

# **PROSPECTUS**

**For the Operation and Maintenance  
of a  
Concession Operation at Lake Elwell  
Near Chester, Montana**

**US Department of the Interior  
Bureau of Reclamation  
Montana Area Office  
PO Box 30137  
Billings, Montana 59107**

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## 1. INTRODUCTION

The Bureau of Reclamation (Reclamation) is seeking a qualified person(s) to operate and maintain facilities, and provide commercial services to the public at Lake Elwell, (Reservoir), at the concession site currently known as Tiber Marina (Site). This opportunity is for a 10-year concession operation under the terms of a concession contract (see Appendix 4, draft concession contract).

The Site contains approximately 35 acres of land and water area (Appendix 1). The facilities and services that are required to be provided to the public during the operating season from May 15 through the Labor Day holiday weekend include camping and day use facilities; seasonal boat and trailer storage; courtesy boat dock; gasoline and motor oil sales; sale of groceries, snacks, sundries, and fishing and camping supplies; and providing visitor and directional information. Existing concession facilities include a store, residence, small floating utility dock, parking lot, fenced storage area, fuel distribution system (on land), water distribution system, fish cleaning station, boat launch ramp, restrooms, shade shelter and campsites, etc. Existing improvements include roads, sidewalks, etc.

Interested bidders should carefully consider this document and the attached Appendices before submitting a proposal. All bidders are expected to be familiar with the Reservoir, the Site, the draft concession contract and performance expectations, and the Reclamation Manual Policy and Directive and Standard (Appendix 3). **Please Note: All responses to this offer should be limited to the concession opportunity specifically provided herein. Do not submit proposals beyond the opportunity provided - no additional consideration will be granted.**

### A. Reclamation Concessions Management

The Reservoir is managed by Reclamation's Marias-Milk River Division Office located in Chester, MT and the Montana Area Office located in Billings, MT.

Reclamation, a bureau within the U.S. Department of the Interior, was established by an act of Congress in 1902 (Federal Reclamation Law). Reclamation is best known for the dams, power plants, and canals it has constructed and operates throughout the 17 Western States. These water projects led to homesteading and promoted the economic development of the West. Today, Reclamation is the largest wholesale water supplier and the second largest producer of hydroelectric power in the United States. Its facilities also provide substantial flood control, recreation, and fish and wildlife benefits. Reclamation's mission is to manage, develop, and protect water and related resources in an environmentally and economically sound manner in the interest of the American public.

Reclamation provides more than 90 million visitors a year with water-based recreation opportunities at more than 300 reservoirs. Reclamation operates these sites primarily with other Federal and non-Federal managing partners. In addition to these partnerships,

there are over 200 concessions operating on Reclamation projects. These concessions provide the recreating public with a wide range of facilities and services such as marinas, campgrounds, swimming beaches, equestrian centers, and golf courses. Fishing and boating are the most popular recreation activities at Reclamation areas, accounting for more than 27 million user-days on about 1.78 million surface acres of water.

Concession contracts provide Reclamation with a vehicle to allow private entities to provide the visiting public with necessary and appropriate facilities and services within Reclamation administered areas. Concessionaires and their staff are important members of the area community. Area visitors often have more contact with, and receive more information from, concession employees than from Reclamation area staff. These contacts can have a significant effect on the quality of the visitors' experience. Reclamation expects its concessionaires to join in fulfilling Reclamation's mission and to give special attention to the preservation, conservation, and protection of area resources and the environment.

## **2. BUSINESS OPPORTUNITY**

### **A. Area of Operation**

Reclamation is requesting proposals for a 10-year concession operation at the Site currently known as Tiber Marina. The Reservoir is located in north central Montana in Liberty and Toole Counties, about 20 miles southwest of Chester, a local service center with a population of approximately 1,000 (Appendix 1). The Site contains approximately 35 acres of land and water area, and currently includes a store, residence, small floating utility dock, parking lot, fuel distribution system, water distribution system, fish cleaning station, boat launch ramp, restrooms, shade shelter and campsites. Details of the Site are shown in Appendix 2.

The closest major urban area is Great Falls, a highway distance of approximately 90 miles. The Reservoir is located 12 miles south of Montana Highway 2, a major east-west travel corridor to the Northern Rocky Mountain Region. The Reservoir has 17,886 water surface acres, 181 miles of shoreline, and is surrounded by over 21,000 acres of Federal land that is available for both developed and dispersed recreation opportunities. The water level of the Reservoir fluctuates in response to flood control, irrigation, and other needs, and experiences normal annual fluctuations of about 17 feet. However, water levels could fluctuate up to 44 feet (from elevation 2976 to 3020) depending upon drought or flood conditions in any given year. The highest recorded water elevation is 3005. Present reservoir operations also supply municipal and industrial water, provide recreation opportunities, enhance fish and wildlife habitat, and provide electricity through a privately developed hydropower plant.

The Reservoir provides excellent fishing opportunities for walleye and northern pike, while the Marias River below the Reservoir provides angling opportunities for both rainbow and brown trout. The Reservoir and surrounding lands provide great hunting opportunities for deer, antelope, waterfowl, and upland game birds.

The average annual number of recreation visitor use days at the Reservoir is approximately 40,000. Recreation use occurs mainly between the months of May and September. Peak use generally occurs on Independence Day and the Memorial Day and Labor Day weekends when 2,000 people or more may be present at the Reservoir. About 70 percent of the visitors live within 100 miles of the Reservoir. Tourists traveling to and from Glacier National Park on U.S. Highway 2 constitute a potential source of concession patrons. Major recreation activities include: camping, fishing, boating, picnicking, hunting, and ice fishing during the winter months. Fishing tournament patrons are a potential source of revenue; however, Reclamation and Montana Department of Fish, Wildlife and Parks (FWP) are the responsible agencies for permitting such activities. Reclamation will provide the Concessionaire with advance notification of any recreation-related permitted activities.

The Reservoir is located along a portion of the Lewis and Clark Trail; an interpretive site overlooking the Reservoir provides an historical overview of the area.

## **B. Concession Information**

The current concession business name and address is as follows:

Tiber Marina  
H.C. 78, Box 10A  
Chester, Montana 59522  
Telephone (406) 759-7100

Several concessionaires have operated the Site since its construction in 1986. This is a seasonal use concession that operates during the peak summer months. The Concessionaire may identify additional services, not currently identified in the draft concession contract, which may be needed and potentially profitable; however, Reclamation retains the right and authority to determine whether or not those additional services will be provided. All additional service proposals must be approved in writing by Reclamation prior to placement, construction, or implementation. No other entity will be contracted to conduct commercial recreation related sales within the Site unless the Concessionaire declines to offer additional services as may be proposed by Reclamation.

