

PART – 4

The Business Opportunity

A. Introduction

Reclamation is requesting proposals from interested parties for development, management and operation of five concession areas at Lake Berryessa, Solano Project, Napa County, California. Potential bidders have multiple options on deciding whether to apply for a single individual concession opportunity or a combination of sites. However the maximum any one bidder will be awarded will be three concession areas (See PART 3 – Section K for more details).

Lake Berryessa is the operating reservoir for Reclamation’s Solano Project. Lake Berryessa is located in northeastern Napa County; among the hilly-to-steep slopes of the California Coast Range. It is a 1½-hour drive from Sacramento, a 2- to 3-hour drive from various locations in the San Francisco Bay metropolitan area, and a 1-hour drive from the town of Napa and the Napa Valley. It is served by State Highways 121 from Napa to the south and 128 from Winters (Sacramento and Interstate 5) to the east. Within this 2½ to 3-hour driving distance there are 8 to 10 million people. Lake Berryessa is less than a one-hour drive to the Napa Valley and approximately a two hour drive from most of the Bay Area and from Sacramento. The convenience to Napa Valley creates recreational and family vacation opportunity for visitors. Lake Berryessa is the largest freshwater body of water within the proximity to Sacramento and the San Francisco Bay Area.

Lake Berryessa is oriented on the map from northwest to southeast and is 26 miles long by 3 miles wide, with 165 miles of shoreline. There is essentially a west and east shore; all seven of the current concession operations are located on the west shore while the east shore is wholly undeveloped with several large private ranch areas bordering Reclamation lands along the shoreline. The total shoreline of Lake Berryessa is within the ownership of Reclamation. There are a few areas on the west shore with private property development within view of the lake. Please view photos on the Lake Berryessa Prospectus web site at <http://www.usbr.gov/mp/berryessa/prospectus.html>.

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Figure 4 - 1: Map of Lake Berryessa

Lake Berryessa and the area surrounding it are physically attractive and provide scenic vistas to users both on the shore and from the lake. With the exception of the concession developments and a few small private housing areas, there is no development that impedes or detracts from the views and the general ambiance of

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being in a remote recreational area. There is an abundance of wildlife at Lake Berryessa and fishing for trout and bass is considered very good.

Some History

In 1948, construction of Lake Berryessa was authorized as part of Reclamation's Solano Project. The Solano Project was authorized for agricultural water supply, municipal and industrial water supply along with incidental flood control benefits. The primary project facility was Monticello Dam, constructed on Putah Creek in 1957. Seven concession operations were authorized to begin business in 1958 and 1959 under management by Napa County. Napa County withdrew from managing recreation at Lake Berryessa in 1974, and the Bureau of Reclamation began direct management of recreation, including oversight of the seven concession areas. Reclamation exercises proprietary jurisdiction over the lands of the Solano Project.

Lake Berryessa's first fifty years of concessions history focused for the most part on the establishment and management of large, long-term trailer villages. Approximately 1600 privately-owned trailers were assigned sites on an annual, year-round basis in the trailer villages. These tenants provided year-round income that became the mainstay in assuring financial stability among the 7 concessionaires by providing approximately 50 percent of the total revenue of the combined operations. After a comprehensive new Visitor Services Planning and Environmental Impact Statement/Record of Decision (VSP/ROD) was completed by Reclamation in 2006, it was determined that the future business model for Lake Berryessa will not include long-term private exclusive use. The elimination of this use type and the availability of acreage within the concession areas that is no longer committed to privately-owned trailers will make available some of the best shoreline areas (in the areas open for development and assigned for concession use) for new development of short-term, traditional commercial recreation and support facilities for the public. Limited Extended Occupancy, termed "annual occupancy" was identified with restrictions in the VSP/ROD. New development anticipated as outlined in recent planning documents includes:

- Lodging (i.e., cabins, tent cabins, park models, yurts)
- Food & Beverage
- Houseboat Rentals
- Small Boat Rentals
- RV Parks
- Camping
- Day Use
- Retail Facilities
- Marina Facilities
- Boat Launch Ramps
- Dry Boat Storage

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Reclamation also intends to begin a major effort at improving government support facilities at Lake Berryessa including a more extensive trail system to eventually encircle the lake, including sections that pass through each Concession Area.

With new and better located facilities and business models that focus on the short-term user, the visitor profile will change significantly and be more representative of those users from the San Francisco Bay Area, Sacramento, and Northern California who are already using numerous other reservoir areas around the north State located a significantly greater distance from population centers. Given the natural beauty and lake shore access in combination with new and improved facilities, Lake Berryessa should draw hundreds of thousands of new visitors. It would compete very successfully with areas such as New Melones Lake, Lake Don Pedro, the Sacramento/San Joaquin Delta, Shasta Lake, Trinity Lake, Lake Oroville, and others that are currently financially successful. Most visitors to Lake Berryessa will be from the Sacramento and Bay Area population centers. Lake Berryessa is much nearer and more convenient to these centers than most other similar recreation areas that are currently traveled to by these users. Proximity to Napa Valley wineries, restaurants and other attractions also provides a potential nexus that will eventually benefit new business models at Lake Berryessa.

B. No Contractual Right of Renewal Preference

The Concession Contractors that either had or currently have contracts at Lake Berryessa will not be given any preferences in regard to award of this contract or renewal of future contracts. Concession Contractors of record who wish to be considered for new contracts must compete on an equal basis with all other parties submitting proposals.

C. Future Facilities

Since the former concession agreements expired in 2007/2008, Reclamation has been involved in implementing the VSP/ROD, including a complete re-development process at the five locations covered in this Prospectus. Reclamation has made a commitment to providing safe, high quality recreation and concession services that are both welcoming to the visiting public and will also support the Lake Berryessa community.

Reclamation is currently providing limited recreation facilities at three of the five sites, and new Concession Contractors are expected to develop the necessary services, facilities and Concession Area Infrastructure identified in this Prospectus. In an effort to assist with the development and permitting of needed facilities Reclamation is developing several draft planning documents (Reclamation plans) and has provided several of them to the public via its Lake Berryessa website: <http://www.usbr.gov/mp/cao/berryessa/> as part of backup

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documentation for this Prospectus. ***One of these Reclamation plans, the 60% Design Level Infrastructure Design Report (2015) will be provided as part of an amendment to this prospectus approximately thirty days after the prospectus is released and will depict the full scope of Required Services for concession operations at the five sites.*** Until this report can be provided, bidders are directed to the description of Future Facilities below, to the Draft Site Plans for Required and Potential Authorized Services and Facilities posted on <http://www.usbr.gov/mp/cca0/berryessa/prospectus.html>, and to Section 2.B of the draft Concession Contract (Part 6 of the prospectus package) for guidance on the Required and Authorized Services and quantities included in this Prospectus.

