

# TOWN COUNCIL ACTION REPORT

February 25, 2019

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## ***Resolution Authorizing Execution of an Agreement with Mr. Craig Onsrud for the Operation of the Ironwood Golf Course Pro Shop and Private Golf Lessons***

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**PREPARED BY:** Doug Damery, Director of Parks and Recreation

**REVIEWED BY:** Pamela S. Reece, Deputy City Manager  
James Wayne, Assistant Director of Parks and Recreation

**BUDGET IMPACT:** The Town will receive 15% of all private lesson revenue which is projected to be approximately \$13,000 in 2019.

**STAFF RECOMMENDATION:** Approval

**ATTACHMENTS:** Proposed Resolution; Usage Rules for Pro Shop and Private Lessons

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### **BACKGROUND**

Beginning in 1997, the Town has entered into an agreement each year with the Golf Course Manager to operate the Course Pro Shop as a sole proprietorship at the Ironwood Pro Shop. Mr. Onsrud would like to continue this practice as the proprietor at the Ironwood Pro Shop for 2019-2020. In addition, Mr. Onsrud will be responsible for all private lessons conducted on the course.

With previous arrangements from 1991-2004, the Town did not receive revenue from private lessons conducted at Ironwood. In 2005, a contract was established with a local LPGA professional, which provided the Town with 10% of all private lesson revenue collected. Beginning in 2006, the Town began receiving 15% of all revenue from private golf lessons through an agreement with the Golf Course Manager who also serves as Head Golf Professional at Ironwood Golf Course.

### **DISCUSSION/ANALYSIS**

Approval of the attached resolution will provide a similar Pro Shop agreement that has been in effect the last twenty years. The private lessons have been provided as a separate contract with Mr. Onsrud.

In exchange for the exclusive right to teach lessons, the Town will receive 15% of all revenue from these private lessons. This proposed arrangement for the operation of the Pro Shop and exclusive rights to provide private lessons is consistent with the manner in which the compensation of many public golf course managers throughout the country is supplemented.

Mr. Onsrud is required to provide a year-end financial report to the Director of Parks & Recreation under the terms of the proposed agreement. Staff recommends approval of the agreement.

RESOLUTION NO. 5040

A RESOLUTION AUTHORIZING EXECUTION OF AN AGREEMENT WITH MR. CRAIG ONSRUD FOR THE OPERATION OF THE IRONWOOD GOLF COURSE PRO SHOP AND PRIVATE GOLF LESSONS

- WHEREAS, The Town of Normal is a Home Rule unit of local government with authority to legislate in matters concerning its local government and affairs; and
- WHEREAS, The Town owns and operates a golf course known as Ironwood Golf Course; and
- WHEREAS, Craig Onsrud has been hired as the golf course manager at Ironwood Golf Course; and
- WHEREAS, The Town desires to permit Craig Onsrud, as an independent contractor, to provide golf instruction and merchandise golf supplies, equipment and accessories at Ironwood Golf Course; and
- WHEREAS, Craig Onsrud desires to provide golf instruction and merchandise golf supplies, equipment and accessories at Ironwood Golf Course; and
- WHEREAS, The Town personnel code (Section 18.1-27) allows the city manager to contract with Town employees for golf course management services; and
- WHEREAS, Golf instruction and the merchandising of golf supplies, equipment and accessories are activities customarily provided on an independent basis by golf course managers; and
- WHEREAS, It is in the best interest of the health, safety and welfare of the citizens of Normal that the Town enter into an Agreement with Craig Onsrud.

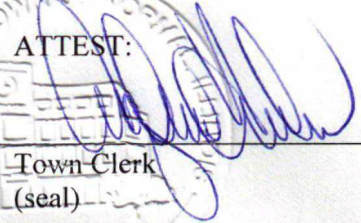
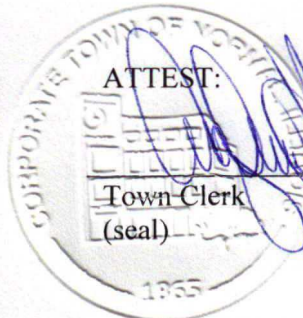
NOW, THEREFORE, BE IT RESOLVED BY THE PRESIDENT AND BOARD OF TRUSTEES OF THE TOWN OF NORMAL, ILLINOIS:

- SECTION 1. That the City Manager is authorized to execute, for and on behalf of the Town of Normal, Illinois, an agreement with Craig Onsrud. A copy of the agreement is marked "Exhibit 1" and is incorporated into this resolution.
- SECTION 2. That the Town Clerk is authorized and directed to attest to the signature of the City Manager on the agreement and retain in her office a duly executed original for public inspection.

ADOPTED this 4th day of March, 2019.

