Michigan Department of Natural Resources
Parks and Recreation Division
Michigan State Park Concession

Invitation To Bid

Waterloo Recreation Area
Horse Riding Stable Concession

Bid package enclosures include the following:

Section 1. Standard Bid Requirements

Section 2. Specific Bid Information

Section 3. Required for All Bid Responses:
1) Bid Proposal Form
2) Concession Bidder Qualification Statement
3) Financial Statement in the amount of $50,000
4) Two personal reference letters
5) Two professional reference letters

Section 4. Sample Contract

Section 1, Standard Bid Requirements:

Act 451, P.A. of 1994 authorizes the Director of the Department of Natural Resources to contract public service privileges in state parks. Through this authority, the Department desires to invoke the widest possible interest to obtain the most qualified and capable concession operator available.

The Department is seeking a partner to operate the horse-riding stable concession at Waterloo Recreation Area. The selected partner will offer horse rides for the general public to ride-by-the-hour. Ride-by-the-hour activity must be the primary service and focus provided by the selected bidder. Riding lessons may be offered by reservation as well. Horse and/or tractor drawn wagon rides may be offered on a reservation basis, and such events may include a campfire with Department approval. Horses may be boarded on a limited basis but only with prior written approval of the Department. Riding opportunities should be offered for youth, people with disabilities, and other special groups and persons.

The Department has allocated funds for additional improvements to the facility. Improvements are on hold until a partner is on board so that they may weigh in on the improvements to be completed. One potential improvement is the addition of a full hook-up site for the selected bidder to use in order to care for the horses around the clock.

Bids must be enclosed in sealed envelopes. Bid envelopes must be plainly marked on the outside, "Bid for Concession at Waterloo Recreation Area." Other larger documents such as development plans must be enclosed and appropriately labeled. Only Sealed Bids properly addressed and identified can be accepted.

Bids are due January 6, 2027 at 2:00 pm. Bid documents received after this date and time will not be accepted. Incomplete bids will not be accepted. Bids will be opened following the bid due date and time.

You may submit your bid in the following methods:

1) United States Postal Service, Mail your bid to:
   DNR, Parks and Recreation Division
   Attn: Lori Green
   Lakeport State Park
   7605 Lakeshore Drive
   Lakeport, MI 48059

2) Email your bid to: DNR-PRD-ConcessionBd@michigan.gov
   In the subject line state: “Bid for Waterloo Recreation Area” to ensure that your bid is not opened prior to the bid due date and time. Failure to include this statement in your subject line may result in your bid being disqualified.

3) Hand delivery of bid submissions to Lakeport State Park may be allowed with prior approval of the Concession Manager at GreenL9@michigan.gov.

To bid on this concession, you must complete the following:

1) Submit bid prior to January 6, 2027 at 2:00
2) Bid Proposal Form
3) Concession Bidder Qualification Statement
4) Financial Statement in the amount of $50,000
5) Reference letters (see Questions 26 and 27)
6) Sealed envelope and marked as "Bid for Concession at Waterloo Recreation Area"

Individuals needing mobility, visual, hearing, written or other assistance should contact the DNR, PRD, Concession Manager.

The remainder of this page is intentionally left blank (see separate sections below).

Bidder Selection:

The bids will be primarily evaluated on business experience, financial stability and monetary compensation to be paid to the State; and, secondarily evaluated on other areas relating to the business and business operation and will include a review of the reference letters. Personal interviews may be required to assist in evaluating each bidder's proposal and qualifications. If such interviews are required, bidders will be contacted to make arrangements. Each bidder may select one (1) additional representative to monitor the interview.

General Bid Information:

1) Act 451, Public Acts of 1994, requires that the Director of the Department of Natural Resources shall provide that each concession is awarded at least every seven (7) years based upon extension, renegotiation or competitive bidding.

2) The bids will be primarily evaluated on business experience, financial ability and monetary payment to be paid to the State; and, secondarily evaluated on other areas relating to the business and business operation and identified as “secondary” in the “Bidder Qualifications Statement”.

3) The successful bidder will be required to sign a contract. The terms and conditions stated in the enclosed sample contract are to be considered as requirements for this Invitation to Bid. Contractors must pay the Department a fee for the privilege of operating concessions.

4) It is recommended that applicants make a personal visit to the park and the concession facilities to determine the conditions to be encountered, plus any factors affecting the operation. In so doing, it is best to contact the Unit Supervisor or representative.