Additional and/or updated planning documents will be posted on <http://www.usbr.gov/mp/cca0/berryessa/prospectus.html>

Subject to the availability of funding, Reclamation may over the next 12 or so months award a contract to perform additional infrastructure design to the 95% level for some but not all of the 5 concession areas. If a design contract is awarded during the open bid period Reclamation will post an amendment to notify bidders.

Additionally, National Environmental Protection Act (NEPA) documentation has been initiated for the overall recreation conceptual plans, and for development of the infrastructure at each concession site based upon the 60% design level infrastructure plans and specifications. It is anticipated that the environmental documentation for overall recreation conceptual plans and at least 60% infrastructure design will be completed by Reclamation prior to the start of construction under the concession services contracts for the five Concession Areas. ***Prior to commencing construction, the Concession Contractor(s) will be responsible for bringing both the conceptual level recreation site designs and the 60% infrastructure designs to 100% completion (unless Reclamation performs additional infrastructure design), completing site-specific environmental documentation for recreation site planning, and for acquiring all relevant and appropriate permits and approvals.***

In an effort to ensure that services and facilities are available to the visiting public, Concession Contractor(s) will be provided with a mandatory first year development plan based upon the planning work completed by Reclamation. This first year development plan will include the use of some existing Reclamation Improvements and Personal Property, where available, along with the expected environmental documentation, for engineering and construction activities that shall be completed the initial year of the Concession Contract(s) by the successful Concession Contractor(s). Where existing facilities or infrastructure such as roadways, launch ramps, water lines, water tanks and other support features may be available for interim use, then a plan for the eventual upgrade, replacement and/or repair of these assigned facilities shall be required to be provided by the Offeror(s) as a part of the Concession Facilities Improvement Program (CFIP).

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The list of Required and Authorized Services and quantities in Section 2.B of the draft Concession Contract (Part 6 of the prospectus package) and the 60% Design Level Infrastructure Design Report (2015) described above constitute the formal basis of services for this business opportunity. All Offerors must incorporate these Reclamation plans, and all other requirements described in this prospectus into their bids in order for the bid to be considered responsive.

However, should an Offeror propose to develop Required and Authorized Services and infrastructure that meet the requirements of this business opportunity, but in a manner which differs from those developed by Reclamation, said Offeror must then develop at its own expense both recreation site plans and infrastructure designs, as well as site-specific environmental documentation, and develop a first-year development plan that addresses those construction objectives that Reclamation has determined in Part 6, Section H-1 of this Prospectus. Reclamation will determine whether or not such a proposal meets these requirements and if so can be considered a responsive bid.

Typically a prospectus would only need to deal with a business opportunity at a single location, but the nature of this Prospectus requires that information be provided on five separate concession opportunities. Following is the information on ‘Future Facilities’ for all five of the locations being addressed in this Prospectus. Bidders need only become familiar and involved in the necessary efforts for responding on the location(s) that they intend to bid upon. The ‘Future Facilities’ ‘Required and Authorized’ under this Prospectus will be presented in the following order of concession locations:

- Putah Canyon Recreation Area (formerly Putah Creek Resort)
- Monticello Shores Recreation Area (formerly Rancho Monticello)
- Berryessa Point Recreation Area (formerly Lake Berryessa Marina)
- Spanish Flat Recreation Area (formerly Spanish Flat Resort)
- Steele Canyon Recreation Area (formerly Steele Park Resort)

C.1 Putah Canyon

Putah Canyon Recreation Area will be developed on both the east and west side of Knoxville road, primarily as a marina and campground complex with some lodging units and day use. The Required Services and facilities will consist of one entry station, overnight RV sites with utilities, standard sites without utilities, tent only sites, individual day use sites, a small dry boat storage area and a camp host site with utilities. Lodging facilities will consist of a limited number of park models. Park models that meet the elevation and offsets from the lake shore that are defined in the 2005 Visitor Services Plan (above 455 MSL plus 100 linear feet)

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may but are not required to be leased on an extended basis. Any such rentals must abide by the restrictions set forth in the 2006 ROD. Sewer, power and water will be developed as part of the Required Services. Reclamation is currently attempting to establish a potable water source (well), but should that prove not to be successful, the operator must develop surface water treatment and distribution facilities. The required marina complex will consist of a floating marina building and service, concessionaire building, boat slips, boat ramp with courtesy docks, watercraft rentals, boat fuel and septic pump out stations, on-shore fuel and sanitary storage tanks, restaurant and retail shop in the floating marina. Based on demand and other important factors, the Authorized Services and facilities will consist of upgrades of standard camp sites without utilities to standard sites with utilities, a playground, boat repair building, fish cleaning stations, employee housing (park models), group day use area, additional tent only sites or day use sites at the southern part of the recreation area, vault toilet to serve these tent or day use sites, and access road gates. Section 2.B of the draft Concession Contract (Part 6 of the prospectus package) presents a complete list of Required and Authorized Services and quantities for Putah Canyon Recreation Area.

C.2 Monticello Shores

Reclamation currently lists very limited facilities as Required Services, one of these being a potable water source and distribution system as well as an entrance station and access road. Reclamation recently performed exploratory drilling to develop a groundwater well, with poor results. Future operators will find it necessary to perform additional groundwater exploration or to develop a surface water treatment and distribution system.

Reclamation has studied the potential for development at Monticello Shores that includes traditional short-term recreation facilities similar to those proposed at the other concession operated recreation areas, either currently in existence at Lake Berryessa or proposed under this prospectus. Monticello Shores could physically house and support over 180 camp sites (tent sites, standards sites, and RV sites), over 50 lodging units (park models, cabins, yurts, tent cabins, etc.), and a marina of 50 slips with associated facilities. Though camping, lodging, and marinas are appropriate land uses of this site, Reclamation is not proposing to develop Monticello Shores for those purposes. As a component of the 2006 Visitor Services Plan/Record of Decision (VSP/ROD), Reclamation is responsible for integrated management of lake-

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wide operations. Based on studies conducted as part of a Financial Feasibility Evaluation, full development of Monticello Shores for camping, lodging and marina services at this time may affect the business opportunities at the six other concession-managed recreation facilities at Lake Berryessa.

Consequently, Reclamation is limiting its definition of Required Services and is instead seeking proposals for innovative short-term recreation facilities and services, both Required and Authorized, at Monticello Shores that are in line with the requirements of the (VSP/ROD) yet do not rely primarily on camping and marinas. Proposals could include, but are not limited to services as dining facilities, conference facilities, special event facilities including performing arts venues, boutique or other distinctive lodging, outdoor education and ecotourism facilities, or other such proposals. Successful business operations may find it beneficial to include some components of traditional short-term recreation (such as limited camping or marina facilities), and all proposals must include some form of day use facilities, however these would perform a supporting role for the primary facilities. Bidders are reminded that any form of Private Exclusive Use will not be permitted as identified in Section 2.A.4 of the draft Concession Contract (Part 6 of the prospectus) as well as 43 CFR 429.

