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City of Norman, OK

Municipal Building Council Chambers 201 West Gray Street Norman, OK 73069

Text File

File Number: K-1213-83

Introduced: 9/17/2012 Current Status: Consent Item

Version: 1 Matter Type: Contract

Title

CONTRACT NO. K-1213-83: A CONTRACT BY AND BETWEEN THE NORMAN MUNICIPAL AUTHORITY AND DERYCK COURANGE D/B/A COUR PAR GRILL, L.L.C., FOR THE OPERATION OF THE WESTWOOD GOLF COURSE RESTAURANT FOR THE PARKS AND RECREATION DEPARTMENT.

ACTION NEEDED: Acting as the Norman Municipal Authority, motion to approve or reject Contract No. K-1213-83 with Deryck Courange d/b/a Cour Par Grill, L.L.C.; and, if approved, authorize the execution thereof.

ACTION TAKEN:	

Body

BACKGROUND: On 25 January 2011, City Council approved Contract No. K-1011-132 with Simpbell, Inc., for the operation of the Westwood Golf Course restaurant. Simpbell, Inc., has operated the restaurant in a professional manner for more than four years, but has given notice that they are terminating Contract No. K-1011-132 in order to transition to other business ventures. Contract No. K-1011-132 provided that Simpbell, Inc. would lease the restaurant for a minimum of \$1,000 per month or 6% of gross sales after sales tax, which ever was greater. The term was for one year, annually renewable, unless terminated by either party upon thirty days written notice.

<u>Proposals</u> Because of Simpbell Inc.'s termination, City Staff issued an Request For Proposals for operation of the restaurant. On 17 and 24 August 2012, Request for Proposal No. RFP-1213-31 was advertised in the *Norman Transcript*. RFP No. 1213-31 was also distributed by the Norman Chamber of Commerce and the Norman Restaurant Association. Four restaurateurs requested the RFP, two of whom responded with complete proposals.

Deryck Courange d/b/a Cour Par Grill, L.L.C, submitted four proposals; two as a sole proprietor and two with a business partner. One proposal received from Mr. Courange provides for payment of \$1,000 or 6.5% of gross sales after sales tax, which ever is greater, paid on a monthly basis. The second proposal received from Mr. Courange provides for a payment of \$500 per month in November, December, January, February and March; \$1,500 per month for April, May, June, July and August; and, \$1,000 per month for September and October or 7% of gross sales after sales tax, which ever is greater. Both of these proposals guarantee a minimum annual lease of \$12,000. The other two proposals were identical to the first two, with the exception of including a business partner.

The proposal received from Kevin Brown proposes to pay \$1,000 or 6% of gross sales after sales tax, which ever is greater with the following payment schedule: \$500 per month for

October, November, December, January, February and March; \$1,500 per month for April, May, June, July, August and September.

At this time, Staff is proposing the approval of Contract No. K-1213-83 with Deryck Courange d/b/a Cour Par Grill, L.L.C., for the second proposal of \$1,000 per month or 7% of gross sales after sales tax, which ever is greater, paid on the monthly schedule described above. His proposal will potentially bring more rental income to the City of Norman as he proposes a rate of \$1,000 per month or 7% of gross sales, whichever is greater as opposed to Mr. Brown's proposal of \$1,000 per month of 6% of gross sales, whichever is greater.

All other terms and conditions of the proposed Contract No. K-1213-83 are the same as in the previous contract, among them are:

Operate in a wholesome manner complying with all rules and regulations of the State Board of Health

Acquire all permits and licenses necessary to do business

Keep premises subject at all times to inspection by City staff

Keep prices charged in the restaurant reasonable and subject to the approval of NMA

Have the restaurant open for business, operating daily from 15 minutes before sunup and 15 minutes after sundown

Be responsible for ordering all food stuffs and payment thereof

Provide all necessary cleaning in the restaurant food preparation area

Be responsible for trash removal

Provide a liability insurance policy in the amount of the Oklahoma Tort Claims Act, Holding the N.M.A. harmless

RECOMMENDATION: It is recommended that Contract No. K-1213-83 with Deryck Courange d/b/a Cour Par Grill, L.L.C., for the operation of the Westwood Golf Course Restaurant for the Parks and Recreation Department be approved.