5) Bidders must accept all concession facilities in their present condition. Do not expect that the Department will perform any repairs or remodeling unless specifically stated in this Invitation to Bid.

6) The submission of a bid shall be deemed evidence that the bidder has carefully examined these instructions, the proposal form, and the sample contract terms and is fully aware of the responsibilities of the contractor. In addition, the bidder agrees to abide by all applicable laws relating to the operation of the concession if granted this concession contract.

7) Bids are to be made only on the basis of the Invitation to Bid. A bidder shall not be relieved of their bid because of mistakes.

8) Deviations from the specific terms, qualifications and requirements, as set forth in the Invitation to Bid are not permissible as a part of the bid. But, alternate or additional bids or suggested revisions, if any, may be submitted separately and apart from, but enclosed with, the proposal. Such alternate proposals will be reviewed only as to their merit and potential benefits to the public and the Department and may or may not have a bearing in the selection of a bidder.

9) The Department of Natural Resources reserves the right to reject any or all bids.

10) **Performance Bond:** The bidder that is awarded a contract must provide the Department with a Performance Bond for the amount specified in the specific information and requirements for this concession sheet within ten (10) days of receipt of the contract award. Failure to do so will result in the forfeiture of the award. The bond guarantees that the bidder will perform all requirements and provisions in this Invitation to Bid. The Performance Bond will be due within 10 days of the Contract award. The Performance Bond for the Contract will be **$3,000**.

Performance Bonds can be accepted in four different types. All types must be approved by the Department of Natural Resources, Parks and Recreation Division, and remain in effect for the entire contract term or be effective for the entire period of operation for each year of the contract. Bonds are to be mailed to:

DNR, Parks and Recreation Division
Attn: Concession Manager
PO Box 30257
Lansing, MI 48909

a) Surety Performance Bond is issued by a bonding company. This type of Bond shall be executed by a surety company authorized to do business in the State of Michigan. The Bond shall be payable to the State of Michigan.

b) Cash Bond can be paid by check or money order made payable to the State of Michigan, or currency of the United States of America.

c) Certificate of Deposit (CD) shall have a minimum maturity of one (1) year. Certificates must be negotiable and must be of a type that pays interest on maturity only. The State's Federal employee I.D. number (38-6001134) should be used on all certificates. The CD should be automatically renewable and must be registered as follows:

Chief, Parks and Recreation Division
Michigan Department of Natural Resources

d) Letter of Credit is issued by a bona fide financial institution. Letters shall have a minimum maturity of one (1) year. They must be registered as follows: Chief, Parks and Recreation Division, Michigan Department of Natural Resources.

11) **Financial Statement:** The Financial Statement is used to report financial information about a business. The amount required reflects a conservative estimate of what it will cost to set up and begin operations. The minimum Financial Statement amount required for this contract shall be **$50,000**. To meet this requirement, the bidder must provide a certified document prepared by a licensed financial institution. The Financial Statement requirement must include a statement of total financial availability available for opening and operating the concession and may include the following:

a) Bank statement of checking and/or savings account
b) Credit card statement showing available credit
c) Certified inventory list which includes financial values of each item
d) A letter from a financial institution reflecting funds available to the bidder for operation of a business

Current concessionaires with at least 10 years of business experience in Michigan State Parks and Recreation Areas are exempt from this requirement.

12) **Selection Process:** Prior to awarding a concession contract, the Department takes the following steps:

a) Competitive bid letting
b) Bid Opening
c) Review of reference letters of bidders who met the minimum bid requirements
d) Department internal review of submissions (including at a minimum, Commercial Services & Land Use Program Manager, Park Manager, and District Supervisor)
e) Department may request a presentation from all bidders to gain clarification where questions arise
f) Notification of selection (approximately two weeks between bid and notification)
g) Successful Bidders 10-day appeal period. An appeal will only be reviewed if it is based on any of the following four (4) criteria:
    1. Information required by the Department for scoring the bid was not identified in the Invitation to Bid.
    2. Different scoring values were used than those identified in the Invitation to Bid.
    3. Error in the application of the appropriate score value.
    4. Errors in arithmetic (calculation of the score total).
h) Contract execution

Section 2, Specific Bid Information:

Contract Requirements:

1) Liability Insurance (see Sample Contract Section XI.1.i.):
   a) General Aggregate: $2,000,000
   b) Each Occurrence: $1,000,000
   c) Fire Damage (State owned buildings only) $500,000

2) Workers Compensation Insurance pursuant to Sample Contract Section XI.2.

