



MEMORANDUM

REGULAR CITY COUNCIL MEETING

April 20, 2026 at 6:00 PM

TO: City Council

FROM: Lisa Nocerini, City Manager

SUBJECT: 505 Water Street Café, LLC Contract Extension

The contract with 505 Water Street Café, LLC, who manages the Root Beer Barrel, expires on December 31st, 2026, unless extended or terminated.

According to the existing contract, upon mutual consent of the City and the Contractor, the three (3) year contract may be renewed for two (2) optional one (1) year extensions at the prices, terms, and conditions of the initial contract.

The existing terms consist of the following:

- The contractor agrees to pay the City an annual lease payment of 10% of the annual gross sales with a minimum annual payment of \$10,000.

Revenue received from the annual gross sales:

2024 – \$451,083 (City received \$45,108)

2025 - \$605,215 (City received \$60,521)

The City Administration is requesting the following direction from the City Council:

1. Approve the two (2) optional one (1) year extensions to the existing contract. The new expiration date would be December 31st, 2028.
2. Authorize a request for proposals.

Motion (Option 1): Approve the two (2) optional one (1) year extensions to the existing contract with 505 Water Street Café, LLC with a new expiration date of December 31st, 2028.

Motion (Option 2): Approve authorizing the City Administration to issue a request for proposals.