Although the profit margin has been small for this concession operation, there has been a demonstrated demand for the marina services from the local community and visitors to the Reservoir. Both Reclamation and Liberty County have invested in improvements at the Site over the past several years. A recent improvement was the addition of the Liberty Loop Campground that was made possible through a cost-sharing partnership with Liberty County. The campground features nine pull-through campsites with electric hook-ups. Other improvements include delineation of an additional area for dry boat storage, modification of several facilities to improve accessibility, and installation of an irrigation system along the shelterbelt.

Reclamation and FWP provided buildings and improvements are described in Appendix 4, Exhibits C and D, respectively. A copy of the Memorandum of Understanding (MOU) with FWP for the fish cleaning station is provided in Appendix 4, Exhibit E. The Concessionaire must maintain Reclamation and FWP provided buildings and improvements, and return them to Reclamation at the expiration or termination of the concession contract in the same condition as they were received, less normal wear and tear. Reclamation agrees to perform extraordinary maintenance or replacement as described in the draft concession contract. The Concessionaire will be responsible for providing maintenance, improvements, supplies, etc., necessary to provide for the levels of service required by the draft concession contract.

The Concessionaire may have the option to operate mobile concession related services (food, soda, beer, fishing supplies, etc.) at other developed recreation sites around the Reservoir, including Sanford Park below Tiber Dam. All such additional service proposals must be approved in writing by Reclamation prior to placement, construction, or implementation and are not part of this prospectus.

### **REPORTED GROSS REVENUES**

(Not verified by financial audits)

<b>Year</b>	<b>Gross Revenues</b>
2009	\$46,177.41
2008	\$67,417.00
2007	\$72,641.00
2006	\$74,767.00
2005	\$44,980.00
2004	\$35,893.00

### **C. Scope of Work**

The Concessionaire is ***required*** to provide the following visitor services during the term of the concession contract:

1. Gasoline and motor oil sales.
2. Groceries, snacks and sundries appropriate for the types of recreation use occurring at the Reservoir.
3. Non-alcoholic beverage sales.
4. Tourist and directional information to the public.
5. Fishing tackle and supplies.
6. Camping and day use facilities (see Appendix 4, Exhibit C).
7. Camping and day use supplies.
8. Courtesy boat dock.
9. Campsite & pavilion reservation system.
10. Seasonal boat, camper, and trailer storage.

The Concessionaire, upon proper license or permit and by prior written consent of Reclamation, is **authorized, but not required**, to provide the following visitor services during the term of the concession contract:

1. Boat rentals.
2. Prepared food (Reclamation must be provided with Health Inspection Compliance reports).
3. Interpretive materials (books, postcards, posters, photographs).
4. Propane sales.
5. Pay phone services.
6. Liquor, beer and wine, subject to Montana state licensing requirements.
7. Boat launching assistance, for a fee, when specifically requested.
8. Concessionaire may build, own, and operate a boat dock with up to 25 slips. (In accordance with Appendix 4, Exhibit F – Boat Dock Standards.)
9. Fishing and hunting licenses, subject to approval of the Montana Department of Fish, Wildlife and Parks (FWP).
10. Rental cabins (not more than 5 for short term use).
11. Live bait.

Any additional services above those that are identified as required or authorized will be considered using the following criteria:

1. The service must directly serve the short-term recreating public's use of the Reservoir.
2. The service must not present a hazard or nuisance to reservoir operations, to the public, or resources at the area.
3. The service must be legal and otherwise compatible with Reclamation Policy.

### **General Requirements**

The Concessionaire must keep the Site, facilities, and improvements in an orderly and sanitary condition that is visually aesthetic and in a good state of maintenance and repair, as determined by Reclamation.

Enhancements to existing facilities and improvements may be proposed by the Concessionaire. All proposals must be approved in writing by Reclamation prior to placement, construction, or implementation. Any enhancements to such facilities and improvements remain the property of the United States.

The Concessionaire may restrict public use at specific areas within the Site for the purpose of protecting private property or for health and safety purposes, subject to Reclamation approval. The Concessionaire will have no control over areas outside the perimeter of the Site, and may not restrict public access through the Site to those areas.

All facilities and improvements within the Site, whether Reclamation owned or Concessionaire owned, will be kept safe for public use by the Concessionaire during the term of the Contract.

The Concession must be operated with a high degree of courtesy and fairness to all patrons and the general public.

### **Contractual Requirements**

The 10-year concession contract will terminate on December 31, 2020. No renewals will be automatically granted to the then existing Concessionaire. Should Reclamation determine that continued commercial services are necessary and appropriate, such business opportunity shall be advertised for public competition and a new concession contract issued, as described in the Reclamation Manual Policy, *Concessions Management*, P02, and Directive and Standard, *Concessions Management by the Bureau of Reclamation*, LND 04-01 (Appendix 3). No preferential right of renewal will be granted to the then existing Concessionaire.

The Concessionaire will operate under the terms of the attached draft concession contract (Appendix 4). Please note Section 2.B of the draft concession contract identifies an annual franchise fee and an advance annual fee of \$500. The bidder must submit a proposed franchise fee of no less than 2% of the gross revenues for each year of operation under the terms of the draft concession contract.

### **Operating and Maintenance Requirements**

The Concessionaire will provide, at a minimum, a seasonal recreation operation, and will be fully operational from May 15 through the Labor Day holiday weekend. The Concessionaire, or a designated representative, will provide at a minimum the required services between the hours of 8 a.m. and 6 p.m., Thursday through Monday of each week during the recreation season, including Independence Day and the Memorial Day and Labor Day holidays. Alterations to these hours are permissible only with prior written authorization from Reclamation.

The Concessionaire will assume full responsibility for the Site and is required to operate and maintain all facilities and equipment within the Site, including those provided by Reclamation and FWP as well as those owned or provided by the Concessionaire. Reclamation agrees to perform extraordinary maintenance and replacement as described in the draft concession contract. The Concessionaire has the opportunity to visit the Site periodically during the non-recreation season to inspect buildings and improvements located within the concession site. Reclamation is not responsible for the security of Concessionaire owned possessions. Reclamation may, however, visit the Site periodically to inspect the buildings and improvements.