3) A minimum Contract Fee of **4%** of Gross Sales pursuant to Sample Contract Section II.2. The bidder may complete items from the "Improvements" list to work as a credit towards the Contract Fee pursuant to Sample Contract Section II.2.

General Information:

Waterloo Recreation Area is the largest state park in the Lower Peninsula and home to a diverse array of camping options (modern, rustic and equestrian campgrounds, backpack-only sites and overnight lodging facilities), 11 inland lakes, a trail system, the DTE Energy Foundation Trail, a visitor center, and excellent fishing and hunting opportunities. The Gerald Eddy Discovery Center introduces visitors to the fascinating world of geology and to the diverse natural habitats found within Waterloo. For more information about the park, please visit Waterloo Recreation Area.

Year	Annual Visitors	Concession Sales
2021	800,345	$81,835
2022	823,406	$74,936
2023	945,000	$54,394
2024	758,282	N/A
2025	1,185,376	N/A
2026	1,041,679	N/A

The horse-riding stables at Waterloo Recreation Area were closed at the end of the 2023 season. The Department has completed a number of improvement projects within the facility which historically served approximately 2,800 horse rides each season. A minimum of 20 to 40 horses must be provided for use by the general public, pursuant to Sample Contract Section IV.3.

Concession Facilities:

The horse stables are located on Trist Road and include a standing stall barn of approximately 2,400 square feet, a large barn of approximately 5,200 square feet, a small barn of approximately 800 square feet and five (5) acres of pasture, an approximately 7,000

square foot arena area, and a 12' x 16' run-in shelter. The selected bidder will be permitted to use the existing equestrian trails and the recently improved equestrian facility within the park. There are approximately 21 miles of equestrian trails within the park. You may download an equestrian trail map at this link: Waterloo Equestrian Trail Map.

Products and Services:

It is the expectation that a bidder's operations will not require Department oversight and/or involvement. The Department retains the right to approve the sale of all products and services and not award a bid, if the proposed operation would require burdensome oversight and/or involvement of staff. The Contractor shall not sell any product or service of which the Department does not approve. Products and services which are permitted are identified in the sample contract.

Visa and MasterCard credit cards should be accepted by the Contractor for all products and services.

Minimum Season:

The minimum season for this contract is identified in Sample Contract, Section II.6.

Equipment:

The necessary and required equipment for this contract is identified in Sample Contract, Section IX.

Utilities and Telephone:

The successful Contractor will be required to pay for certain utilities which are identified in Sample Contract, Section VI.E.

Maintenance Responsibilities:

The required maintenance responsibilities, which will be required of the successful contractor, are identified in Sample Contract, Section VIII.

Inspection of Facilities:

To arrange for a personal inspection of the facilities, contact the Park Manager at 734-475-8307.

Section 3, Bid Forms:

Bid Proposal Form

Parks and Recreation Division
Michigan Department of Natural Resources
Lakeport State Park
7605 Lakeshore Drive
Lakeport, MI 48059

I offer to operate and maintain the **horse riding stable** concession at **Waterloo Recreation Area**, for the convenience of the public, in accordance with the terms set forth in the Invitation to Bid and sample Concession Contract with a contract fee as follows:

> **A percentage of gross sales in the amount of _____%, payable to the State, as identified in Sample Contract Section II.2.**

If selected, I agree, that within thirty (30) days of notification of acceptance of my offer, I will enter into negotiations with the Department of Natural Resources for a contract to furnish concession services as required, for the period specified within the sample Concession Contract, the provisions of which will be based on the Concession Contract template prescribed by the Department of Natural Resources and approved by the Michigan Attorney General.

Attached are the following documents and reference letters to support my offer:

1) Bid Proposal Form
2) Concession Bidder Qualification Statement
3) Financial Statement in the amount of $50,000
4) Reference Letters
5) Other: _____

By signature below, the Bidder certifies that all information provided is accurate, correct, and reliable and that any information provided contrary subjects this bid to disqualification and/or a violation, cancellation, or termination of an existing contract.

