



MONTANA STATE PARKS AND RECREATION BOARD AGENDA ITEM COVER SHEET

Meeting Date: April 20, 2017

Agenda Item: Lewis & Clark Caverns State Park Concession

Division: Parks

Action Needed: Informational

Time Needed on Agenda for this Presentation: 20 minutes

Background: At the August 18, 2016 Parks and Recreation Board meeting the division was given approval to enter into a Request for Proposal process for a new lease for the food and beverage concession at Lewis & Clark Caverns State Park. The Board approved seeking a lease with an initial 10-year term, with the ability to negotiate two (2) additional five year terms for a total term not to exceed 20 years. The process was to adhere to Montana Code Annotated 18-4-313 regarding contract terms, extensions and time limits.

Public Involvement Process & Results: The Request for Proposal for the concession was open for competitive bidding according to State contracting procedures from November 23, 2016 through December 22, 2016. The bidding process was conducted through the Procurement Bureau of Montana Department of Administration, in coordination with FWP's Central Support Services.

Alternatives and Analysis: The Board approved pursuing a longer-term lease as described above and the division conducted the process in that manner.

Agency Recommendation and Rationale: There was one bidder from the Request for Proposal process, State Procurement and FWP staff negotiated final details of the contract with the bidder. The new contract was executed by the FWP Director on April 5, 2017 with Sharbert Enterprises, Inc. who has been the concessionaire since 2006 and has been providing excellent services to the public. The new lease requires a 7% fee on gross sales be made to the division, with a provision that a portion of the fee be directed to capital improvements to the facility. Projects will be administered by FWP's Design & Construction staff. The initial term of the lease is 10-years, with the ability for two (2) additional 5-year terms with total term not to exceed 20 years. The concession will open for the season under this new contract on May 1, 2017.

Proposed Motion: Information only.