deposit. Any transactions will be rung in on next business day and will be considered as next day transactions. Reset up your cash drawer with your change fund.
- The next morning you will need to enter in all transaction into the POS system. This will become part of your total for that new day.
- For planned outages such as computer system maintenance, please post information in advance whenever possible.

Open Drawer Button

Use of the 'Open Drawer' button in the Point of Sale module should be limited to the following circumstances:

- **Opening the day** - only necessary IF the drawer wasn't left open overnight. **Cashier/Staff shift change** - counting out the till (should coordinate around the same time as a shift change is scheduled)
- **Mid-Day Drop** - in case of large amounts of cash in your till (by policy a recommended maximum of \$400) , you and your coordinator will need to find a break in front desk traffic to remove funds above your opening amount and transfer this cash and all checks to the safe. A record of each drop is retained in the till.
- **Evening close out** - should occur AFTER the deposit is completed.
- **Exception** - could be anything out of the ordinary but should only happen rarely so that the cashier/staff would remember why they did it. Examples may include, but are not limited to:
 - Accidentally closed out the drawer after giving someone WRONG change. Need to pop drawer to correct mistake. Do this IN FRONT OF the customer.
- When receiving an official coupon, gift certificate, void it in the presence of the customer, place it in the till record the use on any applicable logs.

- Do NOT use for:
 - Returning someone's payment - *Instead, recall transaction and void payment. This will pop the drawer and allow you access.*
 - Straightening up cash - *This should be done during shift changes, not a slow cashiering period*

SECTION 3

Closing a Golf Course

You MUST have a staff member to close a facility's financial 'day'—With access to the safe or the safe must have a drop slot.

Preparation

When your financial day concludes, start the closing process.

Prepare Deposit

- Use the Open Drawer POS button to open the cash drawer.
- Separate your starting change fund.
- Count cash and checks/money orders.
- Have staff initial fund verification or deposit slip, and place slip and cash/checks in

Run the daily cash receipt report and reconcile

- Run Reports
 - Revenues: sales by sales category type (all terminals)
 - Receipts: total by pay method by day (all terminals) (check "include tips")
 - Gift cards report: gift card activity report (store, all types, all terminals)
 - Credit card detail: credit card transactions report (**uncheck "show note"**)
 - Print cash counts for each shift.
 - A/R accounts: credit book detail by member (run twice)
 - Type: all but xx account holders, credit: all, course: xx
 - any listing requires investigation.
 - notify City Golf Manager for more information/assistance.
 - Type: xx account holders, credit, all, course West Seattle
- Open daily audit sheet (standard PGC version)
- Enter date to spreadsheet in row 2 (i e: 3-25-15)
- Count each shift drop, confirming total included matches cash count amount listed.
 - note any variances for investigation.
- Enter cash (for each shift), checks, credit cards, credit books used, gift cards used, old gift certificates used.
- Enter credit books sold (on sales by category), gift cards sold (on sales by category)
- Enter total pos - credit books sold= net amount (**do math on report!**)
- Check variance and investigate if over \$10.00 (put in reason for variance)
- Print out daily audit sheet.
- Place in safe for pickup
- Run 2 copies of summarized Daily Cash Receipt report (DCRR) plus any additional POS reports.

- Add the cash and checks on the DCRR and compare to the prepared deposit slip.
- If you see an obvious transaction mistake (check entered as cash, etc.); you can fix the error within POS and rerun the Daily Cash Receipt Report. Do not force balance. If you cannot account for discrepancies between the deposit amount and the Report and your till was either OVER or SHORT, you will need to write it in the overage/shortage on the Daily Cash Receipt Report and entered OVER/SHORT in POS. **It is important to enter OVER/SHORT the same day of closing!**
- If discrepancy identified on the following/different day, notify accounting at PKS_GOLF_ACCOUNTING@seattle.gov , Golf supervisor and manager with explanation.
- Depending on how much you are off, you will need to follow additional steps to report a “Loss or Overage of Funds”. See section below for Loss or overage of fund under Balance variance section of this procedure.

Enter Transactions into STRATAGO

Stratago is an online, software application specializing in real-time, financial reporting and data collection used to help Golf courses manage their businesses more effectively. Stratago is also the only software through which summary of transactions from POS are transferred to City’s financial system.

Daily transaction entry to Stratago is a very important part of closing the operating day. Golf course manager is responsible to make sure transactions are accurately entered to Stratago.

- Open Stratago
- Enter Revenue Items, Gift Cards, and Credit Book Sold/Pay on Account (Check Total to Report)
- Enter Gift Cards Used and Issued, Credit Books Used, and Old Gift Certificates Used
- Enter Credit Cards, Cash/Check, Sales Tax, and Admissions Tax
- Enter Variance (should see green check mark at this point)
- Managers should be extra cautious while entering data and ensure data are entered correctly.
- Submit Journal after review and confirm correctness by manager.
- Print Journal
- If error of any kind is subsequently discovered after submitting journal.
 - ✓ Correct it immediately in Stratago and other systems as needed.
 - ✓ Document the correction and identify the causes of the error and come up with a better process so that it will not happen again.
 - ✓ Communicate the correction to Parks accounting right away so that SPR records are adjusted accordingly.

Balance Variances - Over & Short

Cashiers should work to properly record every transaction and to carefully issue change to each customer, however, mistakes may happen.

- Take care to record each transaction.
- Display payment outside the cash register until change is given.
- It is expected that occasionally, the money in the till will vary slightly from the register recordings.

Less than \$10.00

TRACKING

- Record the over/short total, on the Daily Cash Receipt Report and entered in POS at each shift change.
- Notify course manager of discrepancies with explanation.

REPORTING

- Any regularly occurring errors or errors that cannot be explained, requires that a memo be prepared and attached to the Daily Financial Report and sent to Parks Accounting. The site Coordinator is required to investigate.
- If you believe it is a loss due to theft, follow the procedures for Loss of Funds over \$100

Between \$10.00 and \$99.00

TRACKING

- Record the over/short total on the Cashier Close-out log, on the Daily Cash Receipt Report and entered in POS at each shift change.
- Notify course manager of discrepancies with explanation.

REPORTING

- Any difference of \$10.00, excess or shortage requires that a memo be prepared and attached to the Daily Financial Report and sent to Parks Accounting.
- The course manager is required to investigate.
- If you believe it is a loss due to theft, follow the procedures for Loss of Funds over \$100

Loss of funds over \$100

A “loss of funds” is the theft or disappearance of money that was accepted into the custody of a cashier or manager. Any loss of funds in excess of \$100 requires immediate action.

- When any loss over \$100 is suspected, immediately notify Manager who is responsible for the overall management of the situation including any personnel actions that may be required.
 - ✓ Fill out the Loss of Assets Form
 - ✓ Email the completed form to City Accounting at PKS_GOLF_ACCOUNTING@seattle.gov.)
 - ✓ City Accounting will follow with Citywide Accounting Loss Assets Policy and notify Parks Human Resources and General Ledger.
- Prepare Reports
 - ✓ When a preliminary estimate of the loss is known, contact Seattle Police to file a report and obtain an incident number.
 - ✓ Within 24 hours of when a loss is suspected, a preliminary written report and a “Loss of Assets” form (A-70) will be completed and submitted to the Parks Accounting Manager
- Golf Manager to collect the following information as an attachment to the Incident Report as noted above.
 - ✓ What information is known about the loss? When did it occur, who was present at that time, what was the sequence of events, etc.....?
 - ✓ Amount of cash missing. How was this determined?
 - ✓ Amount of checks missing. How was this determined? Are names of people who paid by check known?

- ✓ Cash value of credit certificates along with serial numbers of each type of card.
- ✓ Was credit card information included in the loss? Does this pose a risk to customers?
- ✓ Was there anything else of value taken such as cash register keys, building keys, locker collection keys.
- ✓ Obtain signed written statements from everyone who was working. Supervisor prepares a written summary indicating who was working; time each person was scheduled to work; time each person actually worked; length of service with the Department and with this job; date that each person took Cash Handling Training.
- ✓ Steps taken when loss was suspected and being investigated.
- The following staff actions must be taken:
 - ✓ Those associated with the loss will not be scheduled to work in a job that involves any handling of funds until approved by **Vice President/CFO** or the Director of Operations.
- A preliminary security review will be completed to determine if the loss of keys or other information poses a potential risk to the facility, the City of Seattle or customers. Actions must be taken to reduce or eliminate any identified risks which may include the following:
 - ✓ Take immediate actions to rekey areas of concern.
 - ✓ Discuss with Parks Accounting, other areas of potential risk to determine a proper activity of action.
 - ✓ Contact customers about stopping payment on checks or about the potential for credit card fraud

Daily Financial Paperwork

The following materials are to be attached to the Daily Cash Receipt Report that is retained on site. They must be maintained in an organized chronological filing system. These records will be kept at site for six months from the transaction date (as space permits) and will be archived afterwards.