Date: _____ Printed Name: _____

Business Name: _____

Address: _____

Telephone: _____ Email: _____

Signature: _____
(failure to sign will result in disqualification of bid)

Concession Bidder Qualification Statement

You must prepare a response for all questions listed below, numbered and in the order in which presented. Not responding to a question or following the above directions SHALL result in disqualification of your submitted bid. You are encouraged to be very detailed in your responses. Your signature is required in order to verify the accuracy and truthfulness of your submission. All responses will be evaluated and scored by Department staff. The bids will be primarily evaluated on business experience, financial ability and monetary payment to be paid to the State; and, secondarily evaluated on other areas relating to the business and business operation.

The completion and submission of all questions and the required attachments reflect accurate and truthful statements of the bidder's submission. The evaluation of the bid (primary and secondary information) is based solely on the bid and information submitted.

1) Please provide a comprehensive narrative overview of your prior experience providing, operating, programming and managing this type of concession. (Primary: Score 2-10)

2) Please provide your business mission statement. (Secondary: Score 1-2)

3) Please provide your business organization chart. (Secondary: Score 1-2)

4) Please indicate whether you have been a previous successful/beneficial concessionaire at Waterloo Recreation Area and describe the working relationship. (Secondary: Score 1 or 3)

5) Please identify and describe the level of Department oversight and/or involvement the concession operation will require. (Secondary: Score 1, 2 or 5)

6) Please identify the person who will assume management responsibilities for the concession, and describe the manager's experience and qualifications, and attach their resume. (Secondary: Score 1-2)

7) Do you plan to sublet or assign any portion or the entire contract to another party? If yes, explain. (Secondary: Score 1-2)

8) Please describe the staffing plan you intend to implement at the concession. Include hours of operation, number of staff during operational hours, positions of staff members and a description of their duties. (Secondary: Score 1-5)

9) Describe your marketing, advertising, and sales promotion plans including the annual budget specifically for each. (Secondary: Score 1-5)

10) List and describe the menu, merchandise, and/or services proposed to be offered. As applicable, attach the following which includes prices: a menu, merchandise, and/or service list. If your menu has healthy food and beverage items, please identify those choices. (Secondary: Score 1-5)

11) List all major equipment you will supply to provide food, merchandise and services required in this bid document. (Secondary: Score 1-2)

12) Describe your plans for maintenance and repair of the property/equipment whether state-owned or privately owned. (Secondary: Score 1-5)

13) Describe your methods for daily bookkeeping, monthly and yearly accounting, and monthly and yearly recording of revenues. (Primary: Score 2-10)

14) Provide financial statements, which could include but are not limited to a financial statement, tax return, profit and loss statement, balance sheet, cash flow statement, or owner equity statement, for your organization's last fiscal year demonstrating the firm's ability to operate. If providing information prepared by a Certified Public Accountant, it must be in accordance with generally accepted accounting principles. (Primary: Score 2-6)

15) What is the amount of working capital (amount of money readily available) intended to be provided for the business investment? Please provide details of how it will be allocated. (Primary: Score 2-6)

16) Will any portion of the initial investment and working capital be financed? If yes, approximately how much do you plan to finance. (Secondary: Score 1-3)

17) Do you have a financial interest in any other business entities? If yes, please provide details. (Primary: Score 2-6)

18) Have you ever closed or ceased operation of a business as a result of becoming compromised with creditors? If yes, please provide details. (Primary: Score 2-6)

19) Have you or your company ever failed to fulfill the requirements of a contract and/or ever terminated a contract early? If yes, please provide details. (Primary: Score 2-10)

20) Describe all infractions or Notices of Violation your business(es) has received in the past seven years and explain how each infraction or violation was addressed within your business practice. Also describe how you would avoid or address, to the Department’s satisfaction, any future infraction or Notices of Violation. Failure to accurately report violations and/or how they were addressed will result in an award of 0 (zero) points. (Primary: Score 2-20)

21) Have any liens ever been filed against your business(es)? (Primary: Score 2 and 10)

22) Are there any judgments, suits, or claims pending against you and/or your business(es)? (Primary: Score 2 and 10)

23) Are you acting as endorser for others on their notes or accounts? (Primary: Score 2-4)

24) List name(s), address, phone number, and contact person of insurance carrier(s) who will provide your insurance (liability, vehicle, watercraft, workers compensation, etc.). (Secondary: Score 1-2)

25) Would you be able to provide the insurance coverage required by the draft contract? (Secondary: Score 1-2)

26) Provide a minimum of two (2) personal reference letters with addresses and telephone numbers of reference. Inaccurate contact information will result in a score of 0 (zero). Failure to attach both personal reference letters will result in the disqualification of your bid. (Secondary: Score 1-3)