Successful bidders for Monticello Shores must identify those components of their plan that are “Required,” or that they commit to constructing within the first year and the first five years of their contract, as well as “Authorized Services” that they intend to build if market conditions develop favorably. Reclamation will evaluate proposals for Monticello Shores within the frame of reference of those facilities that the bidder chooses to designate as Required and Authorized. Innovative solutions that are able to demonstrate through financial pro-formas that they present a viable business opportunity will be ranked and rated higher than facilities that rely on camping and marina operations. ***Bids for Monticello Shores which do not contain a commitment to construct a financially viable set of Required Services that meet the requirements of the VSP/ROD will be determined to be non-responsive and will not be evaluated.***

Because of the flexible nature of the bids requested, Reclamation is unable to project any estimates of capital costs or profitability for Monticello Shores and are reliant upon bidders to conduct financial feasibility analyses and to provide comprehensive and informative proposals. As well, because Reclamation will not

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know what services will be developed at Monticello Shores until a winning bidder is selected, with the exception of the initial Required Services Reclamation is unable to provide the extensive infrastructure design and environmental documentation as is being done at other recreation areas in this prospectus. The layout and 60% infrastructure design of the initial Required Services, with the exception of a potable water system, will be provided by Reclamation as a forthcoming amendment to the Prospectus. Development of all other necessary plans, designs and documents will be the requirement of the successful bidder, and a description and timeline for provision of these must be included in their CFIP as per Section 4.I of Part 6. Monticello Shores has no currently developed utilities. Electrical service is available but distribution through the site would need to be developed. Any proposals that require water and wastewater would need to include development of those systems in the plans and financial evaluation. Section 2.B of the draft Concession Contract (part 6 of the prospectus package) presents a complete list of currently Required and Authorized Services and quantities for Monticello Shores Recreation Area.

C.3 Berryessa Point

Required Services for Berryessa Point will include only dry camping and minimal day use. Entrance to the site will be served by a self-deposit vault (“iron ranger”) and there is no staffed entry station. Development on the site includes 49 tent sites. It is likely that Berryessa Point could be bundled with another recreation area and managed jointly for best efficiency. Based on demand and other factors Berryessa Point may be suitable for Authorized Services including RV camping, a small marina complex with a limited number of boat slips, restaurant, retail store, and gazebo/day use shelter for small group gatherings. Reclamation recently performed exploratory drilling to develop a groundwater well, with poor results. Future operators may find it necessary to perform additional groundwater exploration or to develop a surface water treatment and distribution system. A wastewater system is also authorized. Section 2.B of the draft Concession Contract (Part 6 of the prospectus package) presents a complete list of Required and Authorized Services and quantities for Berryessa Point Recreation Area. Portions of the Authorized Services at Berryessa Point cannot be developed until the large failing retaining wall on the southern portion of the principal peninsula can be remediated. This retaining wall area will be rescinded from the eventual Concession Contract until either the successful bidder or Reclamation (subject to the availability of Federal appropriations) can perform this remediation. A

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description of rescinded areas is in Part 6, Exhibit D of this Prospectus.

C.4 Spanish Flat

Required Services for Spanish Flat Recreation Area will include tent camping opportunities, day use facilities, and a small marina complex. The Required Services and facilities consist of an entry station, tent only camp sites, camp host site with utilities, and access road gate. Reclamation has installed an RV dump station that can be used by the Concession Contractor. The Required Services and facilities at the marina complex will consist of boat slips, watercraft rentals, boat ramp, courtesy dock, on-shore fuel and sanitary storage tanks, boat fuel and septic pump out stations, and a concessionaire building. Water and electric utilities would be developed for the entire site. There is no wastewater service required at Spanish Flat, however a wastewater system is authorized. There will be 3 vault toilets and an RV dump station (2 vault toilets and the RV dump station are provided by Reclamation). Potable water is currently provided by Spanish Flat Water District. Based on future demand and other factors, Authorized Services at Spanish Flat include standard camp sites without utilities, RV sites with utilities, rustic lodging, playground, retail store, and restaurant. Section 2.B of the draft Concession Contract (Part 6 of the prospectus package) presents a complete list of Required and Authorized Services and quantities for Spanish Flat Recreation Area.

C.5 Steele Canyon

Steele Canyon Recreation Area will be developed as a marina, campground, and lodging complex. The Required Services and facilities for camping will consist of overnight RV sites with utilities, standard camp sites with utilities, camp host site with utilities, flush restrooms, and day use sites. Required lodging services and facilities will consist of park models with utilities and cabins with utilities. Park models and cabins that meet the elevation and offsets from the lake shore that are defined in the 2005 Visitor Services Plan (above 455 MSL plus 100 linear feet) may but are not required to be leased on an extended basis. Any such rentals must abide by the restrictions set forth in the 2006 ROD. Potable water and wastewater service is available via the Napa Berryessa Resort Improvement District (NBRID); power is also available on site. Reclamation has installed an RV dump station and two vault restrooms that can be used by the

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concessionaire. A new RV dump station is an Authorized Service. The required marina complex will consist of numerous boat slips, boat fuel and septic pump out stations, on-shore fuel and sanitary storage tanks, boat ramp with courtesy docks, concessionaire/maintenance building, and watercraft rentals. Water, wastewater, and electric utilities would be developed for the entire site. Water and wastewater services for the entire site are required to be provided by NBRID. Authorized Services for Steele Canyon Recreation Area will include additional boat slips, a restaurant, retail store, additional camping sites, employee housing (park models), a multi-use center, additional flush restrooms/comfort stations with showers, floating campsites, and hike-in/boat-in campsites. Section 2.B of the draft Concession Contract (Part 6 of the prospectus package) presents a complete list of Required and Authorized Services and quantities for Steele Canyon Recreation Area.

D. Required and Authorized Services

Throughout PART 4 and PART 5 of this Prospectus you will note various references and discussions regarding 'Required and Authorized Services'. A service noted as 'Required' means that a bidder is required to provide that service/facility if they are selected as a successful new Concession Contractor. An 'Authorized Service' is an indication to bidders that this feature is optional; bidders may decline to include such services in their submittal packages. In the instance of this Prospectus All of the services or facilities that are noted as 'Authorized' must have an operational or financial performance trigger before they can be initiated. In most instances this trigger would be an indication of public demand for the additional (Authorized) services and facilities in conjunction with a positive indication from the Concession Contractor that their other combined business activities at Lake Berryessa are providing a reasonable financial return. Determination of going forward on new Authorized Services and facilities will be at Reclamation's discretion following their review of the demand for the service and the financial health of the original business activities.

