

AN INVITATION TO BID ADDENDUM

MICHIGAN DEPARTMENT OF NATURAL RESOURCES
PARKS AND RECREATION DIVISION

Multiple State Parks and Recreation Areas

Lodging Concession

The following information is in addition to and/or a correction of information provided in the original bid document. Updated information includes the following:

- The minimum bid fee has been reduced from 16% to **12%** for Contractor owned lodging, except for Wilson State Park. The minimum bid fee for Wilson State Park has been reduced from 16% to 10%, if the bidder includes two (2) tree houses. Bidders should use the attached updated Bid Form.
- The map for Aloha State Park has been updated to remove the houseboat option. It has been determined that the channel cannot accommodate a houseboat.
- The Department desires that a contract will be awarded in July 2024, that construction of lodging will be completed by January 2025, and that occupancy will become available to the public by Memorial weekend 2025.
- The financial data provided in the original bid did not include concession service revenues. Concession services are provided by a Contractor through a concession contract bidding process. Although concession services will not transfer to the selected bidder for this contract, that revenue may be helpful to interested bidders. Please see the attached concession revenue report.
- The financial data provided in the original bid did include revenues earned by the Department for lodging that will be turned over to the selected bidder. Please see the attached revenue report for lodging. Lodging that will be turned over to the selected bidder(s) is as follows:
 - Baraga State Park: one (1) mini cabin
 - Ionia Recreation Area: two (2) full amenity cabins
 - Proud Lake Recreation Area: two (2) camper cabins
 - South Higgins Lake State Park; one (1) mini cabin

SECTION 2, SPECIFIC BID INFORMATION:

Lease Requirements:

1. Liability Insurance (see sample Lease):

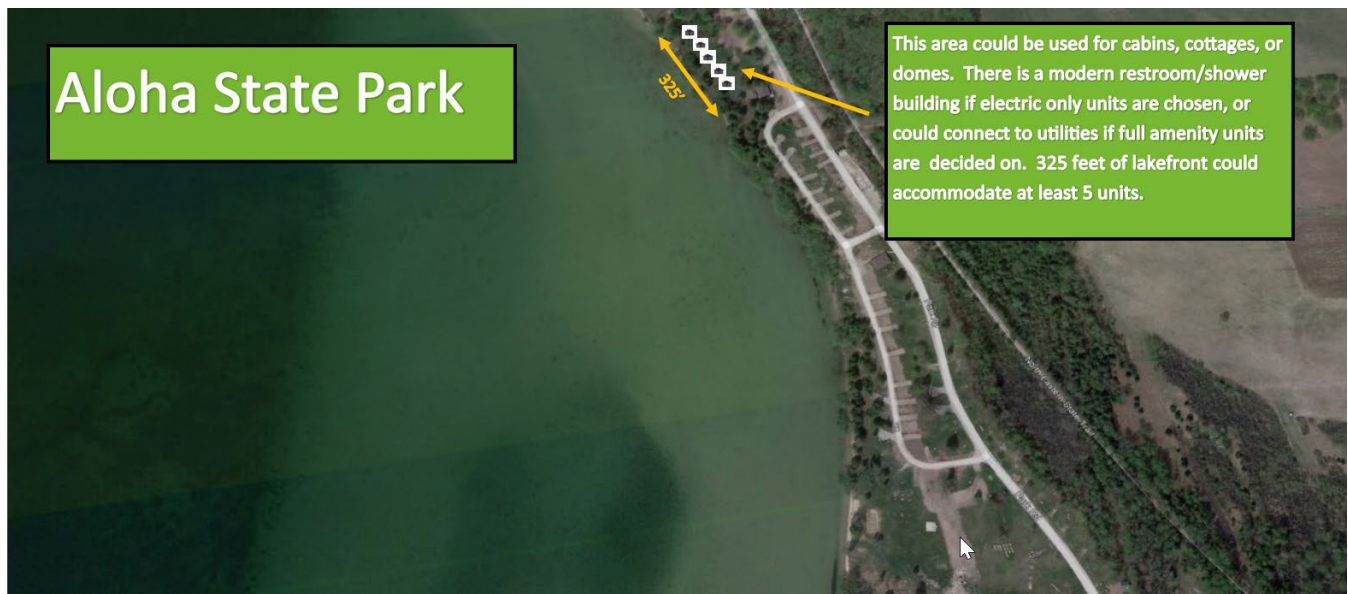
General Aggregate:	\$2,000,000
Each Occurrence:	\$1,000,000
Fire Damage (State owned buildings only)	\$500,000
2. Workers Compensation Insurance pursuant to the sample Lease.
3. A **minimum** Rent of **12% of Gross Sales for Contractor owned lodging and 50% for Department owned lodging**, pursuant to the sample Lease.

*The Contractor shall reimburse the Department \$50 per week for all caretaker/host sites that are approved to be placed on an existing campsite.

*The Department retains the customer paid reservation fee, cancel fee and/or modification fees. These fees are paid directly to the Department's reservation Contractor.

SECTION 5, SITE MAPS:

Updated to include a corrected map of Aloha State Park.



SECTION 6, SITE DATA:

FINANCIAL DATA:

The following financial data is in addition to the data that was provided in the original bid.

Concession Revenue

Revenue	2019	2020	2021	2022	2023
1. Aloha State Park	\$734,384	\$759,568	\$893,683	\$626,131	\$1,117,690
2. Bald Mountain Recreation Area	\$147,960	\$137,879	\$207,201	\$202,242	\$240,419
3. Baraga State Park	\$135,398	\$294,368	\$346,976	\$325,912	\$336,690
4. Hammond Bay State Harbor	\$18,677	\$0	\$10,939	\$8,883	\$8,800
5. Ionia Recreation Area	\$329,123	\$322,446	\$484,489	\$454,313	\$465,948
6. Proud Lake Recreation Area	\$513,400	\$401,829	\$654,468	\$659,642	\$650,360
7. Seven Lakes State Park	\$307,663	\$268,970	\$370,225	\$344,705	\$356,521
8. South Higgins Lake State Park	\$1,433,771	\$1,465,330	\$1,853,926	\$2,037,491	\$2,054,383
9. Wilson	\$254,321	\$13,331	\$305,413	\$342,466	\$362,216

Revenue Report - Existing Lodging						
Sum of Revenue		Year				
Park	ResourceName	2019	2020	2021	2022	2023
Baraga	L1 Antlers Mini Cabin	4,524	6,084	7,228	7,332	6,634
Baraga Total		4,524	6,084	7,228	7,332	6,634
Ionia	32 - Not transferring	4,419	3,998	7,605	6,639	7,653
	34 - Not transferring	4,622	4,797	7,066	5,915	9,381
	Mallard	13,938	14,544	21,688	15,352	16,694
	Walleye	15,049	13,736	21,789	16,261	16,613
Ionia Total		38,028	37,075	58,148	44,167	50,341
Proud Lake	Ivy	10,212	11,538	13,406	11,612	12,432
	Trillium	10,236	11,176	13,914	13,214	10,474
Proud Lake Total		20,448	22,714	27,320	24,826	22,906
South Higgins Lake	Mini	6,696	6,829	9,619	8,471	9,543
South Higgins Lake Total		6,696	6,829	9,619	8,471	9,543
Grand Total		69,696	72,702	102,315	84,796	89,424