27) Provide a minimum of two (2) professional reference letters with addresses and telephone numbers of reference. Inaccurate contact information will result in a score of 0 (zero). Failure to attach both professional reference letters will result in the disqualification of your bid. (Secondary: Score 1-3)

28) Describe plans you may have for refurbishing or improving the operations, including projected expenditures. (Secondary: Score 1-5)

29) In a narrative format, please provide any additional information you feel would assist the Department in evaluating your previous experience. (Primary: Score 2-10)

30) Please describe how you will implement the required environmentally sustainable practices identified in the draft contract in the invitation to bid. Please identify and explain whether you would implement any additional environmentally sustainable practices. (Secondary: Score 1-5)

31) Submitter must sign, print name, and date the bid response submittal. The submitter must have full authority to enter into a contract on behalf of the business. (Secondary: Score 1-2)

32) Did you include a percentage of gross sales on the “Bid Proposal Form”? (Primary: Score 2 and incrementally increased by 2 points for every 1-5 percentage above minimum bid)

Section 4, Sample Contract:

Do not sign and return the following sample contract. It is provided for informational purposes only. The selected bidder will be issued a contract upon contract award.

State of Michigan
Department of Natural Resources
Parks and Recreation Division

Concession Contract

(Issued under authority of Act 451, P.A. 1994. Failure to comply with the terms and conditions may result in fees, damages, cancellation or termination.)

Property: **Waterloo Recreation Area**

Premises: **Waterloo Riding Stables on Trist Road (see Attachment A)**

Contractor: Successful Bidder

Concession: **Horse Riding Stable**

Expires: **October 16, 2033**

Preface

The State of Michigan, Department of Natural Resources ("Department"), provides facilities for the use and enjoyment of the public. A responsibility of the Department is to operate or contract for the operation of the facilities to maximize services and benefits to the public. The facilities located upon the Premise in this Contract are available to the Contractor with the understanding that the Contractor will operate them according to the terms and conditions of the Contract, without undue burden on Department staff, to provide uses, goods and/or services for benefit to the public.

It is fully understood and agreed that this Contract to the Contractor by the Department **does not grant exclusive rights or exclusive use to the entire property**, identified above, where the concession is located, unless expressly provided for herein. This Contract grants rights to the Contractor to provide goods and/or services, specified under Section IV, for the Premises, more particularly identified in Section II.3.a. It is also understood that the Department is responsible for the overall management of the Property and Premises and shall make all decisions including, but not limited to, what concessions shall or shall not be located, the location of the concession upon the Property, and any management and/or operational issue not specifically addressed in this Contract.

I. Grant Of Concession Contract

The Department in consideration of the covenants and representations described in this concession Contract ("Contract") grants to:

Michigan Registered Business Name:

Any Associated Doing Business As (d/b/a) to the above:

Contact Name:

Mailing Address:

Home/Office Phone Number: Cell Number:

Email address:

("Contractor"), this Contract to operate a concession at the Premises upon the Property. Failure to provide the required goods, services or to perform the required services as outlined in this Contract, may result in the issuance of notices of violation, which may include assessment of fees, suspension of operations, cancellation of the Contract, and/or termination of the Contract.

II. Conditions

1) **Contract Term.** The Contract term shall begin at 12:01 a.m. local time on the date the Contract is executed by the Department, and end at midnight, local time, on **October 16, 2033**. The Contract is subject to review by the Department.

   a. Contractor shall cease operations on or prior to the expiration of the Contract. Contractor equipment may remain on the Premises until a new contract is secured in the spring of **2034**.

   b. Contractor understands that nothing in this Contract conveys any ability to provide any goods or services beyond the terms of this Contract. Any providing or attempting to provide any goods or services beyond the terms of this Contract will result in contractors' ineligibility to enter into any other contracts or agreements with the Department.

