



Spring Creek Recreation Area

Prospectus for Convenience Store Retail Services Hughes County, South Dakota

South Dakota Department of Game, Fish and Parks
Division of Parks and Recreation

SPRING CREEK RECREATION AREA

Prospectus for Convenience Store Retail Services

South Dakota Division of Parks and Recreation

Date Issued: February 6, 2020

Offer Must be Received By: 8:00 A.M. Central Standard Time
on May 6, 2020

Address Proposals to:

Scott Simpson, Director
South Dakota Department of Game, Fish and Parks
Division of Parks and Recreation
523 East Capitol
Pierre, SD 57501

BUSINESS OPPORTUNITY

The Business Opportunity section of this Prospectus describes the convenience retail store visitor services within resort. The following visitor services are required:

Required Services for the New Concession Contract

1. A resort store offering retail items traditionally found in convenience stores supporting outdoor recreation.
2. State fishing and park entrance license sales.
3. Boat gas including on-the-water boat gas.

Gross Revenues by Year

Gross Receipt's			
Type	2019	2018	2017
Convenience Store	\$ 23,908.21	\$ 23,178.56	\$ 20,859.98
Gasoline	\$ 50,956.24	\$ 57,982.47	\$ 40,504.23
Bait/Tackle	\$ 15,163.02	\$ 12,999.86	\$ 13,825.01
Cigarettes	\$ 4,818.20	\$ 4,785.32	\$ 3,478.01
Beer	\$ 8,922.16	\$ 9,399.48	\$ 8,850.49
Total	\$ 103,767.83	\$ 110,363.69	\$ 89,534.72

PROPOSED FEE

While there is no Franchise Fee, the prospective concessionaire may offer a monthly or annual monetary payment. Such offer will be considered favorably in the evaluation of proposals.

PROPOSED MINIMUM SECURITY DEPOSIT

Minimum Security Deposit of \$2,000.

Concessionaire is responsible to keep the Facility clean, sanitary, and in good condition, and other than ordinary wear and tear, return the Facility to the Department in the same condition or better condition as at the beginning of the lease. Concessionaire is also responsible for minor repair and maintenance of the facilities and equipment.

The Department will manage/operate the lodging, marina, vault toilets, fish grinders, boat ramps and docks.

TERM OF DRAFT CONTRACT

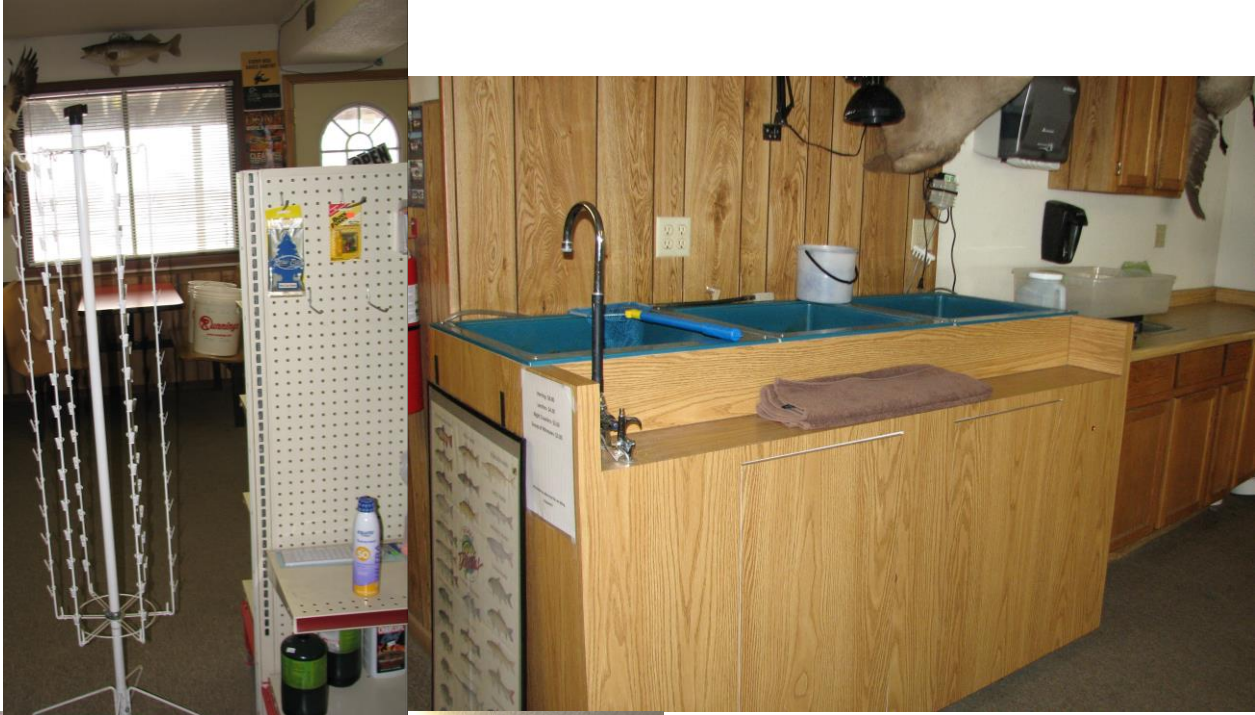
1-year with a 1-year renewal option.