- Compile all appropriate paperwork for transfer to the city
 - ✓ All Credit Card Receipts
 - ✓ All Gift Certificates
 - ✓ Audit Sheet
 - ✓ Stratago Journal Print out
 - ✓ Cash Count
 - ✓ Total by Pay Method
 - ✓ Gift Card Activity Report
- Place it in a daily packet on the desk in office (in order below) and box them.

DEPOSIT SLIP ON TOP

- ✓ STRATAGO 1ST
- ✓ AUDIT SHEET 2ND
- ✓ CASH COUNT SHEETS 3RD
- ✓ SALES BY SALES CATEGORY REPORT 4TH
- ✓ CREDIT CARD TRANS 5TH
- ✓ TOTAL PAY BY METHOD 6TH
- ✓ ANYTHING ELSE THAT NEEDS TO BE INCLUDED

Per City of Seattle office of Clerk - General records retention schedule, financial record should be retained for 6 years. It includes information from the following sources.

It is the policy of Seattle Parks and Recreation to handle personal items found at a recreation facility in a way that protects and respects personal property yet recognizes that there is limited storage. Signs will be displayed at all sites indicating that there is a thirty-day limit; “All items unclaimed after **30 days** subject to disposal”.

**Lost and Found items will be retained for a period of 30 days
and then transferred to the police, donated, discarded or reused, depending on type of item.**

Items of Value:

- “Items of Value” are materials and possessions with a monetary value of more than \$50 or of significant personal value. Other items of value include wallets, drivers’ licenses, cellular telephone, some jewelry, bicycle, cameras, cash, leather jacket, etc..
- Items of value will be placed in locked storage until they can be turned over to Seattle Police. When found, immediately tag them with information about when and where they were found along with the name of the person who finds the item.
- When first opening a found wallet or purse to determine ownership or contents, whenever possible a second staff person should be present. The wallet or purse should be tagged with date, location and contents. Both people should sign the tag.
- In an attempt to assist with claiming property while the customer is still on site, use a public address system if available. If the probable owner of found property is known, call on the PA to request the person believed to be the owner to report to a designated location. Do not indicate the reason why.
- If the person finding the item expresses an interest in claiming the item if it is not claimed by the owner, complete a Lost and Found Report. The found item is turned over to Seattle Police within 7 days and the citizen will be directed to contact them to pursue a claim.
- All items of value will be turned over to Seattle Police within **90days**. The exceptions are: Cell phones that are unclaimed after 30 days are turned over to Parks Security. These will be recycled and reprogrammed for emergency use to help meet community safety needs.
- Keys of any type (car keys, key fobs, etc..) are considered to be garbage after 30 days. It has been determined that these no longer have a value. Disconnect from ring and place in trash.
- To turn over property to Seattle Police, call the non-emergency number of **625-5011**, indicate you have “found property” and request a pick-up by a Community Service Officer.
- Dangerous items should be turned over to Seattle Police when found. This includes guns, ammunition, other weapons, and drugs. Also, large amounts of cash should be turned over immediately. Call the non-emergency number of 625-5011.
- The right to claim property, which has been found, is covered by Washington State Law (RCW 63.21 Uniform Unclaimed Property Act). Property cannot be claimed by a government employee who found or acquired the property while acting within the activity of his/her employment.

Intangible Personal Property: Cash

- The Washington State Department of Revenue’s Unclaimed Property Division is the legal holder of unclaimed money.
- When cash is turned in, place cash in envelope and label as “Lost Cash” with date, location and amount of money indicated.
- If finder asks to keep cash, facility staff to turn over to Seattle Police within 7 days. Finder is directed to contact Seattle Police to pursue claim.

- If finder does not ask to keep cash, it will be deposited into the City of Seattle account. A note of explanation will accompany deposit record when submitted to Parks Accounting.

Non-Valuable Items:

- Most used clothing (shoes, swimsuits, sweatshirts, jackets, etc.), sports gear, towels, toys, etc. are considered to be “Non-valuable Items”.
- Clothing items will be placed in a storage area away from unsupervised public access. For health reasons, items of a personal nature should be disposed of promptly, rather than placed in the Lost and Found; this includes hairbrushes, combs, underwear, make-up, food, etc...
- If a site does not have a method to clean or dry clothing, wet and muddy items may be disposed of in the garbage without allowing for the 30 days claim period.

Claiming Lost and Found:

- Ask the customer to carefully describe the property lost. A staff member should accompany them to the Lost and Found area or present items which match the description and continue to oversee the selection.
- When Items of value are claimed, the customer must sign the property tag which is then retained by the facility.
- Lost and Found items may be identified or held over the phone. If a person calls with a request, obtain a complete description, and based on the information they provide, determine if the item has been turned in. When identified, immediately tag with name, date, and phone number; place in “Will Call”. Customer to be informed that it should be picked up immediately and will be disposed of in 30 days.
- Lost and found items are not to be loaned or given to anyone except the owner.

Check Fraud Prevention

By paying attention to a check’s appearance, you can often detect a possible bad check before accepting it as payment. When you see one or more of the following telltale signs, you may be looking at a bad check. Protect yourself against possible losses by verifying the funds or asking for an alternative form of payment.

- No perforations on check edge.
- Apparently altered writing or erasures.
- Water spots or alterations of check’s color or graphic background. Signature does not match imprinted name or ID.
- Magnetic ink of the routing and account numbers appear glossy rather than the dull finish of magnetic ink.

Currency Identification

Excerpts from: http://www.secretservice.gov/know_your_money.shtml

Characteristics of United States Paper Currency

Three types or classes of U.S. paper currency are in use today. The most numerous--accounting for 99 percent of the total value in circulation--are Federal Reserve notes. Most of the remainder are United States notes and silver certificates, which are occasionally seen but are no longer produced.

The designation of the class to which the note belongs appears on the upper center of its face.

Each type is identified by the distinctive color of its Treasury seal and serial numbers. On Federal Reserve notes these are green, on United States notes they are red, and on silver certificates they are blue.



Each denomination, regardless of class, has a prescribed portrait and back design selected by the Secretary of the Treasury.

Notes of the \$500, \$1,000, \$5,000, and \$10,000 denominations have not been printed for many years and are being withdrawn from circulation. The portraits appearing on these notes are: McKinley on the \$500, Cleveland on the \$1,000, Madison on the \$5,000 and Chase on the \$10,000.

Position of Important Features

- | | |
|------------------------------------|---------------------------------------|
| 1 Type of Note | 8 Inscribed Security Thread |
| 2 Portrait | 9 Federal Reserve Letter/Number |
| 3 Microprinting | 10 Series |
| 4 Fine-Line Printing Pattern | 11 Treasury Seal |
| 5 Serial Number | 12 Check Letter and Face Plate Number |
| 6 Check Letter and Quadrant Number | 13 Back Plate Number |
| 7 Federal Reserve Seal | 14 Watermark |
| | 15 Color Shifting Ink |

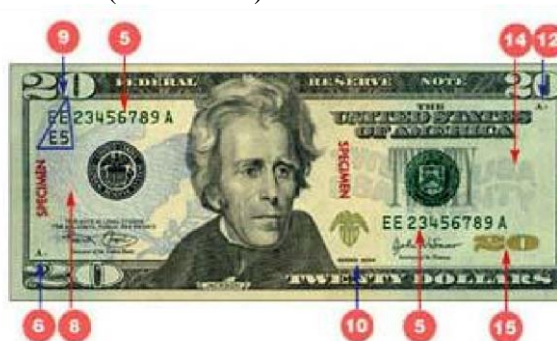
\$10 Front (2004 Series)