Section 2.B of the draft Concession Contract (Part 6 of the prospectus package) presents a complete list of Required and Authorized Services and quantities for each of the five areas.

Once a contract is in force, adjustments may be made to Required Services in recognition of unforeseen situations and conditions that develop. Such adjustments may require a contract amendment. Any such changes would only occur with the approval of Reclamation and only when there is a valid reason presented and investigated and determined to have appropriate merit to initiate a change.

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E. Development Plan and Timeline

In order to ensure that construction of new facilities and provision of associated services to the public occurs in as prompt a time period as possible upon execution of the Concession Contract, a Development Plan and Timeline are required elements of successful bid packages and of the eventual Concession Contract. A small number of Required Services and facilities are required to be constructed in the first year of the contract.

Reclamation wishes to ensure that construction of new facilities and associated services occur as promptly as possible, and has provided an initial Development Plan and Timeline. The initial Development Plan and Timeline identify construction objectives for the first year of the Concession Contract.

The initial Development Plan and Timeline is included in Part 6, Exhibit H of the prospectus package but may be supplemented by the Bidder to include additional elements of the Required Services and any Authorized Services proposed. ***The complete Development Plan and Timeline build-out plan for all remaining Required Services and any optional Authorized Services beyond the first year must be included as part of the Development Plan and Timeline included as part of the Concession Facility Improvement Program (CFIP) submittal in the proposal.*** The Development Plan and Timeline will be finalized as part of the approved CFIP upon execution of the Concession Contract(s) with the eventual successful bidder(s). (Review the following parts of this Prospectus for more detail on how the CFIP and the Development Plan Timeline will be addressed in the final contract documents;

- Section 4.G. of the Draft Concessions Contract (PART 6 of this Prospectus)
- Exhibit H (CFIP Procedures) of the Draft Concessions Contract (PART 6-ExH of this Prospectus)

The CFIP is the overall concession development planning document. The CFIP shall provide conceptual design drawings that will show proposed facility layout and service locations; as well as a written narrative, describing details of the proposed services and facilities as outlined in the accepted Prospectus proposal. The CFIP shall also include a full Development Plan and Timeline showing, by year of installation, the full complement of Required Services. Supporting Concession Area Infrastructure, utilities and amenities associated with the provision of the Required Services shall also be included in the CFIP.

An Improvement Management Plan (IMP) is a planning document that shall be developed to serve as an annual guide to completing the site specific design of facilities and services identified in the CFIP. The IMP shall include the timeline necessary for obtaining necessary permits, documenting compliance with the National Environmental Policy Act (NEPA) and National Historic Preservation

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Act (NHPA), and installation of the Concession Area Infrastructure and utilities. Exhibit H of the Draft Concession Contract provides further description of the CFIP and IMP. Both the initial CFIP and initial IMP shall be approved by Reclamation and enacted upon execution of the Concession Contract. Beginning in Year One and every 5 years thereafter, the Concession Contractor shall provide Reclamation a 5-year CFIP schedule to identify and or adjust the Reclamation-authorized Concession Contractor Improvements and Concession Area Infrastructure scheduled for completion in the subsequent five years.

For each year, the Concession Contractor shall submit an annual IMP for Reclamation's review and approval by the anniversary date of the contract execution, outlining the proposed work to be accomplished for the coming year or years. The annual IMP's must coincide with the approved CFIP and work to meet the goal of all Required and Authorized Services installed by the timeline as identified in the CFIP.

All Required and Authorized Services and associated Concession Area Infrastructure shall be installed and operating in accordance with the approved Development Plan and Timeline or sooner. Failure to comply with this provision of the Concession Contract may represent a material breach for which termination is indicated.

F. Future Services and Facility Ambiance

Future services are those identified as 'Required' at each concession location. Depending upon which of the five outlined opportunities a successful bidder will be assigned there will be a various mix of operations for each separate location including campgrounds, RV parks, marinas, retail and food & beverage sales, day use facilities and other active commercial programs. Bidders need to make a strong effort to identify their proposed level of service and ambiance for each activity. Bidders should pay close attention and adhere to Reclamation's Concession Directives and Standards (LND 04-01) that reads, "Facilities must be harmonious in form, line, color, and texture with the surrounding landscape." Reclamation retains the right to make final determination of disposition of architectural finish and design.

The following are examples of how some levels of service and ambiance might be described:

- **Lodging (Cabins, Park Models, or Yurts)** – Lodging installations will be architecturally designed to complement the surrounding setting and will include appropriate pastoral landscaping for the Lake Berryessa area; parking areas that do not detract from the experience or the lodging surroundings; separation between other structures for reasonable privacy; and furniture and amenity packages chosen with the purpose of establishing an ambiance that is uncluttered, relaxing, and fostering a

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quality customer experience expected when staying at a ‘cabin by the lake.’ Employees will be trained to recognize the expectations of guests in cabin type facilities and project an attitude compatible with those expectations.

- **Food & Beverage (Full Service Restaurant)** – The restaurant facility will be architecturally designed internally and externally to project an ambiance that suggests an experience beyond the food and drink available. It links with the other services and facilities at this concession and provides guests with a comfortable and enjoyable introduction or closeout to a day at the lake. The menu will offer a variety of selections that feature items adapted for the likely recreational clientele at Lake Berryessa. Employees will be trained to recognize the expectations of dining guests and family groups and project an attitude compatible with those expectations.
- **Food & Beverage (Fast Food or Snack Bar)** – Fast Food or Snack Bar facilities may often be incorporated into a building providing other services, i.e. a marina or general retail area or it may be a standalone facility. The accoutrements of such operations to the extent possible need to be designed and function in such a manner as not to be overly crowded or otherwise out of character for the design of the larger facility of which it is a part. Employees will be trained to recognize the expectations of dining guests and family groups and project an attitude compatible with those expectations.
- **Marina Operations** – All marina facilities will be easy to access without unreasonable transitions from one walking surface to another. Facilities will be attractive without unsightly hoses, lines, or equipment in seeming disarray that detracts from the appearance or an efficient operation. Procedures and equipment will be designed to effectively handle water fluctuations and the need to adjust the position of the floating facilities. All floatation devices must be encapsulated. Wastewater pump-out facilities will be available at a public-use dock facility. Marine fueling services will be provided wherever rental slips and/or rental boats are provided. Employees will be trained to recognize the expectations of marina users and project an attitude compatible with those expectations.
- **Retail Operations** – All retail sales areas will be designed to be architecturally compatible with other facilities. The inside sales area will not be cluttered and will permit access throughout the store to disabled shoppers who may be using a wheelchair, scooter, or walker. Employees will be trained to be knowledgeable regarding the retail items sold and able to assist guests in finding the items they need.

