



March 9, 2016

Mr J.P. de la Montaigne
Community Services Director
City of Mountain View
500 Castro Street
Mountain View, CA 94041

Dear J.P.,

We hope this letter finds you well.

As you know, the initial five-year term of Touchstone Golf's management agreement for Shoreline Golf Links dated January 2012 concludes in December 2016. There is a five-year renewal provision that is contained in the agreement that requires Touchstone Golf to notify the City of Mountain View of our desire to renew the agreement. We are pleased to provide this notification and look forward to potentially continuing our partnership with the City for another five years.

During Touchstone's first four years' operating the facility there have been many accomplishments in which the City can take pride:

- In the fiscal year that preceded the first year of management of Shoreline the City contributed \$44,678 from the general fund to subsidize course operations. In the fiscal year that concluded in June 2015 the course contributed \$176,669 to the City's general fund.
- We have completed capital improvements totaling \$409,299 to improve the playing conditions and golf experience for the City residents and other customers. These improvements include: general improvement of turf health throughout the course, drainage projects, irrigation improvements, bunker renovations and driving range fencing.
- Golfer rounds have increased from 63,006 in the fiscal year that ended in 2012 to 83,364 in the fiscal year that ended in 2015.
- Water conservation – In September of 2014, the City of Mountain View declared a Stage 2 water shortage emergency, limiting usage of potable water. Shoreline Golf Links complied with this restriction and exceeded the California State requirement of 13% reduction to 2013 by reducing our total water usage by 19.7% and reducing our potable water usage by 54%.
- Migratory Bird Program – Working with the City of Mountain View Biologist and staff, Touchstone identified multiple ways to reduce the number of Geese and Coots on the golf course. In 2012, there were over 3,000 Coots on the golf course. At the peak Migratory Bird Season this year, there was a total of 934 counted in a survey. Between silt fencing around bodies of water, Greens Guard Program with volunteers scattering the birds, and feeding stations controlling the population, the birds have become almost a non-issue for the golfers at Shoreline Golf Links.

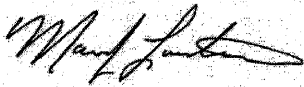
Touchstone Golf has been pleased to serve as a sponsor of the City's Christmas in the Park celebration the last two years and intends to continue to do so in the future.

In the coming five years our goal would be to continue to work with the City prioritizing the following areas:

- Squirrels and Gopher Management – Our goal is to manage burrowing owl ground squirrel habitat as integral part of the golf course in balance with playability and aesthetics. This has become a major topic with the Advisory Greens Committee.
- Further improve the income performance at the course, particularly in the areas of golf merchandise sales and driving range income.
- Continue to annually contribute to the City's general fund while further enhancing the resident and visiting golfer experience at the course.
- Complete capital improvements that would include tee leveling, further turf improvement, and addressing greens that have settled.
- Player development programing with the instruction contractors to help grow the game of golf at Shoreline Golf Links.

It has been a pleasure to work with the City of Mountain View staff, the constituency of resident golfers and the community since 2012. We look forward to the potential of continuing this productive relationship for the next five years.

Sincerely,



Mark Luthman
Executive VP & COO
Touchstone Golf