2) **Contract Fee.**

   a. The fee payable ("Contract Fee") by the Contractor to the Department for the rights and privileges conveyed in the Contract shall be as follows:

   b. Percentage of Gross Sales in the amount of %, payable on the 15th of the month following sales (i.e. July sales are due August 15th).

   c. The Contractor may apply for credits to be applied to the Contract Fee. Contract Fee Credits may be earned annually, may not exceed the annual revenue, and cannot roll over into future term years unless the Department has approved a special credit in writing. Application for a Contract Fee Credit shall be as follows:

      i. The project must be listed on **Improvements, Attachment B**.
      ii. Prior to any site alterations, purchase of improvement materials, and/or hiring of contractors, the Contractor shall complete and submit to the Department a **Project Request Form (PR3079)**, **Attachment C** for each individual project planned. The

project request form must include the project scope, location, materials, labor requirements, and cost.

iii. The Department reserves the right to require design drawings for a project(s). Design drawings must meet Americans with Disabilities Act (ADA) standards and include a site layout for approval prior to installation or construction.

iv. Projects that require construction of a structure may require signed and sealed engineered plans and pre-approval from the Michigan Department of Licensing Agency & Regulatory Affairs (LARA). The Contractor shall provide engineered plans when required and obtain LARA approval prior to construction.

v. Upon Department written approval of the project request form, the individual approved project may commence. Approval will not be unreasonably withheld.

vi. Upon completion of a project, the Contractor shall submit a **Project Expenditure Report Form (PR3078), Attachment D**, to the Department.

vii. Upon receipt of a completed project expenditure report, the Unit Supervisor will review the project to ensure the project was completed to the Department's specifications. The Unit Supervisor may require and submit to the Contractor a punch list of items to be completed which includes reasonable due dates. The Contractor must complete all punch list items on time in order to receive a written project closure confirmation.

viii. Upon approval of the project expenditure report form, the Department will issue a **project closure confirmation** which will include an approved credit amount. The approved credit amount will be based on actual expenditure rather than the estimated cost.

d. Payment of the Contract Fee shall be paid to the Department and made payable to the "State of Michigan" according to the above schedule.

e. Payment shall be delivered to **Waterloo Recreation Area, 16345 McClure Road, Route 1, Chelsea, MI 48118**.

f. A completed Concession Operators Report (required form PR3007) must be submitted each month of operation along with payment of the Contract Fee and received by the Department no later than the 15th of each month.

g. A $10 per day late fee ("Late Fee") may be assessed by the Department to the Contractor for each day beyond the 15th day of the month the Contract Fee is not paid and/or each day beyond the due date for any violation fees. If the Contract Fee is unpaid beyond the contract expiration date, the Late Fee will accrue until it is paid and/or the Late Fee amount reaches $600.00.

h. In addition to any other available remedies, failure to timely pay the Contract Fee, any Late Fees, and/or any violation fees may result in termination or cancellation of the Contract.

i. For purposes of this Section, Gross Sales shall be the total amount of all sales in cash, credits, property, or interest of whatever kind received by the Contractor from all business transacted under the provisions of this Contract. Gross Sales do not include Recreational Passport sales, fishing and hunting licenses sales, internal sales, credit card transaction

fees paid by a Contractor's customer, state lottery tickets, soft drink container deposits, sales tax receipts, or other taxes.

3) Department's Property, Buildings, and Equipment.

a. The Department has provided the below Premises, buildings, and items of equipment, for the use of the Contractor for this Contract. The Premises identified within this Contract to be the only approved location of where the good and/or services may be provided by the Contractor shall be:

The riding stables located on Trist Road include a standing stall barn of approximately 2,400 square feet, a large barn of approximately 5,200 square feet, a small barn of approximately 800 square feet and 5 acres of pasture, see Attachment D. The buildings are in an "as-is" condition. See Attachment A for the boundary of the Premises.

Public equestrian trails within the park, for the purpose of conducting trail rides.

The Contractor shall allow public access through the Premises to the adjacent Southfork Cabin and Pines Campground.

The Department has exclusive authority to restrict access to areas of the Premises, for any purpose, it deems necessary including for any health, safety, welfare or environmental concerns.

b. The Department does not warrant the provision of the Premises, including all buildings and parts of the buildings and grounds covered in this Contract, and all areas of the Premises shall be open to inspection and access by persons authorized by the Department.

c. The Department does not warrant the provision of any water, sewer, gas, electric or telephone utilities to the Contractor. The responsibility for such utilities, including installation, maintenance, repair and/or payment are solely the responsibility of the Contractor or the utility companies providing such utilities. The Department is not responsible for any direct or indirect damage resulting from the failure of these utilities due to any cause whatsoever. In the case of Department-owned wells and septic fields, the Department endeavors to provide complying facilities, but is not responsible for any direct or indirect damages to the Contractor resulting from the failure of such facilities.

d. Smoking is prohibited in all State government facilities. This prohibition shall include all facilities operated by the Contractor.

e. Pets of any type are prohibited in all facilities, except service animals as defined in 28 CFR 36.104 which shall be allowed while performing their duties.

