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May 15, 2003

Mr. Robert Josten
Attorney at Law
801 Grand Ave., Suite 3900
Des Moines, IA 50309

RE: Clayton County/River Bluff Resorts, L.L.C.

Dear Bob:

I am sending to you correspondence and information that has been exchanged between Clayton County and James Daughtry over the past ten days. The documents that I am sending to you are:

1. A May 6th letter with attachment that was sent to the Board to Supervisors by Mr. Daughtry.
2. A response directive that was given to me by the Board of Supervisors labeled "New Development Agreement."
3. My May 12th letter to River Bluff Resort incorporating the Board's directives.
4. Jim Daughtry's response to my May 12th letter.

I am not certain as to whether or not we have reached a point where litigation is imminent. Mr. Daughtry has a unique way of making demands that he expects the County to meet without understanding the financial consequences for the County. His reference to a letter of intent in his May 13th is not well placed because the situation between the County and his company is now governed by the Development Agreement that was signed in May of 2002. Granted, there were negotiations to prepare a new agreement, but the negotiations were not successful and a new agreement was never signed. As a result, both the County and River Bluff are bound by the terms of the May, 2002 agreement.

I realize that some of the terms in the Development Agreement are impossible to perform. That is, the management agreement is not feasible and the federal and state exemption from income tax is not attainable. However, River Bluff is bound to construct a golf course for a price

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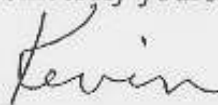
less than what Daughtry now wants and River Bluff is bound to construct additional improvements at a much more rapid rate than Daughtry now thinks is feasible. Also, it goes without saying that there is sufficient language in the existing Development Agreement that the entire project terminates in the event the Vision Iowa Board does not approve the agreement and provide the Vision Iowa money. Consequently, it appears to me that Daughtry does not fully understand the extent of his obligations if he intends to force obligations upon the County and he probably should review the Development Agreement prior to May 21st so that he is informed as to how the County expects his company to perform.

In addition to the foregoing, Mr. Daughtry states on Page 2 of his May 13th letter that he has "demonstrated to an underwriter that it (River Bluff) has enough financial strength and credit enhancements to sell 8.1 million in Tax Increment back Bonds without any financial risk to Clayton County." I am not certain if he is referring to golf course revenue bonds or TIF financing. I will have to defer to you as to what that statement means or if it is fact truthful. I guess the proverbial "bottom line" is that the County does not want to own a golf course and the County does not want to move beyond the financing that is stated in my May 12th letter.

Your opinion and advice regarding the enclosed documents will be greatly appreciated. I think that the Board needs to hear from you your assessment of the present situation and how the County should proceed with the golf course project. I am fairly certain that the Board does not want to become involved in any protracted litigation, but I do not that the Board is becoming less enthusiastic about having to deal with Mr. Daughtry.

Thank you for your attention to the above and to the enclosed.

Sincerely yours,



Kevin H. Clefisch

KHC/nc
Enclosures

cc: Robert Walke
Neil Meyer
Dennis Schroeder