

Attachment C

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ATTACHMENT C
Lakes Management Agreement Comparison of Changes

	Current Management Agreement	RFP # 10674	Basecamp Proposal to RFP No. 10674	Basecamp Revised Payment Terms	Final Negotiated Agreement Terms effective 08/01/19
Contract Term	02/01/15 - 07/31/19	Base Contract 10 Years plus two 5 Year periods	Base Contract 15 Years plus one 5 Year period	Base Contract 15 Years plus one 5 Year period,	Base Contract 7 years from date of Execution through December 31, 2026
Contract Type	Management Agreement to operate certain recreational facilities at both Lake Nacimiento and Lake San Antonio.	Scope leaned toward Concession agreement, but left open for bidders to decide	Hybrid Management Agreement approach, excluding Vessel rental. Basecamp would take over vessel rental completely off P&L, County receives \$0 revenue.	Hybrid Management Agreement approach, excluding Vessel rental. Basecamp would take over vessel rental completely off P&L, County receives \$0 revenue.	Management Agreement with all operations (less capital expenditures and specific County responsibilities) run through Basecamp.
Termination Clause	N/A	County reserves the right to cancel agreement or extension without cause with a 30-day written notice	Basecamp took an exception to this clause. Countered clause to notify, remedy, and arbitration process.	Basecamp took an exception to this clause. Countered clause to notify, remedy, and arbitration process.	Upon termination of Nacimiento Lease and removal of County responsibility for recreational facilities or County shall have right to renegotiate terms to accommodate changes in Nacimiento Lease.
Termination/Renegotiation of Two Consecutive FY of Negative Adjusted Net Income	N/A	N/A	N/A	N/A	After two consecutive FY of a negative Adjusted Net Income, County shall have the right to renegotiate the terms to maintain financial sustainability.
Default and Cure	Failure to make payment, insolvency can terminate if no cure beyond 45-days following receipt of notice.	County reserves the right to cancel agreement or extension without cause with a 30-day written notice	Basecamp took an exception to this clause. Countered clause to notify, remedy, and arbitration process.	Basecamp took an exception to this clause. Countered clause to notify, remedy, and arbitration process.	Material breach, defaulting party shall have 60 days after notification to cure or initiate good faith efforts to cure. If not cured within 60 days non defaulting party may terminate 30 days prior of notice.
Rental Vessel Fleet	Revenue and Expense included in P&L	Scope required vendor to provide its own vessels.	Revenue and Expense excluded from P&L	Revenue and Expense excluded from P&L	Revenue and Expense included in Basecamp P&L
If Basecamp has a Net Profit	Basecamp pays County net profit amount. Basecamp P&L includes accrual for Utilities.	RFP requested respondents propose a compensation plan	Basecamp pays County net profit amount. Basecamp P&L includes accrual for Utilities.	Basecamp pays County net profit amount. Basecamp P&L includes accrual for Utilities.	Basecamp pays County net profit. P&L does <u>not</u> include utilities or any other County operating cost.
If Basecamp has a Net Loss	County pays Basecamp net loss amount. Basecamp P&L includes accrual for Utilities.	RFP requested respondents propose a compensation plan	County pays Basecamp net loss amount. Basecamp P&L includes accrual for Utilities.	County pays Basecamp net loss amount. Basecamp P&L includes accrual for Utilities.	County pays Basecamp net loss amount. P&L does <u>not</u> include utilities or any other County operating cost.
Management Fee	1.5% of monthly gross revenue	RFP requested respondents propose a compensation plan	7.5% of monthly gross revenue	9% of monthly gross revenue	10% of annual operating profit. (Revenue less allowable Basecamp and County costs)
Incentive Fee	25% of annual net profit based on Basecamp's P&L. Incentive Fee=Gross Revenue less COGS less Operating Expenses.	RFP requested respondents propose a compensation plan	25% of annual net profit based on Basecamp's P&L. Incentive Fee=Gross Revenue less Operating Costs less Admin Fee less Mgmt Fee less Annual Maintenance costs exceeding \$50K. Calculation excludes COGS.	0% of annual net profit based on Basecamp's P&L	No Incentive Fee
Admin Fee	\$80K fixed annual fee	RFP requested respondents propose a compensation plan	\$300K fixed annual fee	\$300K fixed annual fee	\$300K fixed annual fee