APPROVED:

  
\_\_\_\_\_  
President of the Board of Trustees of  
the Town of Normal, Illinois

ATTEST:  
  
\_\_\_\_\_  
Town Clerk  
(seal)  




## AGREEMENT

This Agreement is entered into this 4th day of March 2019, by and between the Town of Normal (herein Town), a municipal corporation and Craig Onsrud (herein Onsrud).

Whereas the Town owns and operates a golf course known as Ironwood Golf Course; and

Whereas Onsrud has been hired as the golf course manager at Ironwood Golf Course; and

Whereas Town desires to permit Onsrud, as an independent contractor, to provide golf instruction and merchandise golf supplies, equipment and accessories at Ironwood Golf Course; and

Whereas Onsrud desires to provide golf instruction and merchandise golf supplies, equipment and accessories at Ironwood Golf Course; and

Whereas the Town personnel code (Section 18.1-27) allows the city manager to contract with Town employees for golf course management services; and

Whereas golf instruction and the merchandising of golf supplies, equipment and accessories are activities customarily provided on an independent basis by golf course managers; and

Whereas the parties desire to reduce their understandings to writing;

**Now therefore in consideration of the mutual promises contained herein the parties agree as follows:**

1. Onsrud agrees to merchandise golf supplies, equipment and accessories at Ironwood Club House in accordance with reasonable rules and regulations established from time to time by the Town for use of Ironwood Club House. A copy of initial rules governing Onsrud use of the Club House is attached hereto as exhibit A and incorporated herein by reference. Town may alter such rules upon reasonable notice to Onsrud.

2. Onsrud agrees to provide golf instruction at Ironwood Golf Course in accordance with reasonable rules and regulations established from time to time by the Town. A copy of initial rules governing Onsrud use of the course for golf instruction is attached hereto as exhibit B and incorporated herein by reference. Town may alter such rules upon reasonable notice to Onsrud.



3. Onsrud for all purposes hereunder shall be considered an independent contractor and not an employee of the Town. The Town shall have no right or responsibility to manage or supervise the method of management or operation of merchandising and instruction by Onsrud. The foregoing shall not prevent the Town from taking action to coordinate use of Ironwood Golf Course and Club House with other users nor prevent the Town from taking action to protect the property from damage.

4. Onsrud agrees to indemnify and hold the Town, its officers and employees harmless from any and all claims arising in whole or in part out of Onsrud performance of this agreement. Such obligation to hold harmless and indemnify shall include all costs of litigation, all judgments, attorney fees and all other costs associated with any claim. This provision shall survive termination of this agreement.

5. Onsrud waives any and all claims against Town arising in whole or in part as to the condition of Town property used or occupied by Onsrud. Onsrud recognizes that Town is responsible for establishing policy as to the operation of Ironwood Golf Course and Pro-Shop and waives any and all claims against Town arising in whole or in part out of Town policy concerning Ironwood facilities. The parties recognize Ironwood Golf Course and Pro-Shop may be closed by the Town and Onsrud agrees to take the risk associated with Town policy regarding operation of the Ironwood facilities. The foregoing waiver shall not apply to actions in tort based on the intentional or willful and wanton conduct of the Town of Normal, its officers, or employees.

6. Onsrud agrees to vacate Town property immediately upon termination or expiration of this agreement. Failure to vacate Town property upon Town notice shall subject Onsrud to liability for reasonable rent at the rate of \$250 per day.

7. Onsrud agrees to return Town property in good condition. Onsrud shall be liable for any damages to Town property beyond reasonable wear and tear. No alterations shall be made to Town property without the consent of Town.

8. Onsrud agrees to take no action adverse to the interest of Town in property provided by Town to Onsrud for performance of this agreement.

9. Town shall have unlimited access to all areas used by Onsrud. The interest of Onsrud in Town property is in the nature of a license for the purposes set forth herein and no other.

10. In the event of destruction of Ironwood Golf Course Clubhouse in whole or in part due to acts beyond the control of Town, Onsrud may at its election continue operation in facilities provided by Town or terminate this agreement.

11. Onsrud shall not hold itself out as an agent of the Town for any purpose and shall inform merchandise suppliers and others with whom it does business that it is an independent sole proprietorship and not an agent of the Town.



12. Onsrud shall be responsible for complying with all applicable federal, state and local employment standards, wages and regulations.

13. Onsrud agrees to procure and display for sale to the public, golf-associated merchandise such as tees, balls, clubs, hats, towels, shoes, shirts, and other similar merchandise of adequate quality and quantity to meet the needs of the golfing public. Onsrud shall have sole discretion to determine merchandise for sale except Town may prohibit the display of sale merchandise, which in the sole discretion of Town is offensive, or in bad taste.