All landscaped lawn areas and the shelter belt on the west side of the Site (5 tree rows approximately 800 feet long) will be watered with the existing well and the lawn areas will be maintained (to include mowing, cultivation, weed control, etc.) by the Concessionaire. In addition, weeds and other vegetation throughout the Site will be kept mowed or removed to prevent seeding and fire hazard. All roadways and parking lots will also be kept clear of all vegetation within the Site.

The Concessionaire will be responsible for maintaining the courtesy dock and keeping it and the boat ramp operational during the recreation season. As water elevations fluctuate, water based concession facilities (courtesy boat dock, picnic tables, etc.) must be re-anchored or moved appropriately. Any facilities located in the water such as docks, must be entirely removed from the Reservoir by the Concessionaire after the recreation season and reinstalled before the start of the next recreation season. Maintenance requirements for the fish cleaning station are described in Exhibit E.

Only equipment and facilities specifically required for the operation of the Site, in serviceable condition, may be stored on the Site. The Concessionaire may submit for review, a Special Storage Request for additional vehicles or equipment.

At time of contract execution, electric services will be placed in the Concessionaire's name. All other utility costs, including LP gas, potable water, septic tank pumping, and telephone are the responsibility of the Concessionaire.

Reclamation guarantees the Concessionaire that no other contracts for these same services will be granted to another party within the Site during the term of the contract. If Reclamation determines that additional services are to be provided within the Site, and if the existing Concessionaire declines the opportunity to provide the additional services, Reclamation may offer the opportunity to another qualified concessionaire.

The Concessionaire may not interfere with members of the public who choose to purchase merchandise or services elsewhere and bring it for consumption or use within the Site.

During operating hours, a minimum of one person on the concession staff must be currently certified in basic First Aid and cardiopulmonary resuscitation (CPR). Proof of certification must be available upon request by Reclamation.

Concession facilities will be operated and maintained so as to be accessible by disabled persons. Discrimination on the basis of handicap or physical disability is prohibited. Reclamation will conduct accessibility evaluations during the term of the concession contract.

Exclusive use of Reclamation land is prohibited. Other than limited housing opportunities for a concession employee, no mobile homes, cabins or other privately owned improvements, other than those placed on the Site by the Concessionaire for short-term business purposes, will be placed on the Site for long-term exclusive recreation use. Reclamation retains the right to define and determine instances of long-term exclusive use.

Contracting out services to a sub-concessionaire shall not be allowed.

The Concessionaire will provide at his/her expense the following:

1. All appliances, furniture, and equipment needed to operate the Concession, as well as all merchandise, potable water, fuel, propane, propane distribution system, etc., to be sold or furnished to the public. (See Appendix 4, Exhibit C, for Reclamation Provided Buildings and Improvements and Appendix 4, Exhibit D, for FWP Provided Buildings and Improvements) Note: Potable water must be hauled to the Site.
2. Equipment for recreation-related services the Concessionaire is required to provide and any equipment needed for additional services offered.
3. Vehicular support for the Concession operation.
4. Tools and equipment needed for maintenance of facilities.
5. Record keeping, monitoring, and reporting documents required for the underground fuel storage and distributions system.

The previous concessionaire may have some equipment or merchandise for sale. The successful bidder may, but is not required to, purchase the equipment or merchandise at a price mutually agreed to with the previous concessionaire.

### **Licenses, Permits, Plans and Other Requirements**

Within 30 days of Contract execution, the Concessionaire must submit to Reclamation for its review and approval, a draft Operations and Maintenance plan for the 2011 recreation season. By March 1, of each year thereafter, the Concessionaire must submit to Reclamation for its review and approval, an updated Operations and Maintenance Plan for the forthcoming recreation season.

The Concessionaire must prepare and submit to Reclamation for review and approval a Hazardous Materials Spill Prevention Plan prior to dispensing or selling fuel. A Weed Control Plan and a Safety Plan must also be prepared and submitted to Reclamation for review and approval by the opening date of the Marina. Other plans may be determined necessary by Reclamation in the future. The Concessionaire will be responsible for obtaining any specialized materials, permits, licenses, certifications, etc., necessary to perform their duties and responsibilities as defined in the plans.

It is the Concessionaire's responsibility to obtain and keep current all licenses and permits required to operate the concession required services and facilities. The Concessionaire will provide Reclamation a copy of each permit within 30 days after it is initially obtained or renewed.

The Site will be inspected at least twice annually by Reclamation staff and its representatives at Reclamation's discretion. Reclamation will provide the Concessionaire a minimum advance notice of 48 hours for inspections. The Concessionaire or his/her designated representative will participate with Reclamation in such inspections.

The Concessionaire must provide Reclamation copies, within 5 calendar days after their receipt, of any and all reports, notices of deficiencies, etc., resulting from inspections or

reviews conducted by another Federal, state, or local agency. The Concessionaire must comply with any and all stipulated remedies required by the reports or notices of deficiencies, unless such remedies do not meet Federal codes or standards. In such instances, the Concessionaire must remedy the deficiencies to meet Federal codes or standards, within the time as originally stipulated. If the regulatory required remedy exceeds Federal code or standard, the more stringent requirement must be met.

Concession facilities and operating procedures must comply with all Federal, state and local health and safety requirements, laws, rules, regulations, Executive Orders, etc., and Reclamation Policies and Directives and Standards, in effect now or as may be modified or amended in the future.

Prices of goods and services offered will be comparable to similar operations in like areas of Montana. Annually, the prices of goods and services (i.e. food, merchandise, camping, boat docking, dry storage, etc.) to be provided by the Concessionaire will be submitted to Reclamation by April 20 for review before the start of the next recreation season. Reclamation reserves the right to review and approve the quality, type, and price of all merchandise sold at concession authorized sites.

The Concessionaire must carry levels of liability and property insurance as identified in Section 10 of the Tiber Marina Concession Contract (Appendix 4), to protect Reclamation owned property. Reclamation shall be named co-insured on all coverage, and a copy of all policies will be provided to Reclamation as required in the Contract.

Law enforcement on the Federal lands at the Reservoir is provided by the appropriate county (Liberty or Toole) Sheriff's Department. Fish, wildlife, and water safety laws are enforced by FWP. Reclamation is to be notified if any Federal property is damaged or destroyed within 5 calendar days of such damage.