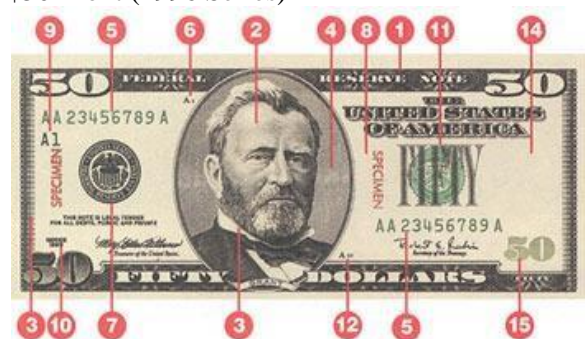
\$50 Front (2004 Series)



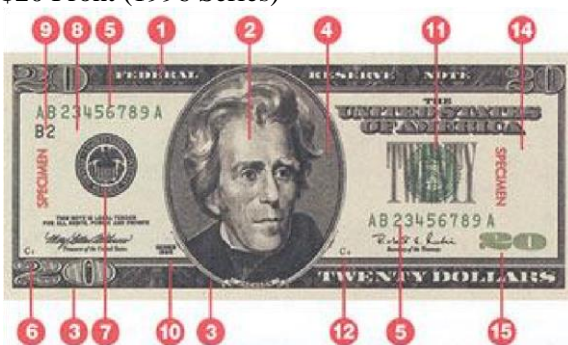
\$20 Front (2004 Series)



\$50 Front (1996 Series)



\$20 Front (1996 Series)



\$100 Front (1996 Series)



When Money Is Damaged or Wears Out

Even though United States currency is strong and durable, it does wear out with constant handling.



All currency in circulation is routinely deposited to Federal Reserve Banks by commercial banks. Worn notes are systematically destroyed by Federal Reserve Banks during ordinary currency processing. The destroyed notes are replaced by new currency provided by the Bureau of Engraving and Printing. The note most frequently replaced is the \$1 denomination. There are over four billion \$1 bills in circulation, and the life expectancy of each is approximately 18 months. Since larger denominations are handled less, they last longer.

When a note is partially destroyed, the Treasury Department will replace it if clearly more than half of the original remains. Fragments of mutilated currency which are not clearly more than one half of the original whole note may be exchanged only if the Director of the Bureau of Engraving and Printing is satisfied by the evidence presented that the missing portions have been totally destroyed.



Damaged or mutilated notes should be taken to a bank for redemption. When partially destroyed currency is of questionable value, the fragments should be sent by registered mail to the Department of the Treasury, Bureau of Engraving and Printing, OCS/BEPA, P.O. Box 37048, Washington, D.C. 20013. The Bureau of Engraving and Printing can be accessed through the Internet at <http://www.moneyfactory.com>

Advanced Technologies in Counterfeiting

Counterfeiting of money is one of the oldest crimes in history. It was a serious problem during the 19th century when banks issued their own U.S. currency. At the time of the Civil War, it was estimated that one-third of all currency in circulation was counterfeit.

At that time, there were approximately 1,600 state banks designing and printing their own notes. Each note carried a different design, making it difficult to distinguish the 4,000 varieties of counterfeits from the 7,000 varieties of genuine notes.

It was anticipated that the adoption of a national currency in 1863 would solve the counterfeiting problem. However, the national currency was soon counterfeited so extensively it became necessary for the government to take enforcement measures. On July 5, 1865, the United States Secret Service was established to suppress counterfeiting.

Although counterfeiting has been substantially curtailed since the creation of the Secret Service, this crime continues to represent a potential danger to the nation's economy and its citizens. Production methods used in counterfeiting operations have evolved over the years from the traditional method of offset printing to color copiers and, more recently, to scanners, computers and inkjet printers.

The Secret Service has noted that many of today's counterfeiters have moved from the traditional

method of offset printing, which has its own set of required skills, to computer-generated counterfeiting. Today's counterfeiter is able to produce counterfeit currency with basic computer training and skills afforded by trial and error, and public education. Counterfeit passing statistics are likely to increase because of several factors: these instruments of production are more readily available, the capabilities of these machines continue to improve and the techniques are more readily understood by an increasingly larger segment of the population, including those with criminal intent.

The United States Secret Service remains committed to zero tolerance and is determined to investigate each and every counterfeiting case. Each counterfeiting case, no matter how large or small, carries the serious consequences of incarceration and/or fines.

Office Machine Copiers / Printers

Advanced technology in the office machine copier/printer industry has made it possible for even unskilled operators to produce high-resolution color reproductions. The widespread availability of such copiers/printers has increased the incidence of the manufacturing and passing of office machine notes.

Toner Technology

Copiers/printers using toner technology generally employ the electrostatic transfer of toner (dry plastic powder) to the paper. This results in the image area resting on top of the surface of the paper. In addition, small particles of toner can often be seen, under magnification (approximately 20x power), outside the image area.

There are three basic types of toner notes: (1) black and white, (2) monochromatic, and (3) full color.

Black and white copier notes bear images produced by black toner only.

Monochromatic utilizes single color toners. (i.e., red, green, blue and brown). Treasury seals and serial numbers will be a solid shade of green, rather than a combination of yellow and cyan. The back plate often is a mixture of green and black toner.

Full color notes bear images produced by utilizing a combination of yellow, magenta (bright pink), cyan (light blue) and black toners.

Ink Jet Technology

Ink Jet copiers/printers spray tiny droplets of ink from the printer head through a small gap of air onto the paper to form the image.



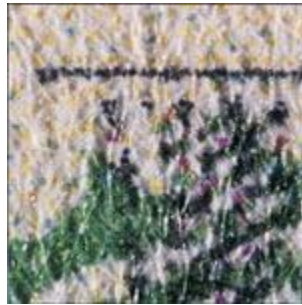
Genuine



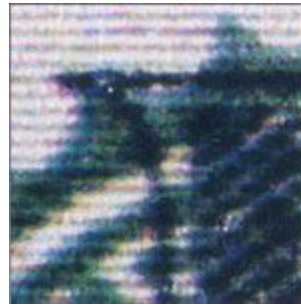
Black & White



Monochromatic



Ink Jet



Full Color

How To Detect Counterfeit Money

The public has a role in maintaining the integrity of U.S. currency. You can help guard against the threat from counterfeiters by becoming more familiar with United States currency.

Look at the money you receive. Compare a suspect note with a genuine note of the same denomination and series, paying attention to the quality of printing and paper characteristics. Look for differences, not similarities.

Portrait

The genuine portrait appears lifelike and stands out distinctly from the background. The counterfeit portrait is usually lifeless and flat. Details merge into the background which is often too dark or mottled.



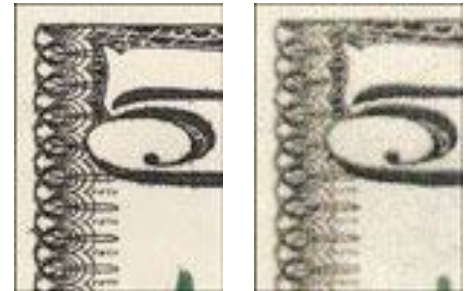
Federal Reserve and Treasury Seals

On a genuine bill, the saw-tooth points of the Federal Reserve and Treasury seals are clear, distinct, and sharp. The counterfeit seals may have uneven, blunt, or broken saw-tooth points.



Border

The fine lines in the border of a genuine bill are clear and unbroken. On the counterfeit, the lines in the outer margin and scrollwork may be blurred and indistinct.



Serial Numbers

Genuine serial numbers have a distinctive style and are evenly spaced. The serial numbers are printed in the same ink color as the Treasury Seal. On a counterfeit, the serial numbers may differ in color or shade of ink from the Treasury seal. The numbers may not be uniformly spaced or aligned.



Paper

Genuine currency paper has tiny red and blue fibers embedded throughout. Often counterfeiters try to simulate these fibers by printing tiny red and blue lines on their paper. Close inspection reveals, however, that on the counterfeit note the lines are printed on the surface, not embedded in the paper. It is illegal to reproduce the distinctive paper used in the manufacturing of United States currency.



Raised Notes

Genuine paper currency is sometimes altered in an attempt to increase its face value. One common method is to glue numerals from higher denomination notes to the corners of lower denomination notes.

These bills are also considered counterfeit, and those who produce them are subject to the same penalties as other counterfeiters. If you suspect you are in possession of a raised note: Compare the denomination numerals on each corner with the denomination written out at the bottom of the bill (front and back) and through the Treasury seal.

Compare the suspect note to a genuine note of the same denomination and series year, paying particular attention to the portrait, vignette, and denomination numerals.