14. Onsrud shall account for merchandise sold in a manner determined by Town. Merchandise may be sold using the Town credit card account provided Onsrud reimburses Town for the then current service charge rate.

15. Onsrud agrees to remit all funds from each day's business as directed by the Town Finance Director in a properly marked and locked night deposit bag.

16. Town shall review funds remitted to segregate merchandise sales from Golf Course sales. Town shall remit to Onsrud every other Wednesday all merchandise sales funds including sales tax collected but less credit card service charge fees less any cash register shortages and less any bad checks for merchandise. Town may retain any cash register overages.

17. Onsrud shall have sole responsibility for all costs associated with acquiring and selling golf related merchandise.

18. Onsrud agrees to the following procedures in providing golf instruction at Ironwood Golf Course:

A. to meet at a time mutually agreeable with the Director of Parks and Recreation, prior to the golf season in order to coordinate use of Ironwood Golf Course with expected Parks and Recreation programs, private golf-outings and public use.

B. to schedule private golf lessons at the Course at times that do not interfere with program use, private outings and general public use.

C. to conduct golf instruction activities in accordance with the standards of conduct employed by like professional golf instructors.

D. to employ additional staff as necessary to safely and professionally provide golf instruction.

E. to be responsible for the collection and payment of any and all fees associated with private lessons.



F. to provide payment to Town of 15% of all private lesson revenue received in exchange for use of Ironwood Golf Course.

19. This agreement shall expire March 31, 2020, and may be canceled upon 30-day notice by either party. In the event Onsrud is terminated from employment with Town, this Agreement shall terminate immediately.

20. Remedies in the event of default:

A. In the event Onsrud breaches any term or condition of this agreement and fails to correct such breach within a reasonable time Town may in addition to any and all remedies provided by law immediately terminate this agreement and hold Onsrud liable for any damages caused by such breach.

B. In the event Town breaches any term or condition of this agreement and fails to correct such breach within a reasonable time Onsrud may in addition to any and all remedies provided by law immediately terminate this agreement and hold Town liable for any damages caused by such breach in an action at law.

21. Onsrud shall not assign this agreement or delegate its duties hereunder without approval of the Town.

22. Cancellation, expiration or termination of this agreement shall not affect the obligations of Onsrud to indemnify and hold harmless Town, or the waiver of claims by Onsrud against Town all as provided herein.

23. The parties agree to meet periodically to evaluate this agreement and operations hereunder.

24. Town may audit Onsrud accounts to determine that proper allocation is made between golf course receipts and merchandise sale receipts and that proper remittance is made to Town for fees due Town for golf instruction by Onsrud.

25. The Onsrud shall annually submit to the Town of Normal a year-end financial report detailing sales of merchandise at Ironwood and golf instruction revenue received by Onsrud.

26. Onsrud shall maintain general liability insurance in an amount of \$1,000,000 per occurrence and \$2,000,000 aggregate naming the Town of Normal, its officers and agents as additional insureds.

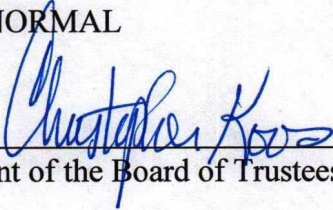
27. Onsrud agrees to comply with the contractor certifications attached hereto as exhibit C.

28. This is the entire agreement between the parties and shall be constructed in accordance with and governed by the laws of the State of Illinois.

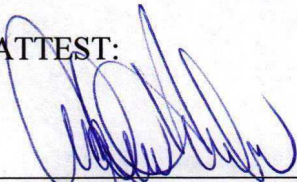


In Witness Whereof the parties have hereunto to affix their signatures on the date adjacent to each signature.

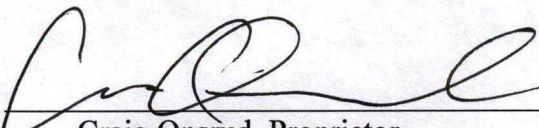
TOWN OF NORMAL

By:   
President of the Board of Trustees

Date: 3-5-19

ATTEST:  
  
City Clerk

Date: 3-5-19

  
Craig Onsrud, Proprietor

Date: 3-5-19



EXHIBIT A  
RULES FOR USE OF IRONWOOD GOLF COURSE PRO SHOP

1. Limit the selling of the logo merchandise to the Ironwood logo.
2. Provide product limit of golf merchandise that is consistent with typical golf course operations, to include apparel, golf balls, golf gloves, tees, clubs and other accessories.
3. Provide apparel and other promotional items that are in good taste and are not offensive in nature.