FACILITIES AVAILABLE FOR USE BY THE CONCESSIONAIRE

- Various Shelves and Peg Boards
- Ice Chest
- Booths
- Walk in Cooler
- Coffee Bar Area
- Bait Tanks
- Checkout Counter
- Refrigerator
- On Shore and On the Water Fuel Pumps
- Fuel Storage Tanks







SITE VISIT

A site visit may be scheduled for intended bidders which will include a Park overview, on-site tour and inspection of resort facilities and property. Please contact Jennie Fuerst for further details regarding a site visit.

Jennie Fuerst
Concession and Lease Manager
South Dakota Department of Game, Fish and Parks
Division of Parks and Recreation
523 E Capitol Avenue
Joe Foss Building
Pierre, SD 57501
(605) 773-4230

Lower Lake Oahe



Source: State of South Dakota

PARK OVERVIEW

Located in the Missouri River region of South Dakota, the Spring Creek Recreation Area is a popular site providing access and recreational services to the largest body of water in South Dakota, Lake Oahe. Spring Creek Recreation Area is 149 acres and has over five miles of shoreline. The Park is adjacent to Cow Creek Recreation Area, which is a more developed recreation area on the north and west sides of the Spring Creek peninsula.

Spring Creek Recreation Area consists of the following State-owned facilities:

- Multi-lane boat ramp at Spring Creek Resort operates from maximum operating pool of 1620 msl to 1565 msl, a range of fifty-five vertical feet.
- Double-lane boat ramp at Lighthouse Point operating from the maximum operating pool of 1620 msl to 1578 msl.
- Two fish cleaning stations and associated vault toilets.
- Comfort Station at the Marina
- 8 two-bedroom housekeeping cabins
- 2 three-bedroom housekeeping cabins

- 4 motel units with one equipped with handicapped accommodations
- 2 4-plex cabins which can be rented as one unit of 4 separate room rentals
- Full restaurant and bar with attached room for meeting space or additional dining room space
- Convenience Store offering fast food, bait, beverages, ice, fishing tackle, boating supplies
- Fishing and hunting guide service
- Minimum of 53 slips, with 37 of those having electrical and water
- 40' x 63' shop building w/ living quarters
- Fueling Station (on land)

Cow Creek Recreation Area consists of the following features

- Multi-lane boat ramp operates from maximum operating pool of 1620 msl to 1565 msl, a range of fifty-five vertical feet
- 46 total campsites
- 38 electrical campsites
- 2 Camping Cabins
- Comfort station
- Fish cleaning station
- Picnic shelter

Spring Creek Recreation Area



Source: State of South Dakota

PROPOSAL INSTRUCTIONS

1) Submission of Proposal

- a) Proposals must be received by the due date shown on the front page of this Prospectus.
- b) All proposals must be submitted to Scott Simpson, Director, Division of Parks and Recreation, 523 E Capital Avenue, Joe Foss Building, Pierre, SD 57501. Any information received in the proposals will be confidential and will not be released by the Division unless requested by the bidder to do so. Unsuccessful bids or bids received after the deadline will be returned to the bidder. Late bids will be returned unopened.