If You Receive a Counterfeit

- Do not return it to the passer.
- Delay the passer if possible.
- Observe the passer's description, as well as that of any companions, and the license plate numbers of any vehicles used.
- Contact your local police department or United States Secret Service field office.
- Surrender the note or coin only to a properly identified police officer or a U.S. Secret Service special agent.

Personal Safety/ Crime Prevention

The following is an excerpt from the Seattle Police department website.

<http://www.seattle.gov/police/prevention/Personal/streetsmarts.htm>

GENERAL SAFETY TIPS

- Follow your intuition — trust your feelings. If you feel that a situation is not right, move out of the situation.
- Be aware of your surroundings. In social situations, be alert to places and situations that make you vulnerable.
- Walk confidently and alertly.

BEING SAFE ON THE STREET

- Be aware that walking alone at night may be dangerous.
- If you are being followed or you see a person or group further down the street who makes you feel uncomfortable, cross the street, walk in another direction, or ask other people walking if you may walk a short distance with them.
- Walk near the curb, in the middle of the street, and away from buildings, trees, and shrubbery, which can hide potential assailants.
- When walking near the car to your home or apartment, carry your house keys in your hand. Don't stand in a doorway and fumble in your purse or pocket for your keys. Have them ready to use.
- Use a grocery cart when you have many packages. You make a good mark when your arms are full.

- Always dress so that movement is not restricted.
- Try to vary your routine routes of travel. Most rapists have been found to study their victim's habitual patterns.
- While waiting for public transportation, keep your back against a wall (or pole) so that you cannot be surprised from behind.
- Know your routes. Notice lighting, alleys, abandoned buildings, and street people. Pick out places that you consider safer, places where you can either make a stand or reassure yourself that you are not being followed or watched (i.e., lit porches, bus stops, stores, etc.).
- If you are going somewhere in a city with which you aren't familiar, check a map, know where you are going. Looking lost increases vulnerability.

IF YOU ARE CONFRONTED

- It may seem like a good idea to tell a robber that you have no money, but this technique may backfire. It is safer to give up a few dollars. Carry a little money separate from your other funds in an accessible place.
- If someone demands your property and displays or implies in any way that they have a weapon, don't resist.
- If someone tries to grab you, make a scene. Scream, kick, fight . . . do what you can to get away and attract attention.

Robbery Response

The following is an excerpt from the Seattle Police department website.

<http://www.seattle.gov/police/prevention/business/robbery.htm#business>

IF YOU ARE ROBBED

Cooperate with the Robber

- Do exactly as you are told. If you don't understand what you are being told to do, ask.
- Give the robber(s) what they want. Don't argue.
- Don't move too quickly or reach for anything. Tell the robber(s) what you are doing.
- Keep it Short and Smooth
- The longer the robbery takes the more nervous the robber is. The average robbery takes less than 2 minutes.
- Don't Resist
- Don't fight.
- Don't use weapons.
- Don't chase the robber(s).

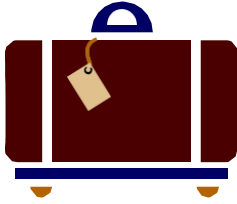
Be Observant

- Observe the person(s) involved for the purpose of describing clothing and physical features.
- Observe the person or persons' means of escape, direction of travel and description of vehicle.
- Call Police (9-1-1) After the Robbery is Over
- Stay on the phone until police tell you to hang up.
- Record the suspect(s) description on an "I.D." form or piece of paper.

Protect the Crime Scene

- Don't touch anything. There may be suspect(s) fingerprints or other physical evidence crucial to the investigation.

EXHIBIT C – City of Seattle Travel Policies and Procedures



City of Seattle Travel Policies & Procedures

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TRAVEL POLICIES & PROCEDURES

1.0 Statement of Purpose

1.1 *Purpose of Rules, Policy and Procedures*

The purpose of this document is to provide City employees, managers and accounting administrators with detailed information on the processes, policies and procedures required for traveling on authorized City business.

- 1.1.1 SMC 4.72.80 authorizes the City Finance Director to establish the City's "Travel Rules." These rules, policies and procedures include instructions for payment and reimbursement of all allowable travel expenses.
- 1.1.2 Allowable travel expenses are defined in SMC 4.72 and Section 2.1 of this document.
- 1.1.3 The City agrees to pay for or reimburse employees for the cost of certain allowable meeting and travel expenses, which may be incurred as a part of the performance of that employee's job.
- 1.1.4 The employee's department head or his/her designee is required to authorize all travel and related expenses. All authorized travel or related expenses must be for the purpose of conducting official City business, the attendance at professional meetings, conferences or training that promotes overall job knowledge.
- 1.1.5 The City agrees to pay only for authorized travel and related expenses.
 - (a) An employee may consider a "Saturday" night stay if the airfare savings is greater than the additional costs of lodging and meals and is approved in advance by the department head or his/her designee.
 - (b) If an employee combines a personal trip with his/her City business travel, the City will only pay or allow reimbursement for that portion of the travel expenses which are directly related to the business travel.
- 1.1.6 The City's travel policies do not apply to an employee's normal commute.

1.2 *Approval of Travel Requests & Claims for Reimbursement*

- 1.2.1 The City will not reimburse any employee claim for travel or related expenses without the approval of the department head or his/her designee.
- 1.2.2 Claims made by employees of the City's Boards and Commissions, shall be approved by the Chairperson, Board of Administrators or his/her designee.
- 1.2.3 Claims made by elected City officers shall be authorized and approved by each such officer.
- 1.2.4 Authorization of travel qualifying as Executive Recruitment under SMC 4.14 will be approved in advance by the hiring executive.

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1.3 *Responsibilities & Enforcement*

Employees and their supervisors are responsible for ensuring compliance with the rules, policies and procedures detailed herein.

1.4 *Reports to Mayor & Council on City Travel Expenses*

- 1.4.1 Upon request of the Mayor and/or the City Council, the City's accounting system, Summit, can provide information on the dollar amount spent, by departmental organization number in the travel expense account. Detailed travel expense information by employee is not available from Summit.
- 1.4.2 The City's designated travel agent(s) will be required to provide management information and billing reports for all travel services arranged for or provided by their company to City of Seattle employees via the Travel Management Services contract.

1.5 *Definitions*

- 1.5.1 Commercial Credit Card: A City credit card that may be used to make job-related purchases in accordance with the policies outlined in the City Commercial Card Handbook. Throughout this document, the Commercial Credit Card will be referred to as the C-card.
- 1.5.2 Designated Travel Agent(s): The City has contracted with four travel agent(s) to provide travel services for all City employees. Departments may identify one or more of the City designated travel agent(s) for their employees to use. Employees should confirm their departmental preferences with their supervisor.
- 1.5.3 Travel Request, Approval & Expense Form: All City employees will be required to complete the City's Travel Request, Approval & Expense Form. This form will be required to request approval for travel, for submittal to the travel agent for booking reservations and for submitting expenses at the conclusion of travel. The City's Travel Request, Approval & Expense Form is available on the SharePoint Travel Page "Policies & Procedures" pane at:
[City Travel Information \(sharepoint.com\)](https://sharepoint.com)

2.0 **Allowable Expenses**

2.1 *General Allowable Travel Expenses*

When authorized in writing by the department head or his/her designee, employees will be reimbursed for all reasonable and necessary expenses incurred while conducting City business. In accordance with SMC 4.72, the following are allowable travel expenses:

- 2.1.1 Meal expenses when travel outside the City is not a routine or normal part of an employee's job.
- 2.1.2 Lodging expenses when travel requires an overnight stay.

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- 2.1.3 Transportation to and from travel destination or mileage expenses in accordance with [SMC 4.70.025](#).
- 2.1.4 Local ground transportation or car rental.
- 2.1.5 Other reasonably necessary expense incurred related to the conduct of City business. These include, but are not limited to writing materials, reading materials and telecommunication.
- 2.1.6 The City will pay miscellaneous travel expenses essential to the transaction of City business, either directly, or through employee reimbursement. The employee must provide original receipts, or other proof, of miscellaneous travel expenses claimed. These reimbursable expenses include, but are not limited to:
- (a) Registration fees required in connection with attendance at an approved meeting, conference, convention, or training session.
 - (b) Charges for facsimile (FAX) or copy services related to City business.
 - (c) Gratuities and tips for services for which a tip is customary, including, but not limited to taxis, shuttles, and baggage handlers. Reimbursement is limited to 20 percent for services with actual charges or \$2.00 for complimentary services.