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- **Campground and RV Operations** – All campgrounds must be designed to allow for easy access by vehicle. Parking areas for RV's must not give the feeling of being stacked on top of each other, with plenty of spacing between RV's. Campgrounds will be designed so that tents, etc., give the feeling of some relative privacy with sufficient space between each site. Landscaping with native plants will enhance the campground aesthetic, protect visual quality and provide for site separation and privacy. The philosophy is that a rural setting will be developed into a campground where occupants feel too close to the adjacent sites and quality and serenity is more important than quantity.
- **Other Operations** – Similar descriptive wording to the preceding samples. Exact services and level of ambiance will be determined as identified elsewhere through the proposal process.

Suggested seasonal or limited services for certain times of the year will not be considered as a less-desirable proposal but a reasonable identification of less or no demand at certain times of the year for particular services. Lengthening or shortening of original dates of operation will be possible based on actual business patterns observed and following a discussion with Reclamation.

Special interpretive and recreation programs that would enhance visitors' educational and recreational experiences and be consistent with Reclamation objectives, resource preservation and protection standards, and safe use of the Lake Berryessa resources are permitted and encouraged. Boating safety, fishing contests, history and cultural programs (Native Americans, pioneers, wine industry, etc), trail hikes and similar interpretive presentations are examples of activities that would be appropriate for Lake Berryessa.

G. Basic Financial Information

Reclamation is conducting financial feasibility studies to bring up to date the planning efforts and Record of Decision (ROD) from 2006. Pertinent information from these studies will be included in an upcoming amendment to this prospectus in order to provide added support to bidders in preparing their proposal(s). The studies utilized figures based upon 2014 Dollars. It is critical that all bidders conduct their own financial planning and present strong and professionally prepared Financial Pro Forms as a part of their overall bid that provides good support for their specific proposal. ***The projections provided by Reclamation in this Prospectus should not be considered to be definitive in relation to the actual financial feasibility as it applies to the variations of individual bidders.***

As a part of the analysis and evaluation of proposals, Reclamation will have 'subject matter experts' as part of the team who are qualified and have experience in reviewing financial feasibility within the Hospitality and Commercial

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Recreation industries. Bidders should understand that proposals evaluated and found to have financially unreasonable projections or deficiencies, may be determined to be nonresponsive.

Reclamation's financial feasibility studies have developed the following approximate costs and estimated rates of return for developing and operating the Required Services as identified in Part 2 of the Draft Concession Contract (Part 6 of this Prospectus). Current estimates of Internal Rate of Return are based upon the Recreation Areas operating as separate entities, and the range of estimated rates of return reflect a range of facility occupancy that ranges from conservative to ambitious. It is estimated that combined operations (as permitted under this prospectus) that combine two or three concession areas might realize a significant improvement over the estimates provided in this table. Because of the nature of the bids requested for Monticello Shores, Reclamation cannot estimate a total capital investment or rate of return. Bidders are cautioned that these figures are tentative at this time, and are subject to the completion of the Final 60% Design Level Infrastructure Design Report.

Table 4 - 1: Approximate Costs and Estimated Rates of Return for Required Services

| Concession Areas | Approximate Capital Investment (Present Value) | Estimated Internal Rate of Return |
|-----------------------|--|-----------------------------------|
| Putah Canyon Total | \$18,554,484 | 6% to 7% |
| Berryessa Point Total | \$2,072,473 | 9% to 13% |
| Spanish Flat Total | \$7,793,771 | 7% to 8% |
| Steele Canyon Total | \$22,358,007 | 7% to 9% |

Bidder's proposals should demonstrate a complete recovery of investment with profit during the term of this contract. This is important because there is no assurance that the concession operation will continue after the expiration of the contract. Proposals will be evaluated in part based on how the bidders present the cost recovery and profit.

H. Environmental Management

The Concession Contractor shall meet the environmental management performance standards as described in the draft Concession Contract (Section 3) and shall implement the Environmental Management Program (EMP) in accordance with these standards. The new Concession Contract shall require compliance with the objectives found in Reclamation's Mid-Pacific Region Environmental Management System policy.

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The Concession Contractor shall incorporate their best environmental management practices into all operations, maintenance, and construction activities occurring in the Concession Area. The bidder shall identify methods for which training in environmental management shall be provided and where applicable; identify the additional training all managers, supervisors, and employees shall receive implementing specific environmental management practices. The bidders shall be required to implement a recycling program and other similar environmental activities in accordance with the Environmental Management Program.

Bidders shall submit any clarifications and additions to the Draft EMP that demonstrates a consistency and understanding as it relates to their specific proposal in this Prospectus and provides enough details to show that their environmental management program meets or exceeds the standards described in the draft Concession Contract. The draft EMP submitted by bidders will be a part of the proposal evaluation criteria outlined fully in PART 5 of this Prospectus. The proposed additions or changes must be approved by Reclamation before being included in the final Concession Contract. Some of the points will await final negotiation and determination by Reclamation once the successful bidder is identified. The approved EMP shall become effective upon execution of a Concession Contract. The EMP shall at a minimum, be reviewed, updated and approved annually, or as directed by Reclamation as may be necessary.

I. Risk Management Program (Safety)

The Concession Contractor shall be committed to provide a safe and healthful environment for all employees and visitors to the Concession Area. The Concession Contractor shall meet the risk management performance standards as described in the draft Concession Contract (Section 3.0) and Exhibit M to the draft Concession Contract and shall implement the Risk Management Program (RMP) approved by Reclamation upon execution of the Concession Contract in accordance with these standards. The RMP shall contain written procedures to identify and correct safety deficiencies and ensure a safety awareness and training in hazards recognition. The Concession Contractor shall be responsible for implementation of procedures for accountability and responsibility of the RMP, including a written safety and health policy, and documentation of all accident/incident reporting and investigation procedures.

The standards and minimum requirements of the RMP are established in the Risk Management Plan, (Exhibit M of this Prospectus), which the Concession Contractor must agree to in order to have a responsive proposal. In the proposal, the bidder must submit clarifications and additions to the Draft Risk Management Plan that are consistent with their specific proposal in this Prospectus and in general compliance with Draft Concession Contract (Section 3.0). The draft RMP submitted by bidders will be a part of the proposal evaluation criteria outlined fully in PART 5 of this Prospectus. The proposed additions or changes must be

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approved by Reclamation before being included in the final Concession Contract. Some of the points will await final negotiation and determination by Reclamation once the successful bidder is identified. The approved RMP shall become effective upon execution of a Concession Contract. The RMP shall be reviewed and updated annually or as directed by Reclamation.