## EXHIBIT B

### RULES FOR USE OF IRONWOOD GOLF COURSE FOR GOLF LESSONS

1. Provide lessons on non-peak times that do not conflict with group lessons.
2. Provide lessons that do not interfere with the day-to-day operations of the golf course manager's duties.
3. Provide lessons in a restricted area of the driving range and practice putting green that do not interfere with the general public.
4. Provide promotional materials to be included in the Park and Recreation Department Program guides for both spring/summer publication and the fall/winter publication. Also, provide promotional flyers and posters to help promote this service.
5. 1 free basket per person of range balls will be provided as a part of the private lessons per one hour lesson.
6. The number of private lessons will not exceed three per day on any given day of operation.
7. Will provide a weekly calendar of all lessons conducted throughout the calendar year when lessons are conducted.



## Exhibit C

### Contractor Certification

Contractor on behalf of contractor certifies that the following representations are true and correct and further agrees as a condition of doing business with the Town of Normal to require all of Contractor's subcontractors and sub-subcontractors to certify that the following representations are true and correct for each subcontractor and sub-subcontractor:

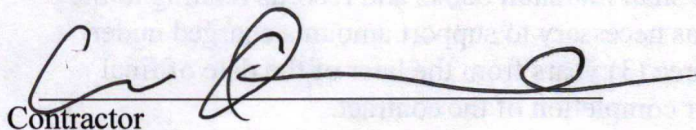
1. Contractor certifies that no Town of Normal officer or employee has any interest in the proceeds of this contract.
2. Contractor certifies that same has not committed bribery or attempted bribery of an officer or employee of any governmental official whether on the federal, state or local level.
3. Contractor certifies that same has not been barred from conducting business with any governmental unit whether federal, state or local.
4. Contractor certifies that the business entity its officers, directors, partners, or other managerial agents of the business have not been convicted of a felony under the Sarbanes-Oxley Act of 2002 nor have any of the same been convicted of any felony under state or federal securities laws.
5. Contractor certifies that same has not been barred from contracting with any unit of state or local government as a result of a violation of 720 ILCS 5/33E-3 (bid-rigging) or 720 ILCS 5/33E-4 (bid-rotating).
6. Contractor certifies that same is not delinquent in the payment of any debt or tax due the State or the Town of Normal.
7. Contractor certifies that same has read the Drug-Free Workplace Act (30 ILCS 580/1 et.seq.) and is in compliance with the act on the effective date of this contract.
8. Contractor certifies that same shall maintain books and records relating to the performance of this contract as necessary to support amounts charged under the contract for a period of three (3) years from the later of the date of final payment under the contract or completion of the contract.
9. Contractor agrees to comply with applicable provisions of the Town of Normal Human Rights Ordinance, the Illinois Human Rights Act, the U.S. Civil Rights Act and the Americans with Disabilities Act.
10. Contractor certifies that the same is an "Equal Opportunity Employer" as defined by Section 2000 (e) of Chapter 21, Title 42 U.S. Code Annotated and applicable Executive Orders.
11. Contractor certifies in accordance with the State of Illinois Steel Products Procurement Act (30 ILCS 565/ et.seq.) that steel products used or supplied in the performance of this contract are manufactured or produced in the United States.
12. Contractor certifies that same is in compliance with the Employment of Illinois Workers on Public Works Act (30 ILCS 570/ et seq.)



13. Contractor certifies that same is in compliance with the State of Illinois Public Works Employment Discrimination Act (775 ILCS 10/ et seq.)
14. Contractor certifies that same is in compliance with the State of Illinois Prevailing Wage Act (820 ILCS 130/et seq.)
15. Contractor certifies that for public works contracts exceeding one hundred thousand dollars (\$100,000) in value contractor is in compliance with the Town of Normal Responsible Bidder Ordinance which requires Contractor to participate in applicable apprenticeship and training programs approved by and registered with the United States Department of Labor's Bureau of Apprenticeship and Training. (This provision shall not apply to federally funded projects if such application would jeopardize the receipt of use of federal funds in support of such project.)
16. Contractor certifies that same is or is not (please circle applicable designation) a Minority and Female Business Enterprise as defined by the State of Illinois (30 ILCS 575/et seq.)
17. Contractor certifies that same is in compliance with the Patriot Act and Executive Order 13224 and federal Anti-Money Laundering Control Act of 1986 as amended.
18. Contractor certifies that same is in compliance with continue to comply with the American Recovery and Reinvestment Act of 2009 when federal funds are used pursuant to this Act for the work undertaken by Contractor.

**Contractor hereby agrees to defend, indemnify and hold harmless the Town of Normal its officers, employees and agents from and against any and all claims, damages, losses, risks, liabilities, and expenses (including reasonable attorneys' fees and costs) arising from or related to any breach of the foregoing representations and warranties.**

Done this 5<sup>th</sup> day of March, 2019.

  
Contractor