2.2 *Other Allowable Expenses*

2.2.1 Interview Travel Expenses for Executive Recruitment

When payment of reasonable and necessary expenses incurred by job applicants from outside of Seattle is approved, pursuant to SMC 4.14.100, the expenses must be incurred in accordance with the City's adopted travel policies and procedures.

2.2.2 Applicability to City Contractors

Consultants and others under contract with the City may only charge the City for travel in accordance with the City's adopted travel policies.

3.0 **Disallowed Expenses**

The following is a non-exclusive list of expenses that are not reimbursable:

<ul style="list-style-type: none">• Air phone charges• Airline club memberships• Airline upgrade certificates• Alcoholic beverages• Baby-sitting, child care• Barber, hair stylist, manicurist	<ul style="list-style-type: none">• Personal or chartered aircraft (unless it can be shown it was for legitimate City business and was the cheapest mode of transportation)• Personal entertainment, including theater/sports tickets, in-flight/in room movies, books.
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<ul style="list-style-type: none">• Briefcases/luggage• Car washes• Clothing, including formal business attire rental• Dry cleaning, laundry• Fines• Flight insurance• Forfeitures• Free flight, hotel, or car rental coupons• Gambling losses and expenses• Gum, candy, or cigarettes• Lost luggage• Massage/spa charges	<ul style="list-style-type: none">• Personal telephone calls• Pet boarding or supplies• Shoe shines• Sports and social club dues/memberships• Supplemental car rental insurance• Theft or loss of personal property• Toiletries• Traffic, speeding, or parking tickets• Penalties (other than airline en route changes outlined in section 7.0)• Personal credit card fees or interest charges• Personal property insurance
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Travel, lodging, and meal expenses for non-employees (i.e. vendors and consultants) are not allowed except for the following exceptions:

Under certain circumstances in which a non-employee's expenses are being paid through grant funds, the City Finance Director or his/her designee may make an exception to this policy and approve the payment of travel, meal and lodging expenses in accordance with the City's travel policies.

4.0 Travel Arrangements

The City has contracts with designated travel agents that will be used to make travel arrangements for employees traveling on City business. Airline tickets may be purchased through these City travel agents, off the State travel contract, or via the Internet. Departments may require their employees use one of more of these options. Instructions will be outlined in department-specific travel policy and procedures. Employees must make travel arrangements in accordance with their department-specific policy and procedures, which incorporate the procedures established in this section.

4.1 *Travel Agent*

- 4.1.1 Air and other transportation, including car rental, for individual or group travel, may be booked through the City's designated travel agent(s). Lodging may be either booked through the travel agent, using the traveler's credit card or a City C-Card, if available, or may be arranged independently by the traveler.

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- 4.1.2 The City's designated travel agent(s) will be required to arrange authorized travel services for City personnel to include the following:
- (a) Booking and securing transportation reservations and issuing and delivering tickets (including travelers' itineraries for air, rail, bus, rental cars) to various City offices. Wherever possible, obtaining advance seat assignments will also be required.
 - (b) Booking and securing reservations for hotel/motel accommodations.
 - (c) Coordinating international travel arrangements, which will include, in addition to reservations and issuance/delivery of tickets, provision of State Department advisories for destination countries/cities; assistance in obtaining passports and/or visas; and advice and/or documents regarding health requirements, foreign currency exchange, etc., pertinent to the traveler's destination(s).
- 4.1.3 The City's designated travel agent(s) will use the following guidelines when booking airline transportation:
- (a) The flight's departure or arrival time is within one hour before or after the requested departure or arrival time.
 - (b) One stop or connecting flights may be required if savings of \$200 or more can be achieved.

Employees may consider a "Saturday" night stay if the air fare savings is greater than the additional costs of lodging and meals.

- 4.1.4 Employees should check with their supervisor to determine if one of the City's travel agents listed on the InWeb has been specifically designated for use by their department. More information regarding City designated travel agents can be found on the SharePoint Travel Page "Other Travel" section at:

[City Travel Information \(sharepoint.com\)](#)

- 4.1.5 Employees will use their department's published internal procedures, if any, when booking reservations with the travel agent.
- 4.1.6 When a conference sponsor requires a registrant to reserve lodging directly by using a form provided by the conference sponsor, the employee may do so. The employee will be required to indicate on the travel request form that lodging arrangements have been made in conjunction with the conference application.

4.2 *International Travel*

Employees traveling on business outside the continental United States are required to notify the City's Risk Manager of their travel plans within *no less than* five working days of their departure date to ensure the appropriate endorsements have been secured.

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4.3 Traveler Profile Form

Employees who expect to travel frequently, may choose to complete a traveler profile form provided by the City or the City's designated travel agent(s). This information will be used to ensure that the pertinent details about the traveler are always readily available to the agent(s).

5.0 Meal & Other Expenses

Meal expenses are covered by two different meal rates. The allowable meal allowance or meal per diem includes the cost of the meal(s) and tips based on either the current Runzheimer Cost Index or the Federal Meal Per Diem Rate by travel destination. The City will determine whether the Runzheimer Cost Index or the Federal Meal Per Diem Rate will be used for payment of meal expenses based on the following conditions:

- (a) Non-represented Employees: Meal expenses for employees who are not represented by a collective bargaining agreement will be paid for under the current Federal Meal Per Diem Rate. Prior to January 1, 2000, a department director or his/her designee may choose to have that department's non-represented employees use the Runzheimer Cost Index instead of the Federal Per Diem Rate for meal allowances. Under no circumstances will a non-represented employee be allowed to choose which meal rate to use on a trip by trip basis.
- (b) Represented Employees: Meal expenses for employees who are represented by a collective bargaining agreement will be paid according to the Per Diem rate negotiated by the appropriate bargaining agent. Employees must contact their departmental Travel/Training Coordinator for the appropriate rate.

5.1 Meal Expenses – Federal Meal Per Diem Rate

- 5.1.1 The City will pay a per diem amount for meals based on the Federal Meal Per Diem Rate for meals by location. **These meal per diem amounts include tips.**
- 5.1.2 The amount of the authorized meal per diem is calculated by day. The Federal Meal Per Diem Rate requires reductions of per diem allowances for partial days. The employee is allowed one-fourth of the per diem for each quarter of the day spent traveling or away from home. The IRS defines quarters to be: midnight to 6:00am, 6:00am to noon, noon to 6:00pm, and 6:00pm to midnight. Based on the IRS definition of quarter days for the per diem, the following criteria should be used for identifying the number of meals:

FEDERAL QUARTER-DAY DISTRIBUTION	MEAL ALLOCATION
6 a.m. to noon	1 breakfast
Noon to 6 p.m.	1 lunch
6 p.m. to midnight	1 dinner

- 5.1.3 If meals are included in a lodging, conference or training registration fee, the employee's daily per diem will be adjusted accordingly.

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5.1.4 Allowable meal per diems based on the Federal Meal Per Diem Rate should be given to the employee prior to departure on City business. Trips should be planned far enough in advance so that employees can receive the per diem in his/her paycheck prior to departure. **If there is insufficient time to provide the per diem in the employee's paycheck prior to departure, the employee may receive the per diem either via a warrant or in the next available paycheck.**

5.1.5 Information and rates related to the current Federal Meal Per Diem Rate are available on the SharePoint Travel Page "External Links & Data Tables" pane at: [City Travel Information \(sharepoint.com\)](https://sharepoint.com)

5.2 Meal Expenses – Runzheimer Cost Index

5.2.1 The City will pay the allowable amount for meals expenses, based upon the Runzheimer Cost Index listing of meal allowances by location. **These meal allowances include tips.**

5.2.2 The amount of the authorized meal allowance is determined on a per meal basis dependent upon the departure time from Seattle and the arrival time on return to Seattle. Snacks and/or meals served on airlines will not reduce the meal allowance.

5.2.3 If meals are included in a lodging, conference or training registration fee, the employee's daily per diem will be adjusted accordingly. A "continental" breakfast provided at a meeting, conference or training session will not reduce the employee's meal allowance.

5.2.4 If the employee requires a cash advance to cover meal expenses, trips should be planned far enough in advance so that a request for cash advance can be processed prior to the employee's departure.

