

MEMORANDUM

TO: Claire Powell, City Manager

FROM: Stacie Anaya, Director of Parks and Recreation

DATE: May 5, 2025

SUBJECT: Ratification of Concession Agreement Between Four New Millennium Group, Inc. and the City of Lewisville.

BACKGROUND

In November 2024, the United States Army Corps of Engineers (USACE) executed Lease No. DACW63-1-24-0613 for park and recreational areas on Lewisville Lake with the City of Lewisville to replace Lease No. DACW63-1-00-0820 upon expiration on April 14, 2025. Four New Millennium Group, Inc. d/b/a Sneaky Pete's (Sneaky Pete's) was a sub-concessionaire of Eagle Point Marina under the former lease, and their agreement expired on April 14, 2025. Sneaky Pete's, however, desires to continue operating through the upcoming summer season.

ANALYSIS

This agreement allows Sneaky Pete's to continue its operations until September 30, 2025. Rather than a sub-concessionaire agreement, this agreement is between the city and Sneaky Pete's for the operations of a restaurant, club and banquet facility. Sneaky Pete's will pay the city four percent (4%) of gross revenues in monthly installments. After the term of this agreement expires, Sneaky Pete's has three (3) months to demolish its improvements. If it fails to comply with the demolition obligation, the city may demolish the improvements and be reimbursed by Four New Millennium Group, Inc. for the costs incurred.

The Parks and Recreation Department will be responsible for managing the agreement.

This agreement was signed by the City Manager on April 10, 2025 to prevent a lapse in formal agreement with Sneaky Pete's as the City transitioned from the former to current master lease with the USACE.

CITY STAFF'S RECOMMENDATION

That the City Council ratify the agreement as set forth in the caption above.