2) Questions

- a) If you have questions, please contact the following person no later than May 2, 2020.
Jennie Fuerst
Concessions and Lease Manager
South Dakota Department of Game, Fish and Parks
Division of Parks and Recreation
1-605-773-4230
523 E Capital Avenue
Joe Foss Building
Pierre, SD 57501

3) Evaluation of Offers

- a) All proposals received by the deadline will be evaluated by the Division of Parks and Recreation based on the following factors:
 - Managerial and operational experience – 35%
 - Financial capabilities – 30%
 - Franchise fee - 15%
 - Other factors, including sales and marketing – 20%
- b) The Division of Parks and Recreation reserves the right to reject or disregard any proposals submitted.
- c) The Division of Parks and Recreation reserves the right to make counter proposals which it may consider reasonable or desirable, and it reserves the right to negotiate with the bidder making the proposal deemed best to achieve the most desirable Agreement.
- d) The bidder, by submission of this proposal, agrees that if selected by the Department, to complete the negotiation and execution of an agreement within 60 days of notification by the Department.

4) Cautions to Offerors about Submission and Evaluation of Proposals

- a) The proposal should address the evaluation factors to be used by the Department. You, the Offeror, should ensure that you fully address all of the evaluation factors and related subfactors.
- b) The proposal should address the evaluation factors to be used by the Department. Under each factor, the Department identifies subfactors to ensure that all elements of the factor are considered. You, the Offeror, should ensure that you fully address all of the evaluation factors and related subfactors. Offerors are responsible for undertaking appropriate due diligence with respect to this business opportunity.
- c) The Department makes no representations as to the profitability or financial feasibility of the Spring Creek Resort business opportunity.

- d) The Offeror assumes all financial risks and liabilities associated with the sale transaction, investment and operation of Spring Creek Resort Convenience Store and further releases, indemnifies and holds harmless the Department from any responsibility for any such risk or liability.

PROPOSAL PACKAGE

PART 1: MANAGERIAL EXPERIENCE

STATE'S OBJECTIVES

The Department is interested in appointing a concessionaire who has the relevant management and operational experience to manage the convenience store concession operation at Spring Creek Recreation Area.

QUESTIONS

Question 1.1 Resume and experience of key executive personnel

Demonstrate that your organization's key executive personnel have the experience and skills to effectively carry out the responsibilities of the concession.

Question 1.2 Outline your organizational structure

Demonstrate that your organization is structured to effectively carry out the responsibilities of the concession.

Question 1.3 Outline management team for Spring Creek convenience store services

Demonstrate that your management team can effectively carry out the responsibilities of the concession by describing the qualifications of the person you would employ. Include relevant experience, minimum qualifications, certifications (if applicable), and education in a consistent format.

Question 1.4 Prior experience

The Department believes that past experience is an indication of future performance. Please provide example(s) of your experience in the operation and management of lodging, food and beverage, retail and other recreational facilities. The Department will evaluate, among other factors, the length of experience, and the size and scope of the operation.

PART 2: FINANCIAL CAPABILITIES

STATE'S OBJECTIVES

The Department wishes to ensure that the future Concessionaire is financially able to meet the requirements of the concession and has a financial history that demonstrates the ability of the Offeror to operate the concession profitably and effectively.

QUESTIONS

Question 2.1 Financial statements

Demonstrate that you are financially sound and have a history of meeting your financial obligations by providing audited financial statements for the two most recent fiscal years, with all notes to the financial statements. Personal financial statements must be provided for any owners of a sole proprietorship or general partners within a partnership.

Question 2.2 Credit report

Provide a current credit report (within the last six months) from a major credit reporting company such as Equifax, Experian or Dunn & Bradstreet.

PART 3: FEES

STATE'S OBJECTIVES

The Department seeks to balance visitor services and resource protection with financial returns which are reinvested back into the facilities at Spring Creek Recreation Area; and concessionaire re-investment.

QUESTIONS

Question 3.1 Fees to the Department

While there is no Franchise Fee required, the prospective Concessionaire may offer monthly or annual monetary payment.

A monetary payment is considered beneficial to the Department and will be favorably evaluated. However, the Department will balance consideration of revenue with its objectives of protecting, conserving, and preserving resources of the park area and of providing visitor services to the public at reasonable rates.

State the monetary payment that you propose.

_____dollars per year

PART 4: OTHER CRITERIA

QUESTIONS

Question 4.1 Sales and Marketing

Please provide a sample marketing plan for the Convenience Store at Spring Creek Recreation Area that will provide for the maximum public use and business growth.

Question 4.2 Operations Plan

Please provide a operating plan that includes recommended services, hours of operation, staffing, special offers, complaint policies, and other factors necessary for the operation of a convenience store.