5.2.5 Payment of meal expenses will be based on actual expenses per meal, based on the allowable maximum established by the Runzheimer Cost Index. For payment and reimbursement of meal expenses, employees are required to collect original meal receipts for all allowable expenses incurred and to submit those receipts with their expense report.

5.2.6 The employee is required to refund meal advances in excess of the actual expenses incurred in accordance with Section 4.4 of the Travel Policies and Procedures.

5.2.7 The City's C-card may be used to pay for meals that are covered by the Runzheimer Cost Index. **If an employee receives a meal allowance in advance, the C-card may not be used to pay for those meal expenses.**

5.2.8 Information and rates related to the Runzheimer Cost Index are available on the SharePoint Travel Page "External Links & Data Tables" pane at: [City Travel Information \(sharepoint.com\)](https://sharepoint.com)

5.3 Reimbursement of Meal Expenses Exceeding the Allowable Per Diem

5.3.1 Elected officials and federal coordinators of the Office of Intergovernmental Relations may be reimbursed for actual meal expenses in lieu of a flat per diem **only** when the

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City business to be conducted occurs during a meal where the actual expense of that meal exceeds the maximum allowable per diem rate.

- 5.3.2 The elected official, department head or federal coordinators of the Office of Intergovernmental Relations may only seek reimbursement from the City for his/her meal.
- 5.3.3 The elected official, department head or federal coordinators of the Office of Intergovernmental Relations must keep and submit original receipts for any meal for which he/she will be reimbursed for actual meal expenses incurred.
- 5.3.4 The elected official, department head or federal coordinators of the Office of Intergovernmental Relations may not receive per diem for any meal in which he/she is reimbursed under this section.
- 5.3.5 Elected officials, department heads and federal coordinators of the Office of Intergovernmental Relations are expected to use the Federal Meal Per Diem Rate for all other meals that do not meet the circumstances set forth in Section 5.3.1.
- 5.3.6 When the State Legislature is in session, in lieu of reimbursement for meals in accordance with these rules, policies and procedures, claims approved for employees in the Office of Intergovernmental Relations shall receive an amount equal to the per diem established for the Washington State Legislature pursuant to RCW 44.04.080. No portion of such funds may be used for promotional hosting. (SMC 4.72.080)

5.4 *Reimbursement of Meal Expenses With One Group Receipt*

Employees who are required to obtain original receipts for their meals (those not utilizing the Federal Per Diem meal allowance) must request separate receipts when dining with a group. If the restaurant will not provide separate receipts, a copy of the receipt is acceptable if the total number of diners and the amount being claimed for reimbursement are clearly indicated. Note: With non-itemized group receipts, the acceptable practice is to divide the receipt (including gratuity) by the number of diners to determine the individual meal allowance.

6.0 Lodging Expenses

- 6.0.1 The Runzheimer Cost Index will be used for determining the maximum allowable expense for all lodging at the travel destination. Expenses exceeding the maximum allowable lodging rate will be allowed under the following circumstances.
 - (a) Exceptions may be made to the Runzheimer Cost Index for lodging when:
 - 1) The lodging facility serves as the location for the event which is the purpose of the City business, or
 - 2) The event sponsor arranges lodging for the event participant, the cost of the lodging is allowable, even if it exceeds the Runzheimer Cost Index.
 - (b) If the hotel where the event is scheduled is unavailable to the employee and lodging in the nearest hotel exceed the maximum Runzheimer Cost Index lodging

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rate for that City, the employee's supervisor may approve lodging expenses at the higher rate.

- (c) When the State Legislature is in session, in lieu of reimbursement for lodging in accordance with these rules, policies and procedures, approved claims by employees of the Office of Intergovernmental Relations, shall receive an amount equal to the per diem established for the Washington State Legislature pursuant to RCW 44.04.080. No portion of such funds may be used for promotional hosting. (SMC 4.72.080)

- 6.0.2 Lodging expenses incurred at a facility located at the employee's official duty station or official residence are prohibited.
- 6.0.3 Allowable lodging expenses include the cost of lodging and any applicable sales taxes and/or hotel/motel taxes. The original, detailed lodging receipt must be submitted with the expense claim.
- 6.0.4 Reimbursement for lodging expenses is not to be authorized when an employee does not incur lodging expenses at a commercial lodging facility.
- 6.0.5 The City's C-card may be used to guarantee a reservation.
- 6.0.6 If reserved rooms are not needed, it is the traveling employee's responsibility to make sure the room is canceled. The employee may cancel the reservation directly or through the City's travel agent(s).

7.0 Transportation Expenses

7.1 Airline Transportation

- 7.1.1 Payment by the City for first class air travel is not allowed.
- 7.1.2 All airline tickets are required to be booked in advance and expensed at the lowest available airfare, unless otherwise approved by the department head or his/her designee. If the lowest possible fare is a non-refundable, non-transferable ticket, the ticket should be booked at this rate, unless otherwise approved by the department head or his/her designee. To assist with travel planning, employees should consider booking airline reservations 7-21 days or more prior to travel in order to guarantee the lowest fares.
- 7.1.3 Employees may consider a "Saturday" night stay if the air fare savings is greater than the additional costs of lodging and meals.
- 7.1.4 Employees may only change booked airline tickets using the following conditions:
 - (a) Designated travel agent(s) must be used to make the necessary changes to agent- booked travel arrangements, unless otherwise approved by the department head or his/her designee. If the employee cannot make the changes through the travel agent, the employee must notify the travel agent as soon as practical.

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- (b) The employee is responsible for changing reservations booked on the Internet.
 - (c) An employee may change an airline ticket if the change does not increase the original price of the ticket and if the change involves only the minimum ticket change penalty. If the conduct of City business requires a change in the ticket, the employee may change the ticket and if the same airfare is not available, may change the price of the ticket.
- 7.1.5 Employees may specify one or more preferred carriers in his/her Traveler Profile Form. If the same low airfare is offered by more than one major carrier, the City's travel agent(s) may book the flight on an employee's preferred major carrier.
 - 7.1.6 Traveling employees may retain frequent flier mileage program benefits for their personal use. It is the City's policy that participation in these programs may not result in any incremental cost to the City beyond the lowest available fare, as defined in Section 7.1.2.
 - 7.1.7 When airline tickets have been issued for travel on City business, they are the property of the City. When travel arrangements are canceled after airline tickets have been issued, the unused tickets are required to be returned immediately to the employee's department director or designee.
 - 7.1.8 Refundable airline tickets purchased through a designated City travel agent will be returned to that agent for processing of a credit. Credit for refundable tickets purchased through the Internet should be processed through the issuing airline or in accordance with instructions posted on the purchase web site.
 - 7.1.9 If the airline ticket is non-refundable and non-transferable, the department director or designee will be responsible for retaining the ticket for possible future use by the employee. Airline policies change frequently. Refer to issuing carrier for current policy.
 - 7.1.10 If the trip is canceled, it is the traveling employee's responsibility to notify the travel agent for agent-booked reservations or to notify the appropriate airline for Internet- booked reservations.

7.2 Car Rentals

- 7.2.1 Employees are required to make all car rental reservations through the City's vehicle rental blanket contract, whenever possible. If travel reservations that include car rental are made through one of the City's designated travel agent(s), they must also use the City's vehicle rental blanket contract, when feasible. The City's travel agent(s) will be given a list of vendors and instruction on using the City's blanket contract(s).
- 7.2.2 All car rentals should be for intermediate-size cars or smaller, unless four or more people are traveling together or are otherwise approved by the department head or his/her designee.

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- 7.2.3 Employees are responsible for returning rental cars with a full gas tank to avoid the costly refueling charges imposed by the rental companies.
- 7.2.4 If a rental car has been reserved and is not needed, it is the employee's responsibility to immediately cancel the car rental reservation. The employee may cancel the reservation directly with the car rental agency or through the City's travel agent(s).
- 7.2.5 If a rental car is not available through the City's blanket vendor and another vendor is used, the employee is required to purchase all available insurance.
- 7.2.6 Personal use of vehicles rented under the City contract is expressly prohibited, including the transportation of non-City employees, family members, or friends in the rental vehicle.
- 7.2.7 Employees must submit the original, detailed rental receipt with the expense claim.