The Concessionaire will be required to submit annual financial reports on a calendar year basis to Reclamation by April 20<sup>th</sup>. Unless Reclamation provides the Concessionaire with a specific report form and format, the report will list the gross revenues, expenses, and net income for each service offered to the public, and any other concession related revenue/expenses incurred by the Concessionaire. The report will be typed, dated and signed by the Concessionaire.

### **3. INSTRUCTIONS AND IMPORTANT INFORMATION TO BIDDERS**

#### **A. General Contractual Requirements**

A copy of the draft concession contract is provided in Appendix 4.

The successful bidder must enter into a 10-year concession contract within 30 calendar days after notification of their selection. Failure to do so may result in the selection of the next best qualified bidder.

## **B. Proposal Submission**

### **1) General**

Prospective bidders are encouraged to visit the Site. Prospective bidders can contact Reclamation at 406-759-5079 to schedule a Site tour.

If you have questions about this prospectus, the Site, this opportunity, or submitting a proposal, please present them in written form to the person and address listed below. Written responses will be provided to the requestor, and copies of the questions and responses will be provided to all persons requesting a bidding packet. Please note: questions should be received by April 1, 2011. Reclamation will attempt, but cannot guarantee answers to questions received after April 1, 2011.

Proposals must be submitted in duplicate to:

Montana Area Office,  
Attention: Mr. Jeff Baumberger  
Bureau of Reclamation  
P.O. Box 30137  
Billings, MT, 59107-0137  
Email: [jbaumberger@usbr.gov](mailto:jbaumberger@usbr.gov)

Proposals must be received at the above identified address by close of business, April 11, 2011. Any proposal(s) received after this date, regardless of postmark date or problems associated with the mail or delivery service, will not be accepted. The outside of the envelope should be clearly labeled: **TIBER CONCESSION PROPOSAL**. The successful bidder will be notified on or about April 25, 2011.

Bidders should carefully consider this document and the attached exhibits before submitting a proposal. All bidders are expected to be familiar with the Reservoir, the Site, the draft concession contract and expectations, and Reclamation's Concessions Management Policy and Directives and Standards.

Collection of the information required by Section 3.B – Proposal Submission and/or collection of any additional information or written or verbal clarification of a proposal solicited by Reclamation is authorized under 36 C.F.R. Part 51. The collected information will be used to evaluate the bidder's ability to perform the services required. A bidder may refuse to complete any section of the Prospectus on the basis of Privacy Act exemption. However, failure or refusal to supply the requested information may cause such proposal to be treated as non-responsive and it may be rejected.

All proposals submitted in response to this Prospectus may be disclosed to any person under a Freedom of Information Act request. If you wish to restrict disclosure of your proposal (limited to proprietary information only) mark the title page with the following legend:

“This data shall not be disclosed outside the Government and shall not be duplicated, used or disclosed in whole or in part for any purpose other than to evaluate the proposal; provided, that if a contract is awarded to this proposer as a result of, or in connection with submission of this data, the Government shall have the right to duplicate, use or disclose the data to the extent provided in this Contract. This restriction does not limit the Government’s right to use information contained in the data if it is obtained from another source without restriction. The data subject to this restriction is contained on pages\_\_\_\_.”  
(Proposer must write in the specific page numbers to be restricted).

## **2) Evaluations of Proposals**

All written proposals received by the deadline will be evaluated by a review team to select the proposal deemed most likely to provide a safe, quality experience for, and necessary and appropriate services to, the recreating public at the Reservoir over the term of the Contract. Among other things, the team will consider, in no particular order of importance, the following factors in selecting a “best proposal”:

1. The experience and success of the bidder in owning, operating, or working in a business that provides quality recreation-related campground and marina goods and services to the public.
2. The experience and success of the bidder in owning, operating, or working in a public service concession-type business through a Federal, state or local government agency contract or other agreement.
3. Agreement to provide the concession services as described in the draft concession contract.
4. The bidder demonstrates the financial capability to implement the requirements of the draft concession contract.
5. The bidder demonstrates the knowledge and ability to manage a public use area in compliance with Federal and state requirements for public health and safety. Applicable letters of reference from past managing partners or past inspection reports will be considered.
6. The bidder must submit a proposed franchise fee of no less than 2% of the gross revenues for each year of operation under the terms of the draft concession contract.

Reclamation reserves the right to seek supplemental information from any bidder at any time, prior to awarding the concession contract, for clarification or amplification of information furnished by the bidder. In addition, if no single bidder is judged to be clearly superior to the others, based on submitted information, the team may select some or all of the bidders for personal or telephone interviews to gather additional information.

### 3) **Format**

The bidder must follow the general format style indicated below and include the minimum information indicated. Additional information the bidder believes is important to the evaluation of the proposal may be included in the document. Proposals will be evaluated based on the information submitted; therefore, the submitted information should be in sufficient detail to facilitate a comprehensive analysis.

#### **Letter of Interest:**

- Name of the company or individual(s) (bidder)
- Address
- Phone number
- Names, titles, addresses and phone numbers of company owners (if applicable)
- Month and year the proposal was prepared
- Signature of the bidder and date
- Narrative explanation (who, what, when, where, etc) of:
  - Proposed plan of operation (detailed description of season, store operation, staffing, etc.)
  - Proposed Concessionaire provided improvements, services, merchandise, etc.
  - Types of concession services to be offered (detailed description of actual business operations.)
  - How the proposed business and management practices will provide the opportunity for a financially viable concession operation, based on unique experiences and knowledge of the concession industry.
  - Acknowledgment that the bidder is willing and able to accept the terms and conditions of the draft concession contract, as well as the list of services and requirements discussed in the Prospectus. The final concession contract may include additional items, provisions or clauses if deemed appropriate by Reclamation.

#### **Detailed Experience and Background:**

List previous jobs, experiences, and references of the bidder and key staff, if known.

The bidder must include a statement to the fact that they have no felony convictions, nor that they are under indictment for any Federal offense.

The bidder must address their knowledge of the hospitality industry, campground management, management and monitoring of a fuel distribution system and propane refueling system, and any other business skills that will assist Reclamation in determining the bidder's knowledge and ability to meet the terms and expectations of the Concession Contract.