J. Maintenance

The new Concession Contractor(s) will be assigned water and land areas that are necessary for the concession operations. In addition, some constructed facilities may be included. These lands and facilities must be maintained in a manner acceptable to Reclamation. The new Concession Contract(s) will specify the Concession Contractor(s) responsibilities for maintenance, repairs, housekeeping, and grounds keeping of all concession lands and facilities assigned. The minimum requirements are established in the Maintenance Plan, Exhibit F to the draft contract (PART 6 Exhibit F of this Prospectus), which the Concession Contractor(s) must agree to in order to have a responsive proposal.

In the proposal, the bidder must submit clarifications and additions to the Draft Maintenance Plan that are consistent with their specific proposal in this Prospectus and in general compliance with the Draft Concession Contract (Section 4.I and Exhibit F). The proposed additions or changes must be approved by Reclamation before being included in the final Concession Contract. Some of the points will await final negotiation and determination by Reclamation once the successful bidder(s) is identified. The response to the maintenance needs is inherent to the concession operation and the identified documents will be a part of the proposal evaluation criteria outlined in PART 5 of this Prospectus.

K. Operating Plan

The new Concession Contractor(s) will be assigned lands and perhaps some facilities that are necessary for the concession operation. The new Concession Contract will specify the Concession Contractor(s) responsibilities for operations of the facilities. The Operating Plan, (Exhibit G of this Prospectus), shall be the operating document for the term of this Concession Contract unless amended with Reclamation's approval.

The Operating Plan shall identify the required management, seasonal hours of operation, and scope of services provided. The Operating Plan shall address safety (not as detailed as Risk Management Program), sanitation, security, and fire protection for the marina and land based facilities along with employee standards and employment conditions. The Operating Plan must identify methods to handle facility reservations, including online reservation systems. The bidder may request a seasonal adjustment to the required levels of service and/or the

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means and methods of providing certain public services and consumables to match seasonal demand.

Bidders must submit, as part of their proposal to this Prospectus, additions or changes to the Draft Contract Exhibit G (Operating Plan) that are consistent with the Concession Contract and that apply directly to their specific proposal at Lake Berryessa. The Draft Operating Plan (PART 6 – Exhibit G) presented in this Prospectus should serve as a template for preparing the actual plan. The ‘template’ provides applicable standards of operation for various departments, i.e., lodging, marinas, retail, etc. that should apply to the specific plans to be proposed by individual bidders. The approved Operating Plan shall become effective upon execution of a Concession Contract. The Operating Plan shall be reviewed and updated annually or as directed by Reclamation.

L. Reserve Account for Facilities Improvement

A typical Reserve Account for Facilities Improvement (RAFI) is briefly discussed below and in more detail in PART 6 – Exhibit K of this Prospectus. The following is a presentation in the standard Prospectus wording outlining a RAFI for bidders to review and utilize:

Funding for routine, day-to-day maintenance will be covered by the Concession Contractor’s operating expenditures. However, funding for projects that qualify as concession capital improvements will come from a RAFI established and maintained by the Concession Contractor and to which the Concession Contractor will make quarterly deposits. In many instances throughout the business community, this type of a fund is known as a ‘Maintenance Reserve Account.’

The new Concession Contract normally requires that the Concession Contractor establish and maintain a RAFI as a percentage of gross receipts (see contract exhibit H [Improvement Project Procedures] and contract Exhibit K [Reserve Account for Facilities Improvement] in the Draft Concession Contract). This reserve account will be used as approved and/or directed by Reclamation for major capital improvements as well as for special repair and maintenance projects — namely, those that are nonrecurring within a 7-year time frame such as foundation replacement, electrical, plumbing and heating systems, or roof replacement. The RAFI will not be used for routine repairs or maintenance — that is, repairs and maintenance that normally recur within a 7-year time frame; therefore, the amount of funds available in the RAFI will not limit in any way the responsibility of the Concession Contractor to perform routine repair and maintenance functions or to carry out necessary major repairs if the RAFI does not provide adequate funding and its housekeeping and grounds-keeping responsibilities (see the description of RAFI in PART 6 Exhibit K of this Prospectus).

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The RAFI outlined for this Concession Contract is established as 3 percent of Gross Revenues and will be paid quarterly as outlined in Contract Exhibit K.

M. Supplemental Surcharge

Initially and during the term of this Concession Contract, the Concession Contractor will be required to construct and improve the full complement of Concession Area Infrastructure and utilities. In addition, the Concession Contractor may find it necessary to pay additional costs for ongoing and additional services to be provided or required by Napa County and/or other state or local government entity or agency that are necessitated by the use, rights and privileges granted under this Concession Contract, which are not presently identifiable, and the Concession Contractor agrees to pay such costs deemed appropriate and approved by Reclamation. Such costs may include direct construction costs as well as fees, charges, and assessments for services, (“charges”), and required actions may include, but are not limited to, charges for the installation, modification, and or expansion of Concession Area Infrastructure, emergency and fire services, law enforcement services, environmental and water quality compliance actions, and other activities. Such required actions are in addition to the RAFI category of expenditures that are nonrecurring within a 7-year period. Supplemental Surcharge funds may not be used for maintenance of installed Concession Area Infrastructure.

Reclamation has determined that such costs are a necessary expense of this Concession Contract and as such, the Concession Contractor may collect additional revenues during all or a portion of the term of this Concession Contract to offset such costs, via a rate surcharge or add-on. The Concession Contractor may elect, by written notice to Reclamation, to collect up to a 5% supplemental surcharge within 90 days of the effective date of this Concession Contract, on all goods it sells (excluding gasoline and diesel fuel) and on all services it provides. The above mentioned written notice shall include a justification for the surcharge including financial spreadsheets demonstrating the economic necessity and proposed duration for the rate-add on.

The Concession Contractor shall deposit all supplemental surcharge funds it collects in a separate, interest bearing, federally insured, Supplemental Surcharge Account (Account) as part of its gross revenue to be maintained by the Concession Contractor. Surcharge funds will not be commingled with other accounts established under this Concession Contract or with any other Concession Contractor funds. The Concession Contractor will directly pay the applicable government entity or agency for any services provided to or charges or required actions levied on the Concession Contractor deemed appropriate and approved by Reclamation in consultation with the authorized government or agency representative.

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The amount of the supplemental surcharge shall be reviewed every 3 years to determine whether it should be increased or decreased to enable the Concession Contractor to collect the appropriate amount of funds needed to pay for the services or charges or required actions as defined above. At each 3-year review, the Concession Contractor shall provide a 3-year projection for all sales for which the surcharge applies, and any known or proposed required payments for charges and ongoing and additional services or required actions. The Concession Contractor will propose to Reclamation for approval the appropriate rate for the surcharge necessary to cover such expenses. After the 3-year review, any funds over \$10,000 left in the account in excess of known or expected services or charges or required actions shall be deposited in the RAFI account established in Section 4.I. and treated as RAFI funds until expended unless such funds are otherwise needed for outstanding or anticipated payments for charges and other required services or actions.

