



## CITY COUNCIL ACTION REPORT

March 11, 2010

TO: John Szerlag, City Manager

FROM: John M. Lamerato, Assistant City Manager/Finance and Administration  
Susan A. Leirstein, Purchasing Director  
Carol K. Anderson, Parks and Recreation Director

SUBJECT: Standard Purchasing Resolution 3: Exercise Renewal Option –  
Food and Beverage Service at Sanctuary Lake Golf Course

### Background:

- On March 19, 2007, Troy City Council approved a two-year contract for the sale of food and beverage with an option to renew for two (2) additional years. CC Res #2007-03-099.
- This contract is to provide food and beverage service at Sanctuary Lake Golf Course.
- Kosch Special Events, LLC has agreed to renew the current contract for two (2) additional years under the same terms, conditions and return schedule as the original contract with a change to terminate from a 90 day notice to a 30 day notice.

### Financial Considerations:

- The current agreement stipulates that Kosch Special Events, LLC pay the City a graduated percentage of the gross revenue received from the sale of food and beverages as a result of these operations less Michigan Sales Tax.

### Legal Considerations:

- In 2007, the Food Service Agreement was awarded based on best value to the City.
- In accordance with the Agreement Renewal authorized and executed by the Mayor and City Clerk.

### Recommendation:

- City management and the Parks and Recreation department recommend exercising the Sanctuary Lake Food Service Agreement extension with Kosch Special Events LLC under the same financial return, terms, and conditions for two (2) additional years to expire November 30, 2011, or upon termination for convenience with 30-days notice.

APPROVED AS TO FORM AND LEGALITY:

---

Lori Grigg Bluhm, City Attorney

## AGREEMENT RENEWAL

### FOOD SERVICE AT SANCTUARY LAKE GOLF COURSE

THIS AGREEMENT RENEWAL is entered into between the CITY OF TROY, 500 W. Big Beaver Road, Troy, Michigan 48084, hereinafter referred to as the "CITY", and KOSCH SPECIAL EVENTS, L.L.C., a Michigan Limited Liability Company, whose address is 324 East Rochester Road, Rochester, Michigan 48307, hereinafter referred to as "OPERATOR";

The CITY and OPERATOR agree to renew the Agreement - Food Service at Sanctuary Lake Golf Course - for a two (2) year period as set out in Paragraph 18 of the Agreement as follows:

1. The Agreement – Food Service at Sanctuary Lake Golf Course – dated April 16, 2007 which includes any attachments to the Agreement, the Request for Proposal #06-61, General Specifications and attachments to the Request for Proposal and the OPERATOR'S Response to Request for Proposal are incorporated as thought fully set out herein.
2. Both parties hereby mutually agree to exercise the option to renew the entire contract for an additional two (2) years under the terms and conditions set out in that Agreement, unless terminated by the CITY for any reason upon thirty (30) days written notice sent by certified mail, return receipt requested, to OPERATOR as its last known address set forth herein or at such address as the OPERATOR may provide in writing from time to time. Any such notice shall be deemed to have been received five (5) days subsequent to mailing.

3. If there is a conflict between this Agreement Renewal and the Agreement, the Agreement Renewal shall control.

IN WITNESS WHEREOF, CITY and OPERATOR have executed this Agreement on this \_\_\_\_\_ day of March 2010.

WITNESSES:

OPERATOR

KOSCH SPECIAL EVENTS, L.L.C.,  
a Michigan Limited Liability Company,

\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
(Title)

CITY OF TROY

BY: \_\_\_\_\_  
Mayor Louise E. Schilling

\_\_\_\_\_  
Tonni Bartholomew, City Clerk

Approved:

\_\_\_\_\_  
John Szerlag, City Manager

RESOLUTION NUMBER: \_\_\_\_\_

APPROVED AS TO FORM AND LEGALITY:

BY: \_\_\_\_\_

\_\_\_\_\_  
Lori Bluhm, City Attorney

ATTEST: \_\_\_\_\_  
Tonni Bartholomew, City Clerk