**Financial Documents:**

- Current business and/or personal financial statements (income statement and balance sheet for the past two years).
- Current credit statement from a recognized credit reporting agency.
- Anticipated revenue/expense statements for the first five years of operation.
- Proposed financial record-keeping system.
- Any other financial information pertinent to the bidder's proposal and proof of financial stability.

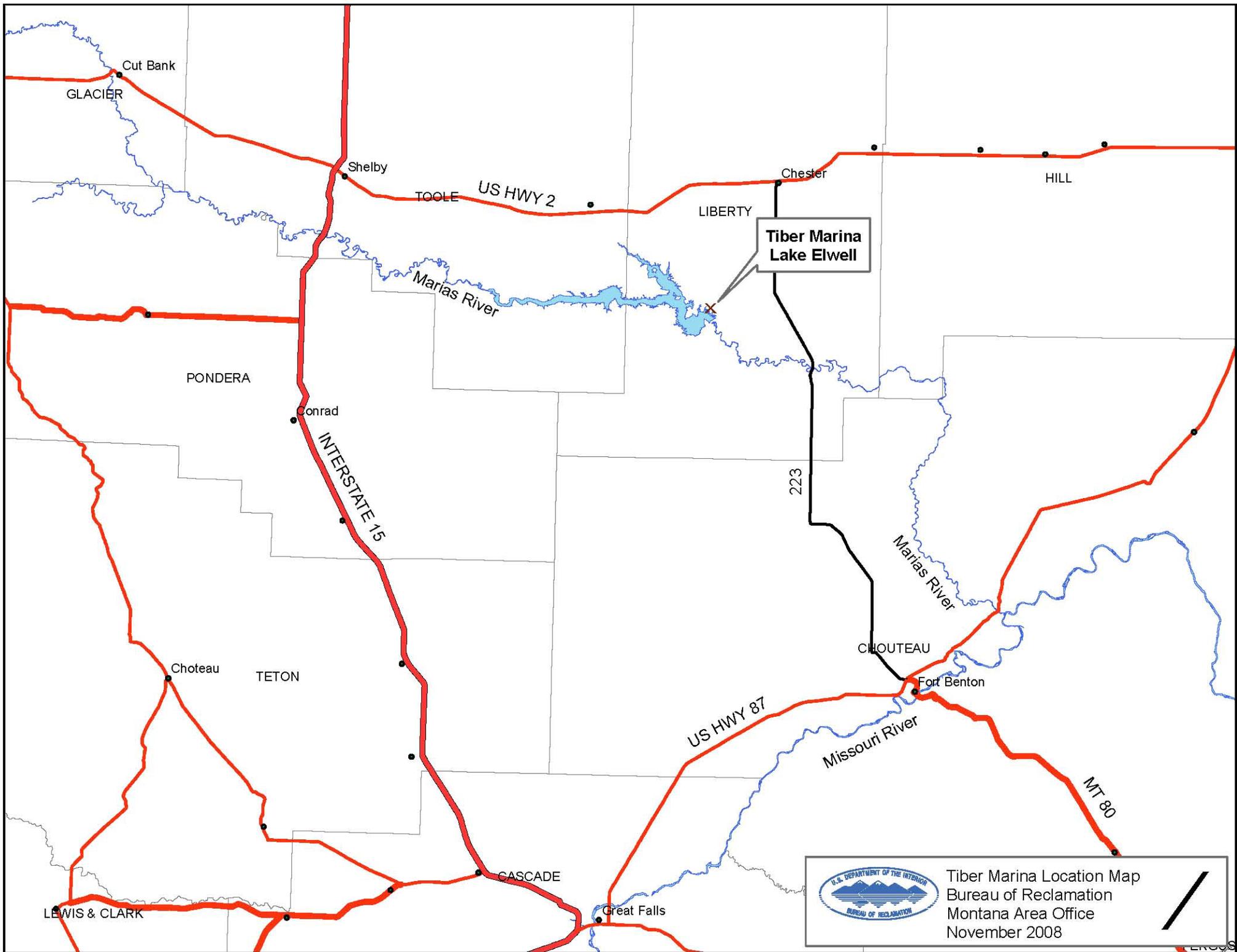
**Supporting Documents:**

- A listing of all anticipated licenses and permits required for the operation of the concession (i.e. state or county issued licenses or permits).
- The name and address of the bidder's proposed insurance carrier.
- The name, address, and background history of business or financial backers, partners, or officers applicable to the concession operation.
- Any other plans, data, or information that the applicant considers pertinent to the evaluation of their offer.

# **APPENDIX 1**

## **Location Map**





Tiber Marina Location Map  
Bureau of Reclamation  
Montana Area Office  
November 2008