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Marketing Leadership & Creative Guidance	\$30K fixed annual fee	No set amount or percentage. RFP requested respondents propose a marketing plan	\$30K fixed annual fee	\$30K fixed annual fee	Marketing budget submitted to County for approval as part of annual operations plan.
Reserve Fund Account	1.5% of gross revenue set aside for replacement/improvements	Not included in RFP.	5% of gross revenue set aside for replacement/improvements	5% of gross revenue set aside for replacement/improvements	Basecamp will no longer hold gross revenue for replacement/improvements. All net profit will go to County.
Alcohol Sales	Basecamp receives 100% revenue from sale of Alcohol, excluded from P&L. County receives \$0 revenue.	Contractor receives 100% revenue from sale of Alcohol, excluded from P&L. County receives \$0 revenue.	Basecamp receives 100% revenue from sale of Alcohol, excluded from P&L. County receives \$0 revenue.	Basecamp receives 100% revenue from sale of Alcohol, excluded from P&L. County receives \$0 revenue.	All alcohol purchases & sales passed through in Basecamp's P&L.
Use of Facility	County reserves the right of use of the Resort operations for official County business, at no cost, as long as use does not interfere or reduce existing revenue generating activities	All events over 1,000 attendees require County approval.	Basecamp requests to handle all special events in the Park, including dealing directly with promoters, handles all coordination and operating needs of promoter, and books all revenue.	Basecamp requests to handle all special events in the Park, including dealing directly with promoters, handles all coordination and operating needs of promoter, and books all revenue.	Basecamp will manage all special events, subject to notice and County approval restrictions. County reserves the right of use of the Resort operations for official County business, at no cost, as long as use does not substantially interfere or reduce existing revenue generating activities
Quagga Mussel Indemnification Language	Mutual Indemnification plus specific Indemnification for Contractor Quagga Mussel Inspection	Not included in RFP	Mutual indemnification with no special indemnification	Mutual indemnification with no special indemnification	Mutual indemnification with no special indemnification
Vehicle/Vessel Lease Agreement	Vehicles and Vessels to be assigned under a lease agreement.	Scope required vendor to provide its own vehicles.	Vehicles to be assigned under a lease agreement. Basecamp to operate all vessel rentals separately and receive all revenues directly.	Vehicles and Vessels to be assigned under a lease agreement.	Exhibit B Vehicles and Vessels to be assigned under a lease agreement.
County and Contractor Maintenance and Repair Assignments	N/A	RFP requested respondents propose a maintenance plan	Maintenance responsibility to be capped at \$2,500 per individual repair, not to exceed \$50,000 got profit sharing calculations.	Requested clear definition of maintenance and repair responsibilities assigned to Basecamp.	Exhibit A to the Management agreement provides responsibility matrix for Basecamp and County
Performance Review	Allowed for "periodic inspections" of facilities and written performance evaluations based on observations.	Contractor required to submit an annual Park Operation Plan covering proposed operations for coming year.	No change to RFP scope.	No change to RFP scope.	Parties negotiated bi-annual operation splan updates, matched to busy and off-season at reservoirs.
Annual Financial Audit	Independent audit was optional, only covered expenses.	Contractor required to employ independent Certified Public Accountant (CPA) to perform audit of books and records related to the agreement	Agreed to Annual Certified Audit, requested clarification on scope of audit (limited to revenue and expenses shown on P&L)	No change to previous proposal.	Independent Certified Public Accountant (CPA) conduct a Financial Statement Audit on an annual basis. Includes:Balance Sheet, Income Statement, Statement of Owner's Equity and Statement of Cash Flows relating to the Agreement