

Spoooner Lake Recreational Services Concession

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Q1: Regarding Exhibit H: Gross Profits Percentage Matrix, you request an itemized projection of operating costs and estimated annual gross profits in a matrix. The incumbent concessionaire, Spooner Lake Outdoor Company, has submitted annual or periodic revenue reports to the satisfaction of the State. Are these revenue reports available in order to allow bidders to determine the order of magnitude for past revenues allowing more accurate projections to the future? Please provide or reference availability.

Yes. The (gross) revenue reported to the State for the months of May, June, July, August, September, and October for 2010, 2011, and 2012, from the previous concession, is provided below. These are the months that best represent the summer operation (rentals, cabins, shuttle). The (new) optional winter operation will differ from the winter operation of the past.

Month	2010	2011	2012
May	\$5,800	\$8,925	\$11,597
June	\$15,770	\$9,163	\$37,650
July	\$51,012	\$53,474	\$61,262
August	\$47,927	\$57,825	\$55,863
September	\$37,263	\$48,105	\$35,097
October	\$21,736	\$25,840	Not available

Q2: You are requesting that we have all references in the Attachment F format by 2/1/2013 and yet the submittal is not due until 2/15/2013. Why are these documents from a third party due before the actual bid is placed? Your questionnaire is quite extensive and will require substantive subjective analysis on the part of the respondents. If the respondents fail to meet your deadline is the proposer disqualified?

References are suggested but not mandatory. Reference questionnaires are due 02/15/13 as indicated in the RFP Timeline, section 8. The date (02/01/13) in both Attachment F and the actual questionnaire (after you double click to open that separate document) is incorrect and will be changed to reflect the date in the RFP Timeline.

Q3: Length of contract term: Nowhere in the Request does the State indicate the length of term offered including any optional extension language. Is this subject to negotiation after award?

The successful proposal to this RFP will enter contract negotiations with the State. This negotiation will lead to a lease agreement for at least 5 years with an optional extension period of 5 years at Parks' discretion.

Q4: What was the length of term of the current concession? Were any terms available to the current concession to extend? Did the current concession receive any extensions and if so were terms and conditions modified by contract or by negotiation?

The length of term for the previous concession was 10 years, 2002 to December 31, 2012. The same concessionaire had been operating in the park for 27 years under previous contracts. There was an optional extension of 5 years. That option was provided by the State but not accepted by the previous concession. There was no negotiation on lease terms.

Q5: Availability of current concession contract: Is the current concession contract available as a public record? If so, please provide it or reference where to obtain.

Yes. The previous contract, and amendments, will be made available on the website next to the RFP, to be found on the Nevada State Parks website (www.parks.nv.gov).

Q6: The current concession has published its intention to not renew or extend its special use permit with the State. Does the current concession have any ongoing property or proprietary rights to the Spooner Lake facilities, shuttle routes or pick-up points, web page domain names, marketing or advertising agreements or any other right to compete with the awarded new concession? Does the state have any recourse to limit such duplication by the current concessionaire?

The previous concessionaire, to the best of our knowledge, owns the rights to the company names Flume Trail Bikes, Spooner Lake Outdoor Company, Spooner Lake Inc., as well as the domain names flumetrailbikes.com and spoonerlake.com. The current or future status of this ownership is unknown. The previous concession does not own or have any rights to property or facilities within Lake Tahoe Nevada State Park. All personal property has or will be removed. Pick up points within the park are within the scope of control of the Park and will be managed to avoid conflicts. Shuttle routes, marketing, and advertising are not within the rights of Nevada State Parks to manage. Any further coordination on related legal issues must be dealt with by opinion with the State Attorney General's Office through Nevada State Parks.

Q7: Can the State restrict other businesses from using Spooner Lake as a drop off point for its shuttle passengers?

It is possible that other outside businesses will want to operate some level of shuttle service to Spooner Lake. Pick up points within the park, as with any other business activities on Nevada state lands, are within the power for the park to manage. Nevada State Parks is open to coordination with the selected concessionaire, and any outside shuttle services. But, Nevada State Parks will not allow competing business activity in the park with established concession operations present.

NAC 407.088 Commercial use of park. (NRS 407.0475, 407.065)

1. In a park no person may:

(a) Without the approval of the Administrator, post or distribute a handbill, notice or advertisement.

(b) Without a concession permit or commercial use permit granted by the Administrator:

(1) Sell or offer to sell any goods or services.

(2) Use a park for any other commercial purpose.

2. As used in this section, "commercial purpose" means any activity that is engaged in for financial gain, including, without limitation, the buying, selling or other exchange of commodities or the providing of services related to or connected with trade, traffic or commerce in general.

Q8: Section 3.6 indicates that other regional vendors control drop off and pickup points around the region. What fees are charged by these regional vendors currently?

Regional businesses may utilize drop off and pick up points on roadways around the park but do not control any points within the borders of Lake Tahoe Nevada State Park. Regional rates for shuttle services are unknown but can be researched by individual interested parties.

Q9: In RFP language section 9, et al, you make the statement that: "Vendors must place their written responses(s) in bold/italics immediately following the applicable RFP question, statement and/or section" Do we correctly interpret this to mean, respondent "Vendors" should copy the relevant RFP question verbatim from the RFP into their response document and then type in their proposal in bold/italics type face? Since this is a strict formatting procedure, does the State have a clean MS Word version of the RFP to expedite a cut and paste result?

Yes. All instructions must be followed within the RFP as provided. An MS Word version of the document can be emailed to you upon request.

Q10: Along with revenues in Q1, can the state provide 3 years of attendance or some form of projection of the volume of use of the park including volume of back country riders. Any statistical analysis source should be identified for the proper evaluation of this offer.

Yes. The Spooner Lake statistical reporting for 2010, 2011, and 2012 will be placed on the Nevada State Parks website next to the RFP for your review. The source of statistical information is the in-house collection of data through road counters, visual inspections, and staff reports.

Q11: Has the current concessionaire declared its intention to not continue as a special use permittee to the State? When is the current concession contract termination date? Are their provisions for holding over in the current language? Again if available, please provide or reference where to obtain.

Yes. The previous concessionaire ended all concession operations and has not opted for any extension. The contract was terminated on December 31, 2012. Yes, there will be an extension period in the operating lease or contract.

Q12: In section 10.5 of the RFP the State intends to enter into negotiations for final contract terms. What subjects are negotiable? Is this where length of contract is determined?

All contract terms are negotiable with the exception of any elements in the RFP that are outlined as requirements. These elements are generally described with the terms 'must', 'shall', or 'will'. The contract length is negotiable as well although it is the desire of Nevada State Parks to implement a 5 year contract with an optional 5 year extension.