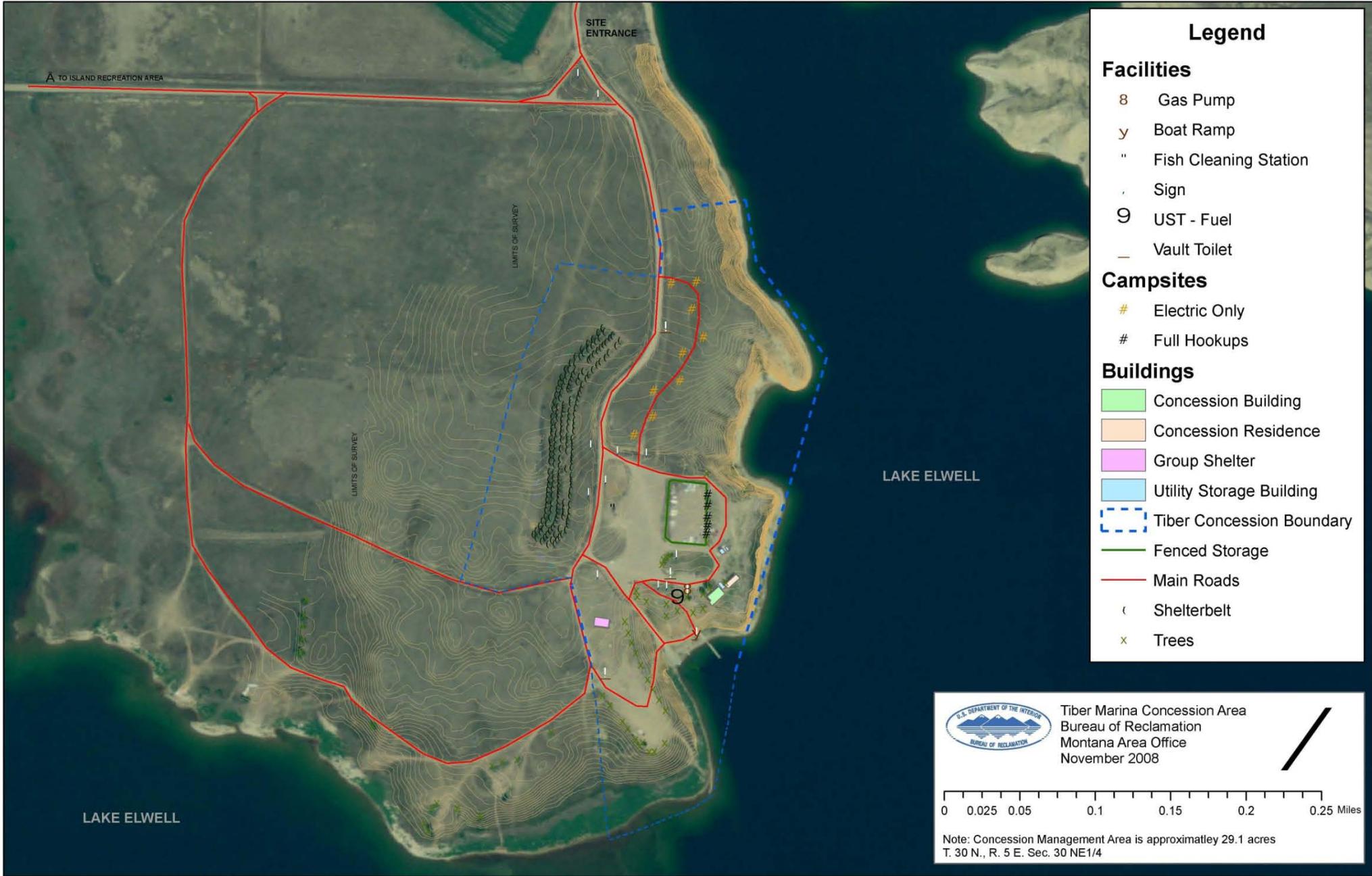




## **APPENDIX 2**

### **Site Map**





### Legend

#### Facilities

- 8 Gas Pump
- y Boat Ramp
- " Fish Cleaning Station
- .
- 9 UST - Fuel
- \_ Vault Toilet

#### Campsites

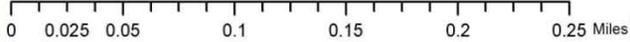
- # Electric Only
- # Full Hookups

#### Buildings

- Concession Building
- Concession Residence
- Group Shelter
- Utility Storage Building
- Tiber Concession Boundary
- Fenced Storage
- Main Roads
- Shelterbelt
- Trees



Tiber Marina Concession Area  
 Bureau of Reclamation  
 Montana Area Office  
 November 2008



Note: Concession Management Area is approximately 29.1 acres  
 T. 30 N., R. 5 E. Sec. 30 NE1/4



## **APPENDIX 3**

### **Bureau of Reclamation Concessions Management Policy and Directives and Standards**



## Reclamation Manual

### Policy

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**Subject:** Concessions Management

**Purpose:** Sets forth the policy for planning, development, management, and operation of concessions at Reclamation projects.

**Authority:** Reclamation Act of 1902, as amended and supplemented; the Reclamation Project Act of 1939; and the Federal Water Project Recreation Act of 1965, as amended.

**Contact:** Land, Recreation, and Cultural Resources Office, D-5300

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#### 1. Concessions Management Policy.

- A. **Stewardship.** Reclamation and its managing partners will ensure that concessions are planned, developed, and managed to meet public needs, are compatible with the natural and cultural resources, and provide a variety of services which are consistent with authorized project purposes.
- B. **Authorization of Concessions.** Based on the principles contained in this policy, Reclamation will authorize concessions which establish or continue to provide necessary and appropriate facilities and services.

#### 2. Definition.

- A. **Concession.** A concession is a non-Federal commercial business that supports appropriate public recreation uses and provides facilities, goods, or services for which revenues are collected. A concession involves the use of the Federal estate and usually involves the development of real property improvements.

#### 3. Concessions Principles. The following principles guide the planning, development, and management of concessions:

- A. Concessions will provide quality recreation facilities and services accessible to persons with disabilities, and appropriate visitor goods and services at reasonable rates.
- B. Concession operations will provide for the protection, conservation, and preservation of natural, historical, and cultural resources.
- C. Commercial facilities and services will be planned and developed through a commercial services planning and public involvement process, in cooperation with other public agencies.

## Reclamation Manual

### Policy

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- D. Concessionaires will be provided with opportunities for a reasonable profit and may be compensated for Reclamation-approved improvements that will remain the property of the United States.
  - E. Reclamation will ensure fair competition in the awarding of concessions contracts and will not allow preferential rights of renewal.
  - F. Exclusive use of the Federal estate will not be allowed and existing exclusive use will be removed as soon as possible.
  - G. Concessions will comply with applicable Federal, State, and local laws.
4. **Supporting Directives and Standards and Guidelines.** Implementation of the Concessions Management Policy is accomplished through the use of the Reclamation Manual Directives and Standards, and Guidelines.
- Concessions Management by the Bureau of Reclamation, LND 04-01.
  - Concessions Management by Non-Federal Partners, LND 04-02.
  - Concessions Management Guidelines.

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- Subject:** Concessions Management by Non-Federal Partners
- Purpose:** Establishes minimum approval standards for all new, modified, or renewed non-Federal concession contracts.
- Authority:** Reclamation Act of 1902, as amended and supplemented; the Reclamation Project Act of 1939; and the Federal Water Project Recreation Act of 1965, as amended.
- Contact:** Land, Recreation, and Cultural Resources Office, D-5300
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1. **Non-Federal Partners.** Reclamation may transfer to non-Federal partners the responsibility to develop and manage public recreation areas and concession services. Transferred areas are managed by a partner under Federal authorities, the partner's authorities, specific contracts, and agreements with Reclamation. Well-planned and -managed concessions on the Federal estate are of mutual interest to Reclamation and its partners. Reclamation is responsible for continuous management oversight of managing partners and their concessions operations.
2. **Compliance With Directives and Standards.** New concession contracts issued by managing partners must comply with these directives and standards. Existing concession contracts issued by managing partners must, at the first opportunity, be brought into compliance with these directives and standards. If a concession contract is amended or terminated because of contract default or for other reasons and a subsequent concession contract is issued by the non-Federal partner, the subsequent concession contract must be in compliance with these directives and standards.
3. **Definitions.**
  - A. **Concession.** A concession is a non-Federal commercial business that supports appropriate public recreation uses and provides facilities, goods, or services for which revenues are collected. A concession involves the use of the Federal estate and usually involves the development of real property improvements.
  - B. **Exclusive Use.** Exclusive use is any use that excludes other appropriate public recreation use or users for extended periods of time. Exclusive use includes, but is not limited to, boat docks, cabins, trailers, manufactured or mobile homes, structures, or amenities that are determined by Reclamation to be exclusive use.
  - C. **Federal Estate.** The Federal land and water areas under the primary jurisdiction of the Department of the Interior, Bureau of Reclamation.