7.3 *Ground Transportation and Use of Personal Vehicle*

- 7.3.1 The City encourages employees to use local public or other commuter ground transportation (i.e. city buses or airport shuttle services) whenever possible for travel in and around their point of destination. Employees should use rental cars only when other means of transportation are unavailable, more costly, or impractical.
- 7.3.2 Whenever possible, the City encourages employees to use bus, taxi, subway, ferry, hotel shuttle service or other similar ground transportation between the airport and hotel.
- 7.3.3 Employees may be reimbursed for ground transportation expenses to and from SeaTac Airport. If a personal vehicle is used, the employee will be reimbursed at a rate established in accordance with SMC 4.70.025. The combined mileage expense and cost for parking a vehicle at SeaTac Airport while on a City business trip will be reimbursed based on the amount equivalent to the cost of the round trip taxi or shuttle fare from the airport to the employee's home or duty station.
- 7.3.4 If a group of employees are traveling to an event or meeting within reasonable driving distance from Seattle, a City Motor Pool vehicle or City vehicle assigned to the department may be used if it is more cost-effective than renting a vehicle from a car rental agency.
- 7.3.5 Business use of a personal vehicle will be reimbursed at a rate established in accordance with SMC 4.70.025.
- 7.3.6 Original receipts are required for all transportation expenses in excess of ten dollars (\$10.00) per instance. This does not include mileage reimbursement.

8.0 Travel Request and Approval Procedures

All departments will use the City's Travel Request, Approval & Expense Form available on the SharePoint Travel Page "Forms & Instructions" pane at:

[City Travel Information \(sharepoint.com\)](https://sharepoint.com)

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- 8.0.1 The employee will request and receive the required departmental approvals prior to incurring any travel expenses. The official City Travel Request, Approval & Expense Form is available on the SharePoint Travel Page "Forms & Instructions" pane at: [City Travel Information \(sharepoint.com\)](https://sharepoint.com/CityTravelInformation)
- 8.0.2 The employee will complete the Travel Request, Approval & Expense Form using the instructions available at: [City Travel Information \(sharepoint.com\)](https://sharepoint.com/CityTravelInformation)
- 8.0.3 If the request requires air travel, the employee may be required by their department to contact the City's travel agent to obtain an estimate for the lowest airfare and lodging expenses.
- 8.0.4 Once the employee has completed the Travel Request, Approval & Expense Form, he/she will submit it for approval by their department head or his/her designee. Instructions for requesting department approval are provided on the Travel Request, Approval & Expense Form and from the employee's supervisor.
- 8.0.5 If the employee is required to complete a separate conference registration form, the employee should consult his/her department training coordinator and/or accounts payable supervisor to determine who is responsible for the conference/training registration.
- 8.0.6 If the employee is attending a meeting or conference that requires advance payment of registration fees, the employee should contact his/her department training coordinator and/or accounts payable supervisor to ensure that appropriate process is followed for making payment.
- 8.0.7 If the employee has not already done so, he/she should complete a Traveler Profile Form with the City's designated travel agent(s).

9.0 Paying for Travel Expenses

9.1 Meal Expenses

- 9.1.1 Employees eligible for the Federal Meal Per Diem Rate may receive their meal allowance in advance of the trip. Employees are not required to collect meal receipts for the actual meal expenses and are not required to refund any unspent portion of the meal allowance, unless the trip is canceled, or the employee returns from his/her trip earlier than originally scheduled. Employees eligible for the Federal Meal Per Diem Rate may not charge meals to the City's C-card.
- 9.1.2 Employees eligible for the Runzheimer Cost Index meal allowance may either use a C-card or request a cash advance for the maximum allowable meal allowance for their travel destination. The employee is required to collect original meal receipts for actual expenses and is responsible for refunding the unspent difference. All receipts

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for actual expense must be attached to the employee's Travel Request, Approval & Expense Form.

- 9.1.3 Employees eligible for the Runzheimer Cost Index meal allowance may pay for their own meals within the allowable Runzheimer Cost Index rate for their destination and submit original receipts for reimbursement on their Travel Request, Approval & Expense Form.

9.2 *Transportation Expenses*

- 9.2.1 Employees may use the City C-card to reserve and pay for all allowable car rental and related expenses. The employee is required to submit the original receipts for incurred car rental expenses with their Travel Request, Approval & Expense Form.
- 9.2.2 Employees may reserve and pay for the allowable rental car expenses using personal funds. The employee is required to submit the original receipts for car rentals with their Travel Request, Approval & Expense Form in order to receive reimbursement.
- 9.2.3 Employee will reserve and pay for car rental expenses through the City designated travel agent(s) when this service is available. Until this service is available, original receipts are required for all car rental expenses to be reimbursed to the employee.
- 9.2.4 Original receipts are required for all allowable miscellaneous transportation expenses in excess of ten dollars (\$10.00). (i.e. ground transportation, airport shuttle service, gas etc.) . All miscellaneous ground transportation expenses must be reported on the City's Travel Request, Approval & Expense Form and be accompanied by receipts.

9.3 *Miscellaneous Expenses*

- 9.3.1 Employees incurring miscellaneous expenses are encouraged to use the C-card whenever possible to pay for those expenses.
- 9.3.2 Employee must submit original receipts for allowable expenses on their Travel Request, Approval & Expense Form for reimbursement. Reimbursement of employee's miscellaneous expenses may be received in their paycheck

9.4 *Cash Advance - Requests*

- 9.4.1 Whenever possible, the City encourages the use of the C-card for miscellaneous travel expenses.
- 9.4.2 The City will issue cash advances for travel expenses at the request of the employee and with the approval of the department head or his/her designee.
- 9.4.3 If the employee receives a cash advance, they may not use the C-card for those expenses.

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9.5 *Cash Advance - Repayment*

- 9.5.1 Cash advances must be fully repaid or accounted for within 15 calendar days following the event end date. (See RCW §§ 42.24.120 – 42.24.160, which address cash advances for travel.)
- 9.5.2 If a scheduled trip is canceled and the employee has already received a cash advance, then the employee is required to repay the City the full amount within 15 calendar days of the cancellation of the trip.
- 9.5.3 An employee that fails to reimburse the City for the cash advance will be held liable for the outstanding balance.
- 9.5.4 If an employee fails to repay any portion of the cash advance, the City may withhold the necessary amount from the employee's wages.
- 9.5.5 If an employee is delinquent in repaying cash advances, future cash advances, advance meal per diems, or expense reimbursements will not be allowed until the debt is repaid.
- 9.5.6 Cash advances are under no circumstances considered a personal loan.
- 9.5.7 Any unauthorized expenditures of any such advance shall be deemed a misappropriation of public funds and shall result in appropriate disciplinary action.

9.6 *Use of the City Commercial Credit Card (C-card)*

- 9.6.1 A C-card may be available for use by traveling employees and is issued to qualifying employees at the discretion of each department.
- 9.6.2 Employees using the C-card will follow all rules established for the use of the City Commercial Credit Card.
- 9.6.3 The City's C-card may be used to pay air fares, lodging expenses, car rental, other ground transportation expenses, actual meal expenses, and other reimbursable expenses as approved by the employee's department.
- 9.6.4 Employee shall not charge any portion of travel expenses that are personal expenses on the City's C-card. Any unauthorized expenditures using the C-card shall be deemed a misappropriation of public funds and shall result in appropriate disciplinary action.

10.0 Expense Payment Procedures

All City departments will use the City Travel Request, Approval & Expense Form, which is available on the SharePoint Travel Page "Forms & Instructions" pane at:

[City Travel Information \(sharepoint.com\)](https://sharepoint.com)

10.1 *Payment Procedures*

It is the City's intent to pre-pay as many travel and related expenses through travel agent invoices, or through the use of the City's C-card when available. Whenever possible, it is the

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City's intention to reimburse employees for travel and related expenses via the employee's paycheck

10.1.1 Pre-Travel Expenses

- (a) Registration or conference fees that are not direct billed to the City may be paid for using a C-card. If a C-card is not available to an employee, payment of registration or conference fees may be paid for through accounts payable or through the reimbursement process.
- (b) Employees eligible for meal allowances using the Federal Meal Per Diem Rate may be provided whenever possible with the maximum meal allowance for their destination prior to departure via their payroll check. The per diem will not be provided to the employee any earlier than the last paycheck prior to the beginning of the employee's travel. If it is not possible to provide the employee's meal per diem in the last paycheck prior to the beginning of travel, then the employee shall receive the meal allowance via warrant or in the next possible paycheck.
- (c) Employees eligible for meal allowances using the Runzheimer Cost Index may request a cash advance for meal allowances for their destination. Employees are required to submit original receipts for all actual expenses and refund any unspent cash advance.