Any Supplemental Surcharge funds not duly expended by the Concession Contractor upon termination or expiration of this Concession Contract shall be the property of the Concession Contractor unless there are approved or otherwise required charges, services, or actions previously identified for payment in advance of contract expiration or termination that have not been paid. If the Concession Contractor is also the succeeding Concession Contractor then the Supplemental Surcharge funds that are unexpended during the term of this Concession Contract will apply to the initial surcharge funding established in the next contract less the estimated costs of any required payments.

In the event of termination or expiration of this Concession Contract, any unexpended Supplemental Surcharge funds shall be deposited into the RAFI account.

The financial reporting for the Account will be performed in accordance with Section 8 and Exhibits J1 and J2 of this Concession Contract.

N. Utilities

Reclamation is not responsible to provide any utilities to the concession operations at Lake Berryessa. As outlined below only Steele Canyon and Spanish Flat have the ability and pre-determined requirement for the provision of potable water and/or sewer facilities:

Lake Berryessa Utilities

Steele Canyon

- Potable Water Required to connect to Napa Berryessa Resort Improvement District

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- Sewer Required to connect to Napa Berryessa Resort Improvement District
- Electricity Commercial – PG&E
- Garbage Commercial pick up – Berryessa Garbage

Spanish Flat

- Potable Water Required to connect to Spanish Flat Water District
- Sewer Not included in Required Services, if authorized services selected by bidder, operate own sewage treatment system/pond
- Electricity Commercial – PG&E
- Garbage Commercial pick up – Berryessa Garbage

Berryessa Point

- Potable Water Not included in Required Services. If Authorized Services are selected by bidder, then bidder will operate own water system by developing a new groundwater well or surface water treatment and distribution system
- Sewer Not included in Required Services. If Authorized Services are selected by bidder, then bidder will construct and operate own sewage treatment system
- Electricity Commercial – PG&E
- Garbage Commercial pick up – Berryessa Garbage

Monticello Shores

- Potable Water Operate to develop and operate own water system by developing a new groundwater well or surface water treatment and distribution system
- Sewer If bidder identifies Required Services that require sewer facilities, then bidder will construct and operate own sewage treatment system
- Electricity Commercial – PG&E
- Garbage Commercial pick up – Berryessa Garbage

Putah Canyon Resort

- Potable Water Operate own water system. Reclamation is attempting to develop a groundwater well; if that fails, the operator will be required to develop a new surface water treatment and distribution system
- Sewer Operate own sewage treatment system/pond
- Electricity Commercial – PG&E
- Garbage Commercial pick up – Berryessa Garbage

O. Current Site Conditions

1. Pre-Existing Facilities.

To a varying degree, some Pre-Existing Facilities associated with previous concession operators is abandoned in place in Putah Canyon, Monticello Shores, Berryessa Point, Spanish Flat and Steele Canyon. Pre-Existing Facilities may include roads, boat ramps, gates, fences, retaining walls, underground utilities, power poles/transformers and the like, significant portions of which may be inoperable and/or not in compliance with current codes. Reclamation will assign these Pre-Existing Facilities to the Concession Contractor(s) for provision of services under the contract, subject to abating any hazards and ensuring such use complies with Applicable Laws. Reclamation has not conducted any inventory of the Pre-Existing Facilities; bidders are responsible for attending the formal site visit to observe the current site conditions including the presence and state of any such Pre-Existing Facilities within the Concession Areas. A brief description of the current “as-is” conditions at these five areas can be found in part 6, exhibit D of the Prospectus package. Successful bidders will accept the Concession Area lands and facilities “as is” and will acknowledge that the United States is under no obligation to improve the present condition of the land or facilities, or to remove any Pre-Existing Facilities.

The selected bidder is responsible for evaluating Pre-Existing Facilities in order to determine which are desired to be retained for provision of Required and/or Authorized Services or are to be removed. The successful bidder must present a plan for Reclamation’s approval by the end of Year Two of the executed Concession Contract. This plan will identify those Pre-Existing Facilities which shall be retained for use, and the steps necessary to bring those Pre-Existing Facilities into compliance with current safety and construction codes and standards, as well as a plan for removal of those Pre-Existing Facilities which shall not be retained for use. The successful bidder must analyze the site conditions and Pre-Existing Facilities for hazards, and remediate as described in Section 3 of Part 6 of this Prospectus.

The successful Bidder(s) shall agree that they have inspected, are thoroughly acquainted with, and accept “as is” all land (Part 6, Exhibit B), any assigned Reclamation Improvements and Personal Property (Part 6, Exhibit E), and all Pre-Existing Facilities and site conditions (Part 6, Exhibit D) located in the Concession Area and authorized for use by the Concession Contractor. A brief description of site conditions and examples of pre-existing Concession Area Infrastructure in the Concession Areas is provided in Part 6, Exhibit D. Sample images of typical conditions are included in Part 7.13.

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2. Remediation Sites.

Environmental compliance orders concerning former underground fuel storage tanks (UST) at Putah Canyon, and Monticello Shores have been or are currently being monitored and/or mitigated by Reclamation. The UST site at Putah Canyon remains under active remediation and is rescinded from use by the successful Concession Contractor until further notice.

The area immediately surrounding the Putah UST site will have some restrictions placed on use of the area by the public and by the Concession Contractor. At Monticello Shores, the UST site has been remediated but a small area has some restrictions on use. Reclamation does not have any knowledge of any remaining underground fuel storage tank issues. Bidders are not required to address any remediation of these sites.

Berryessa Point has a large retaining wall along the primary peninsula that is in need of major repair or removal and restoration. Until such remediation can be completed, the primary peninsula area is rescinded from development and use. Depending upon the availability of Federal appropriations, Reclamation may conduct the remediation to the large retaining wall. The successful bidder may conduct the remediation in order to accelerate the availability of that area for public use.

Further information on rescinded areas can be found in part 6, exhibit D of the Prospectus package.

Bidders are advised that new development in the immediate vicinity of any of the above rescinded areas may be constrained until complete remediation has been accomplished. Impacted areas and potential constraints will be identified during the site visits.

P. Length of Term and Effective Date of New Concession Contract

The length of term of any contract outlined in this Prospectus is 30 years. The effective date (date the contract begins) is not absolutely known at this time. The effective date will become a date selected by Reclamation as the new Concession Contractors (successful bidder[s]) and Reclamation near completion of final negotiations and both parties sign the contract. Expiration of the contract(s) will be thirty years after the effective date. Steps involved in issuing the Prospectus, time for interested parties to prepare bids, review and evaluation of bids, selection of a winning bid(s), and final negotiations and contract signing by both parties, after the completion of these steps an effective date will be determined by Reclamation. The length of term of the contract is negotiable, with 30 years being the longest term that Reclamation is prepared to accept.