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- D. **Fixed Assets.** Fixed assets are any structures, fixtures, or capital improvements permanently attached to the Federal estate.
  - E. **Improvement.** An addition to real property that increases its value or utility or that enhances its appearance.
  - F. **Management Agreement.** A management agreement is a binding contract between Reclamation and a partner to provide public recreation opportunities and concession services on the Federal estate.
  - G. **Non-Federal Partner.** A non-Federal partner is a non-Federal public entity that manages recreation and other resources through a contractual agreement with Reclamation.
  - H. **Total Benefits to the Government.** Total benefits include:
    - (1) **Direct Returns.** These are fees generated by authorized concession contracts and paid directly to the managing entity or to the United States Treasury.
    - (2) **Direct Benefits.** These are fees paid into a contractually designated special account for resource and capital improvements that directly benefit the public in the area of operations where the fees are collected.
    - (3) **Indirect Benefits.** These are services performed by the concessionaire that benefit the public or improvements made to the Federal estate by the concessionaire.
4. **Managing Partner Agreements.**
- A. **Third-Party Concession Agreements.** Third-party concession agreements are agreements between the non-Federal managing partner and another entity to provide concession related services and facilities.
    - (1) **Agreement Standards.** Any concession contract, including a contract renewal or modification, issued by the non-Federal managing partner must meet the requirements of these Concessions Management Directives and Standards.
    - (2) **Contract Approval.** Before issuing or renewing a non-Federal concession contract, the contract must be approved by Reclamation.
    - (3) **Stand In Stead Conditions.** All concession contracts must state that Reclamation will not stand in stead for the managing partner should the

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management agreement expire or be terminated. At Reclamation's discretion, Reclamation may issue a new concession contract that is in compliance with Reclamation Manual (RM), *Concessions Management by Reclamation*, LND 04-01. Reclamation will not issue a new contract until all exclusive use has been removed.

- B. **Review and Evaluation.** All management agreements will require Reclamation to conduct annual concession operation reviews and evaluations. Reclamation may also conduct unplanned reviews, as necessary. If a review identifies operational or administrative deficiencies in the operation of a concession, a timetable must be established by the area office to correct these deficiencies.
  - C. **Exclusive Use.** New, renewed, or modified management agreements and concession contracts will include clauses that prohibit new exclusive use and require that existing exclusive use be phased out. When existing concession contracts issued by the partner are modified or renewed, Reclamation and the partner must establish a timetable in the concession contract that phases out existing exclusive use before the expiration of the contract. This timetable must be established before the concession contract is resubmitted to Reclamation for approval. The concessionaire and a person hired to guard the concessionaires investment may reside on the Federal estate, with the written approval of Reclamation.
  - D. **Disposition of Fees.** Unless State or local laws direct how concession fees paid to the partner will be used, the following will apply: (1) fees will be returned to the area to provide for operation, maintenance, and replacement of recreation facilities and new facility development; (2) any excess fees (profit) will be returned to Reclamation and disposed of according to RM, *Crediting of Incidental Revenues*, PEC 03-01.
  - E. **Statistical Data.** Each year, the managing partner will be required to provide Reclamation with the information specified in Reclamation's Recreation Use Data Report. Other information may be required, as necessary. This information will provide an accurate inventory of facilities. The report will also contain other data about the managing partner's recreation and concession operations on the Federal estate.
5. **Concessions Planning.** Concession development will adhere to the concessions principles listed in RM, *Concessions Management* (LND P02), will be based on appropriate plans developed by the partner or Reclamation, and will be approved by the Regional Director or delegate. Reclamation can provide direction and assistance in the process, as necessary, to accomplish effective commercial services planning.

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6. **Concessions Contracting.** The following items will be addressed in all new and renewed concessions contracts issued by non-Federal partners.
  - A. **Sale and Transfer.** The sale and transfer of existing concessions must be approved according to the management agreement and reported to Reclamation in a timely manner.
  - B. **Contract Language.** The partner will develop and use contract language that complies with all applicable Federal laws, rules, regulations, and Executive Orders. Reclamation can provide examples of standard contract structure and language.
  - C. **Length of Term.** The term for a concession may not exceed the term of the management agreement between Reclamation and the partner. In general, terms should be as short as possible and based on the new investment required as determined by a financial feasibility evaluation.
  - D. **Subconcessions.** All subconcessions must meet the terms and conditions of the prime concession contract. The partner must approve all subconcessions and notify Reclamation in advance of any authorization that needs Reclamation approval. Generally, subconcessions are discouraged in order to keep operations under single management.
  - E. **Concessions Building and Improvement Program.** All designs and construction must comply with applicable Federal, State, and local environmental and historic preservation laws and regulations and building code requirements. In areas where no State or local construction standards exist, Reclamation may provide appropriate standards. Where required and before construction, building permits must be obtained from local authorities by the concessionaire. All facilities will be harmonious in form, line, color, and texture with the surrounding landscape.
  - F. **Operation and Maintenance Plan.** Concessionaires will prepare an annual operation and maintenance plan, which must be approved by the partner. The concession contract must clearly state what the plan will contain. Reclamation can provide examples of such plans for the partner and the concessionaire.

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### G. Reimbursement for Fixed Assets.

