

**MEMORANDUM OF UNDERSTANDING
BETWEEN THE CITY OF SANDPOINT AND SANDPOINT SAILING ASSOCIATION, INC.**

I. Purpose, Duties, & Responsibilities - The purpose of this Memorandum of Understanding (MOU) is to establish a mutually beneficial relationship between the City of Sandpoint (City) and Sandpoint Sailing Association, Inc. (SSA) regarding SSA's use of designated boat slips and the "Fred's Deck" landing and adjacent water on the 100 Dock at Windbag Marina; the City's Recreation Division access to and use of SSA instructional vessels during the jointly offered sailing instruction programs each summer; and the parties' collaboration in offering sailing instruction programs administered through the City's Recreation Division.

II. Agreement Term and Termination - This MOU shall commence on May 01, 2026, and terminate on April 30, 2036. City does not guarantee lake levels by May 01 nor through October 15, and low lake levels may require slips to be accessed after May 01 and vacated prior to October 15 each year. For purposes of calculating seasonal moorage fee reductions under this MOU, the parties acknowledge a fifteen (15) week marina season.

III. Moorage - The City will provide the following moorage slips at the Windbag Marina as identified below in green and yellow. Additionally, SSA is granted use of the area identified below in blue for use during the sailing season. SSA shall be eligible for a reduction in moorage fees for the boat slips occupied by instructional vessels used in City/SSA sailing programs. For each week during the marina season in which an eligible sailing program is offered and conducted in partnership with the City through the City's Recreation Division, the moorage fees for such slips shall be reduced by 14.3%, which reflects one week of moorage value within a fifteen (15) week seasonal period. The parties acknowledge and intend that SSA shall receive no-cost moorage for the slips occupied by instructional boats during weeks in which qualifying City/SSA sailing programs are actually conducted, and the weekly 14.3% fee reduction described herein is the agreed method for calculating that waiver over the course of the fifteen (15) week season.



IV. Fees - No fee shall be collected by SSA from the City for the use of SSA boats used in sailing instructional programs. The Windbag Marina slips and the "Fred's Deck" landing identified above in Section III shall be available each year of this MOU to SSA from May 01 through October 15, dependent on lake level. Except for the qualifying weekly fee reductions described in Section III, SSA shall remain responsible for applicable moorage fees. To qualify for the weekly moorage fee reduction, the applicable sailing program must be offered in partnership between SSA and the City, administered

through the City's Recreation Division, and actually held during the applicable week. Weeks in which no qualifying program is conducted shall not receive a moorage fee reduction.

V. Sailing Program Administration and Revenue - The City, through its Recreation Division, shall be responsible for administrative functions associated with City/SSA sailing programs, including program registration, collection of participant waivers, and collection of program fees. Revenue generated from City/SSA sailing programs shall be distributed as follows: the City shall retain thirty percent (30%) of gross program revenue, and seventy percent (70%) of gross program revenue shall be remitted to SSA. The parties may further define the timing and method of remittance in an administrative attachment or internal operating procedure.

VI. Instructors and Volunteers - SSA shall contract directly with sailing instructors used in connection with City/SSA sailing programs. Such instructors shall not be employees of the City, and nothing in this MOU shall be construed to create an employment relationship, agency relationship, or right of control by the City over such instructors. Any volunteers utilized in connection with City/SSA sailing programs shall serve as SSA volunteers and not as City volunteers or City personnel. All such volunteers shall operate under the supervision and direction of the professional sailing instructor retained by SSA, and shall not be directly supervised by the City's Recreation Division. The parties acknowledge that the City's role is limited to program administration and coordination as set forth herein, and that SSA remains responsible for sailing instruction, instructor contracting, and supervision of SSA volunteers engaged in program delivery.

VII. Insurance and Indemnification:

a. To the extent allowed by Law, SSA shall indemnify and hold the City, its officials, officers, employees, agents and assigns, harmless from and/or against any and all claims, damages, and liabilities (including reasonable attorney's fees) that may be suffered or incurred or that arise as a result of and which are caused by SSA's wrongful acts or omissions in the performance of its duties under this Agreement. This indemnification does not apply when such claims, damages, and liabilities are the result of negligent acts, errors, omissions or fault on the part of the City, its officials, officers, employees, agents or assigns. Nothing contained in this indemnification provision shall waive, in any manner, the limits of liability provided to the City specified in Idaho Code §6-901 through 6-929, known as the Idaho Tort Claims Act.

b. To the extent allowed by Law, City shall indemnify and hold the SSA, its officials, officers, employees, agents and assigns, harmless from and/or against any and all claims, damages, and liabilities (including reasonable attorney's fees) that may be suffered or incurred or that arise as a result of and which are caused by City's wrongful acts or omissions in the performance of its duties under this Agreement. This indemnification does not apply when such claims, damages, and liabilities are the result of negligent acts, errors, omissions or fault on the part of the SSA, its officials, officers, employees, agents or assigns. Nothing contained in this indemnification provision shall waive, in any manner, the limits of liability provided to the SSA specified in Idaho Code §6-901 through 6-929, known as the Idaho Tort Claims Act.

SSA shall give prompt and timely notice to the City of any claim made or suit instituted which, in any way, directly or indirectly, contingently, or otherwise, affects or might affect either party.

SSA shall procure and maintain in effect during the entire term of this MOU, the following insurance:

At all times material hereto, SSA shall keep and maintain a policy or policies of insurance covering losses resulting from general liability, personal injury and property loss, in amounts not less than \$1,000,000.00 per claim and \$2,000,000.00 in the aggregate, for any losses sustained as a result of performance of its duties and responsibilities under this MOU Agreement, naming the City as an additional insured on each such policy or policies of insurance. SSA shall provide the City with proof of such insurance for the entire term of this Agreement.

The City shall procure and maintain in effect during the period of use of SSA’s sailboats for the City Sailing Instruction Program the following insurance:

At all times material hereto, the City shall keep and maintain a policy or policies of insurance covering losses resulting from general liability, personal injury and property loss, in amounts no less than \$1,000,000.00 per claim and \$2,000,000.00 in the aggregate, for any losses sustained as a result of performance of its duties and responsibilities under this MOU Agreement, naming SSA as an additional insured on each such policy or policies of insurance. The City shall provide SSA with proof of such insurance for dates of the Sailing Instruction Program..

VIII. Attorney’s Fees - Reasonable attorney fees and costs shall be awarded to the prevailing party in any action to enforce or interpret this Agreement, or to declare a termination or forfeiture thereof.

IX. Controlling Law. This MOU is to be governed by the laws of the State of Idaho. The jurisdiction/venue for any action arising out of performance of this Agreement, or interpretation of its terms and conditions, shall be in the District Court in the First Judicial District of the State of Idaho, Bonner County.

X. Principal Contacts

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208-290-2500

Jason Welker, Community Planning & Development Director
jwelker@sandpointidaho.gov
208-255-1738

IN WITNESS WHEREOF, the parties hereto have executed this Memorandum of Understanding intending it to become effective May 01, 2026.

City of Sandpoint:

Sandpoint Sailing Association, Inc.

Jeremy Grimm
Mayor

Date

Date