Q. Franchise Fee

A franchise fee is a payment to the Government that is considered a direct return to the Government upon consideration of the probable value to the Concession Contractor of the use, rights, and privileges granted by this Concession Contract. Such probable value shall be based upon a reasonable opportunity for net profit in relation to capital invested and the obligations of the Concession Contract.

Offerors are expected to propose a Franchise Fee level as a part of their proposal. Note that in Part B of PART 5 of this Prospectus that Principal Factor No. 5 concerns the Franchise Fee proposed. This is another area in this Prospectus and the eventual contract that 'is to be determined' based upon the proposals received. In most prospectuses, the Franchise Fee already has a pre-determined minimum based upon the anticipated investment, level of projected business, and contract length. The minimum Franchise Fee that can be bid in response to this Prospectus is one percent (1.0%) of gross revenues. This amount reflects the estimated capital investment costs required for Offerors to construct required new infrastructure and facilities rather than using pre-existing facilities. Offerors will be evaluated in comparison to one another and in relation to the minimum acceptable Franchise Fee of one percent (1.0%) and that rating will result in a numerical score that will become a part of their overall bid score in response to the Prospectus. The 'overall bid score' is the sum of all the possible 'value points' among the five Principal Factors outline in Part B of PART 5 of this Prospectus. Unless there are other significant issues or impacts, i.e. being determined non-responsive or having past disqualifying occurrences or situations, this overall bid score will be the determinant of whether an Offeror is successful.

The final Franchise Fee bid is one of the five factors considered so it is important for Offerors to give careful thought to whether they believe the 1.0 percent minimum will be their position. Not only do Offerors need to propose a Franchise Fee approach, but they also need to provide a well-developed and defensible discussion on how and why they arrived at their position.

Reclamation will consider a wide range of Franchise Fee approaches including a tiered system where fees increase when certain revenue targets are reached, if properly supported. A tiered approach may provide Concession Contractors an opportunity to minimize their risk at the start, and will eventually bring more adequate revenues to the Government as gross sales increase. Reclamation recognizes the importance for business operators to establish business models that present an opportunity and expectation of reasonable profit and when evaluating the proposed Franchise Fees the reasonableness of projected profits in comparison to other similar businesses in the recreation hospitality industry will be a consideration.

Franchise Fees due the Government are secondary in importance to the appropriate development of facilities, provision of services to the public, and a

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reasonable opportunity for a Concession Contractor to realize a profit. Reclamation recognizes that there will be demands on a new Concession Contractor to provide funding for various improvements that will be proposed by any successful bidder(s). Everything being equal between two proposals, a higher Franchise Fee will be considered a superior proposal than a lower fee. Reclamation will very closely review Franchise Fee proposals in conjunction with the overall financial pro-forma's submitted in response to this Prospectus. Proposals that are judged to be unsupportable or economically infeasible may be found nonresponsive in total or at the least be rated much lower than proposals judged to be economically reasonable.

The issue of franchise fees is very complex and tied in with all other segments of the proposal that have an impact on investment and/or revenue. Very detailed consideration and position development by all bidders is necessary in arriving at their proposed Franchise Fees.

R. Reclamation Improvements and Personal Property

At Putah Canyon, Spanish Flat, and Steele Canyon, Reclamation has installed Reclamation Improvements and Personal Property in order to provide visitor services on an interim basis. These improvements and property will be assigned to the selected bidder(s) upon execution of the Concession Contract. Assigned Reclamation Improvements or Personal Property being provided by Reclamation for each Concession area may include entrance stations, picnic tables, BBQ's, fire rings, vault toilets, RV dump stations, a well at Putah Canyon, limited water distribution systems at Putah Canyon and Spanish Flat, courtesy docks at Putah Canyon and Steele Canyon. A list of all Assigned Reclamation Improvements and Personal Property is in Part 6, Exhibit E of this Prospectus.

S. Concession Contractor Improvements and Personal Property

The Concession Contractor may construct or install Concession Contractor Improvements that are determined by Reclamation to be necessary and appropriate for conducting the services required under the Concession Contract. As well, the Concession Contractor will provide all Personal Property necessary for its operations under the Concession contract. With the exception of Concession Area Infrastructure, all Concession Contractor Improvements and Concession Contractor Personal Property (unless it becomes affixed to a recognized Improvement and then it may become a part of that Improvement pending the concurrence of Reclamation) shall be considered the property of the Concession Contractor. Concession Area Infrastructure shall be the property of Reclamation upon expiration of the Concession Contract. No compensation shall be paid to the Concession Contractor for any Concession Area Infrastructure.

T. Relevant Reclamation Concession Policy and Directives and Standards

See PART 6 – Exhibit L of this Prospectus for the applicable Directives & Standards.

U. Site Visits

Informational briefings and site visits will be held according to the following schedule:

July 8, 2015

10:00 a.m. Introduction to visits of the day and ground rules
(Lake Berryessa HQ)

- Putah Canyon Tour
- Monticello Shores Tour
- Berryessa Point Tour

Questions/Answers re: Prospectus and Tours

July 9, 2015

10:00 a.m. Introduction to visits of the day and ground rules
(Lake Berryessa HQ)

- Steele Canyon Tour
- Spanish Flat Tour

Questions/Answers re: Prospectus and Tours

July 10, 2015

10:00 a.m. Introduction to visits of the day and ground rules
(Lake Berryessa HQ)

- Pick up tours

Questions/Answers re: Prospectus and Tours (HQ)

The above tour schedule may require adjustment in the field based on actual time frames, but the intent is to accomplish the indicated tours and meetings during the days specified even if it requires later hours.

Any information provided during the site visit or at any other time must be made available to all bidders. During the meetings before and after the site tours, Reclamation will provide someone to capture all of the questions and answers for later transcription. Any questions asked and the answers given must be presented to all bidders. Reclamation will be careful in answering some questions during the tours if it seems that the question and the answer cannot be appropriately captured. Similarly, questions will not generally be answered on the telephone but will require a written request (e-mail is OK) and written response from Reclamation. In order to not be an obstruction, Reclamation may elect to answer

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some clarifying questions that do not seem to present any benefit to the asker as it applies to the proposal process; however, the determination as to what is and is not 'clarifying' will be made by Reclamation at the time a question is posed.

Please review PART 3 – Section B regarding the scheduled 'midstream' Prospectus meeting that will be announced as part of an upcoming amendment to this Prospectus.