- (1) A right to reimbursement may exist when a concessionaire places Reclamation-approved fixed assets on the Federal estate. Title to fixed assets must be established in the concession contract. Reimbursement of a concessionaire for fixed assets is the responsibility of the partner. The method for determining the amount of reimbursement and the method of payment will be specifically addressed in the concession contract between the partner and the concessionaire.
- (2) In the event the partner's agreement with Reclamation expires or is terminated without a commitment by both Reclamation and the partner to enter into another agreement, all the concessionaires' fixed assets and personal property must be removed from the Federal estate unless Reclamation decides to issue a new concessions contract and decides to retain the fixed assets. [See paragraph 4A(3).] The partner will be responsible for ensuring that the concession area is returned in a condition satisfactory to Reclamation.
- (3) It must be clearly stated that no financial obligation or risk will reside in the Federal Government for reimbursement for fixed assets or personal property as a result of the partner awarding a concession contract. All new concession contracts issued by the partner will address rights for reimbursement to the concessionaire for fixed assets. Interests in a concessionaire's fixed assets may not extend beyond the term of the management agreement. In addition, the concession contract must provide appropriate language regarding interests in fixed assets and methods of reimbursement, if any, to the concessionaire by the partner.

H. **Area of Operation.** Each concession contract will authorize and define only the physical area necessary to conduct the business activities allowed by the contract. Concession boundaries must be surveyed by the partner and easily recognizable by the visiting public.

I. **Additional Facilities or Services.** Any proposal for expansion of facilities or services must be reviewed by Reclamation and approved by the partner before the expansion takes place.

J. **Exclusive Use.** The contract must state that no new facility, service, or site determined by Reclamation to be exclusive use will be allowed. New, renewed, or modified concession contracts issued by the partner will include clauses that establish a timetable for phasing out existing exclusive use before the contract expires.

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- K. **Reclamation Rights.** All concession contracts must be subject to the rights of Reclamation and its agents to use the subject lands and waters for project purposes.
- L. **Termination of Concession Contract.** Concession contracts will acknowledge the right of Reclamation to terminate, for cause, any concession contract authorized by a non-Federal partner.
- M. **Total Benefits.** The partner will establish and recover fair benefits, including direct return and direct and indirect benefits, for the uses, rights, and privileges granted by a concession contract. For disposition of fees, see paragraph 4D.
- N. **Rates and Merchandise.** Rates charged by concessionaires for services, food, lodging, and merchandise will be based on charges for comparable facilities, services, and merchandise provided by the private sector in similar situations. The partner must approve the rates requested by concessionaires.
- O. **Concessions Safety Program.** Concessionaires are responsible for providing and ensuring a safe and healthful environment for both the visiting public and employees by developing, implementing, and administering health, safety, and educational programs to ensure that concession areas are managed in compliance with Federal, State, and local laws, rules, and regulations.
- P. **Environmental Compliance.** Concession contracts will address all activities with potential environmental impacts resulting from the release of hazardous materials to the environment including, but not limited to, the following: pesticides, herbicides, sewage effluents, petroleum products, and liquid waste (gray water). Concessionaires are required to follow all applicable Federal, State, and local laws, rules, and regulations related to hazardous substance use, storage, and disposal. Application for and acquisition of all required certifications and permits are the responsibility of the concessionaire.
- Q. **Food Sanitation.** Concessionaires' food services will comply with Federal, State, and local food handling and sanitation regulations.
- R. **Advertising and Signs.** The Reclamation logo or name, along with the non-Federal partner logo or name, will be displayed at all concession entrances used by the public. Outdoor signs or other forms of advertising on the Federal estate must be approved by Reclamation before they are displayed.
- S. **Sale of Personal Property.** The sale of personal property other than the approved concessions inventory is prohibited on the Federal estate. No party will be permitted to sell personal property, including vehicles, manufactured or mobile

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homes, house trailers, travel trailers, boats, or personal water craft, on the Federal estate.

- T. **Utility Services Provided by Reclamation.** The fee charged for utility services provided by Reclamation will be based on the recovery of full operating and replacement costs for utility capital investments and comparable utility rates. Utility services include, but are not limited to, electricity, power, water, waste disposal, gas, and communication systems.
- U. **Insurance Program.** Concessionaires must have and maintain an appropriate insurance policy that will indemnify the United States and meet applicable State requirements. All liability policies will provide that the insurance company will have no right of subrogation against the United States and must provide that the United States is named as an additional insured. The partner may establish similar requirements itself, but it must provide Reclamation with a copy of the insurance certificate that identifies the above conditions.
- V. **System of Recordkeeping.** Financial reports and records necessary for management and oversight of concessions must be maintained and available to the partner and to Reclamation upon request. At a minimum, each concessionaire will complete Reclamation's Annual Financial Report form(s).

#### 7. **Concessions Administration.**

- A. **Annual Review and Evaluation.** All concession agreements issued by the non-Federal partner will require Reclamation and the non-Federal partner to conduct annual concession reviews and evaluations. The review should identify problems, solutions, and a timetable for resolving the problems in a written report. The non-Federal partner must ensure that any operational or administrative deficiencies noted by the review are corrected in accordance with the established timetable.
- B. **Nonprofit Organizations.** In certain circumstances, it may be suitable for cooperative associations or nonprofit organizations to sell goods or provide visitor services to meet the goals and objectives of both Reclamation and the partner. These associations and organizations must be approved by the partner if the cooperating association operates within a concession or elsewhere on the Federal estate. The cooperating association will be responsible for maintaining its accounting system, and the system cannot be combined with a concessionaire's annual financial report. Nonprofit organizations will also be given very clear instructions identifying the type of business they are authorized to conduct and the types of goods and services they may provide. All organizations must provide written proof of their nonprofit status to Reclamation and the partner.

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- C. **Employment of Reclamation Personnel or Family Members<sup>1</sup>.** Reclamation employees or family members may not be owners, partners, board members, corporate officers, general managers, or employees of any business providing commercial services on the Federal estate, nor may they have any financial interest in such a company. Ownership of stock shares traded in a recognized open market is not considered a financial interest under these directives and standards. Reclamation employees are further prohibited from using their public office for private or family gain. A Reclamation employee involved in preparing specifications, awarding a contract, or administering a concession may not be involved in that activity if the employee or a family member is involved in any phase or operation of that concession. Any Reclamation employee or family member responsible for any phase of a concession contract will be excused from duties related to the concession contract if the employee or a family member is involved in competing for the contract or if the Reclamation employee may benefit financially from the awarding of the contract.

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<sup>1</sup>Guidance on this issue should be obtained from an ethics counselor in the servicing Reclamation Personnel/Human Resources Office.

## **APPENDIX 4**

### **Draft Tiber Marina Concession Contract**