10.1.2 Post-travel Expenses

- (a) Managers and supervisors approving a travel request are responsible for ensuring that claims for reimbursement from approved trips comply with City policies and procedures.
- (b) If major errors, such as a non-reimbursable expense or expenses in excess of set per diems, are detected, the expense report should be returned to the employee, noting the errors, and requesting the employee resubmit his/her expense report. If the employee resubmits the questioned expenses for reimbursement, the employee's supervisor must approve the resubmitted expense report. Only after receiving the approved expense report, will Accounts Payable process the expense report.
- (c) If Accounts Payable finds any minor errors, such as a mistake in addition or subtraction, it shall correct the error, notify the employee via email of the change, and then process the expense report.

10.2 *Expense Claim Procedures*

Expense reporting is included on the City's Travel Request, Approval & Expense Form. The Travel Request, Approval & Expense Form may be completed manually or electronically.

The Travel Request, Approval & Expense Form and instructions for completing the form are available on the SharePoint Travel Page "Forms & Instructions" pane at:

[City Travel Information \(sharepoint.com\)](#)

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The following sections provide additional information related to completing the Travel Request, Approval & Expense Form.

- 10.2.1 Meal Expenses: Federal Meal Per Diem Rate: If the employee received an advance meal allowance using the Federal Meal Per Diem Rate, the employee will not be required to itemize meal expense or submit receipts for the actual cost.
- 10.2.2 Meal Expenses: Runzheimer Cost Index: If the employee received a cash advance or is requesting reimbursement for meals using the Runzheimer Cost Index for meals, the employee is required to submit original receipts for all meals.
- 10.2.3 Lodging Expenses: The employee is required to submit original, detailed receipts for all lodging expenses.
- 10.2.4 Transportation Expenses: The employee is required to submit original receipts for all car rental and ground transportation expenses that exceed \$10.00, excluding mileage.
- 10.2.5 Other Miscellaneous Expenses: The employee is required to submit original receipts for all other reasonable and allowable expenses.
- 10.2.6 C-card Expense Transactions: Any travel or training costs incurred using the City's C-card shall be reconciled pursuant to the procedures developed for the City's C-card program. Original receipts must be submitted for all C-card transactions. Information on the C-card can be located on the SharePoint Treasury Services FAQs section at: [Treasury Services \(sharepoint.com\)](https://sharepoint.com)
- 10.2.7 Submittal of Expense Claims: The employee is required to submit an original copy of the City's Travel Request, Approval & Expense Form, with attached original receipts, to his/her supervisor within 15 calendar days following the event end date. Once approved, the supervisor shall forward the expense form and attached receipts to accounts payable.

10.3 Time and Labor System Data Entry

The appropriate department staff shall enter the necessary pay adjustment into the City's Time and Labor system in the manner outlined in the Time and Labor procedures.

11.0 Health and Safety of Traveling Employees

Ensuring the health and safety of employees traveling on City business is a top priority for the City. Employees are encouraged to be aware of health or safety issues that may impact their trip on behalf of the City. The employee is responsible for notifying his/her supervisor of any health or safety issue that may cause travel to be altered or for additional expenses to be incurred.

11.1 Emergency Situations

- 11.1.1 Altering travel arrangements for health and/or safety reasons, which will result in added travel expenses, require pre-approval whenever possible from the employee's

supervisor. In emergency situations, the employee's supervisor should be contacted as soon as possible. All added travel expenses due to illness, safety issues or other similar emergency should be indicated on the employee's travel Expense Report claim. The Travel Request and Expense Report claim should include an explanation of the health and safety issue, the name of the supervisor who approved the added expense and the date the employee contacted the supervisor.

- 11.1.2 When travel plans are interrupted and/or altered because of severe inclement weather, which may cause additional costs to be incurred, the employee should notify his/her supervisor as soon as possible. The reason for added expenses should be identified with a brief description on the employee's Travel Request, Approval & Expense Form. The supervisor's name shall be printed or typed on the form, and he/she should place his/her initials and the date that they were notified of the added expenses on the Travel Request, Approval & Expense Form.

11.2 Health-Care Coverage When Away From Seattle

An employee who is traveling away from Seattle should familiarize himself/herself with his/her respective health care provider's out of town coverage. The City encourages employees to carry his/her health care card whenever traveling on City business.

Appendix InWeb Links

- A. [**SMC 4.14 Executive Recruiting**](#)
- B. [**SMC 4.72 Travel Expenses**](#)
- C. [**City Travel Information Directory**](#)
 - *Travel Request, Approval & Expense Form*
 - *Travel Form Instructions*
 - *City-designated Travel Agents*
- D. [**Commercial Card Handbook**](#)

EXHIBIT D – Public Benefits

Under this new agreement, TROON | PREMIER agrees to continue providing substantial public benefits in the areas of public access, scholarships, programs, community outreach events, volunteer programs, capital improvements, and other miscellaneous items as further described in the table below and consistent with the provisions in Section 6.9. Although specific examples of the means and programs currently used to satisfy the public benefit requirements are reflected herein, the Parties recognize and agree that such specific means of delivering such public benefits likely will evolve and may change over time.

TROON | PREMIER 's Commitment to Public Benefits

Public Access: TROON | PREMIER agrees to operate the 4 Golf Course with the goal of providing the widest possible access by targeting efforts based on community needs. TROON | PREMIER commits to improve its accessibility for people with disabilities through both physical improvements and programming.

Programs: TROON | PREMIER agrees to continue programs for every age group from infants to seniors to instill environmentally sustainable actions, including students, teachers and chaperones through its onsite and offsite education programs, continuing school-age programs that provide opportunities for STEM education, and integrated mentorship and training programs for teens to develop the next generation of impactful global conservationists.

Race and Social Equity and Inclusion: TROON | PREMIER commits to racial and social equity in line with the City of Seattle priorities and invest in equity programming and robust engagement strategies to build better partnerships with under resourced communities. TROON | PREMIER recognizes how important staff development is in recognizing Diversity, Inclusion and Equity and commits to annual trainings to better receive and support the public.

Economic Benefits: TROON | PREMIER commits to seek philanthropic support and earned income that continues to diminish the proportion of public support needed to sustain our golf courses, which is a substantial supporter of our regional economy through direct and indirect revenues, jobs and economic opportunities.

ANNUAL PUBLIC BENEFIT TABLE

Example of Annual Public Benefits Based on Calendar Year 2024

Emphasis Area	Description of Increased Access	Target Metrics	Value of Services
Non-golf uses of the courses for the public	Provide access to golf courses each year in support of community programming and engaging in the uniqueness of these public assets. <i>Examples may include free musical concerts, Geocaching, and nature walks, cross country skiing and sledding, free use short game practice area, putting greens, chipping greens, free use of walking trails, community affiliated groups use of club house meeting rooms for free, free meeting space for schools.</i>	500 hours of access per year	\$175,000
Bring golf activities to the community	Provide staff and activities at SPR's Big Day of Play event and at least 4 other special events each year. <i>One per course as agreed to as part of the annual work plan with Golf Director (i.e. Celebrate Seattle Golf Day event with free golf clinics, free contests, free practice at driving ranges; partnering with community centers to offer youth golf clinics.)</i>	5 Special Events supported each year by Premier staff and activities	\$60,000
Discounted Golf Access	Youth (17 & under): Offer discounted golf to youth centered programs such as Youth on Course, First Tee of Greater Seattle, Premier Juniors.	8,600 Youth rounds of golf	\$146,280
	Provide junior golf lesson camps (Spring, Summer, Fall) with First tee support.	3,700 individuals	\$92,500
	Provide free access to range and eighteen-hole courses for SPS golf programs, Bogey Bear, Fir State.	600 rounds per year	\$15,000
	Offer up to 12 Free golf clinics for local community centers and/or middle schools, to include access to PGA professional instruction and TopTracer technology.	12 Free Clinics per year serving up to 20 youth per clinic	\$6,000
	Offer high school programs with free access to TopTracer and short game practice areas with free golf instruction from PGA professionals for these programs.	16 high school programs 5,946 rounds of golf	\$101,093
	Seniors: Discounted Senior/ Super Senior rounds of golf.	50,000 individuals	\$670,726