4) Operation of Concession.

a. The Department grants the Contractor permission to provide the goods and/or services authorized by this Contract on the Premises and identified in Section IV.

b. Annual operation of the Concession shall not commence until: 1) all required documents are received, reviewed, and approved by the Department and 2) the Department has communicated that the Concession is approved to provide the goods and/or services on the Premises.

c. The Contractor is required to provide equestrian riding services to the general public. Accommodation should be made for persons who need assistance with accessibility.

5) **Visitors.** The Department does not guarantee a specific number of visitors to the Property/Premises and accepts no responsibility for the lack of visitors for any reason.

6) **Operating Schedule.**

a) The Contractor shall maintain the Premises, provided in the Contract, open and available to patronage by the public in accordance with the following minimum schedule ("Operating Schedule"). The minimum season, days, and hours of operation shall be as follows:

May 1st through October 31st (weather permitting):
Daily, 10:00 a.m. to 8:00 p.m.

The Contractor may obtain permission from the Department to open for a longer period before and after the above Operating Schedule.

b) The Contractor may not operate for lesser periods without prior written approval from the Department unless circumstances beyond the control of either Party make it necessary. In such cases, the Contractor must report the circumstances to the Department at its earliest possible moment. In case of inclement weather, the concession may close early with the Department's permission.

c) The Premises shall be available to the Contractor during the indicated Operating Schedule unless circumstances make it necessary for the Department to close or prevent access to the Premises.

7) **Posting of Operation Schedule.** The Operating Schedule of the concession may not be handwritten and shall be posted at the park office, on the park bulletin boards, and in an exposed location at the Premises.

III. Contractor Covenants and Representations

1) **Indemnification.** Contractor hereby covenants and agrees to indemnify and save harmless, the State of Michigan, its departments, officers, employees and agents, from any and all claims and demands, including but not limited to, for loss, injury, death or damage, that any person or entity may have or make, in any manner, arising out of or related to the issuance of

this Contract, the activities authorized by this Contract, performance of this Contract and/or the use or occupancy of the Property which are subject of this Contract by the Contractor, its employees, contractors, or its authorized representatives; arising from or in connection with any of the following:

a. Any claim, demand, action, citation or legal proceedings against the Department arising out of or resulting from the performance, work, duties, responsibilities, actions or omissions of Contractor, its employees, contractors, or its authorized representatives.

b. Any claim, demand, action, citation or legal proceeding against the Department arising out of or related to occurrences that Contractor, its employees, contractors, or its authorized representatives is required to insure against as provided for in this Contract.

c. Any claim, demand, action, citation or legal proceeding against the Department arising out of or resulting from the death or bodily injury of any person, or the damage, loss or destruction of any real or tangible personal property, in connection with the performance of services by Contractor, its employees, contractors, or its authorized representatives, by anyone directly or indirectly employed by Contractor, or by anyone for whose acts Contractor may be liable; provided, however, that this indemnification obligation shall not apply to the extent, if any, to a non-party to this Contract for any claims, demands, actions, citations or legal proceedings which a court determines are caused by the negligence or reckless or intentional wrongful conduct of the Department.

2) **No Unnamed Partners.** The Contractor represents that there are no and will be no unnamed partners who have legal interest or authority over the business entity, its operation or its management of the concession and further represents that the Contractor is the only person/entity responsible for carrying out the Contractor's duties as written in the Contract.

3) **Assignment and Delegation.**

a. The Contractor shall not sell, mortgage, rent, assign, delegate or parcel out the Contract hereby granted, or any interest therein, or allow or permit any other person or party to use or occupy any part of the Premises, building, or spaces, covered by this Contract for any purpose whatsoever without first obtaining prior written approval of the Department. Such action by the Contractor shall be cause for the immediate termination of this Contract.

b. Any agreement in violation of this Section is void. Further, the Contractor may not assign the right to receive money due under this Contract without the prior written consent of the Department. Any violation of this Section shall be cause for immediate termination of this Contract.

4) **Subcontractors.**

a. The Contractor cannot delegate any duties or obligations under this Contract to a subcontractor unless the subcontractor was named in the bid and has received prior written approval of the Department.

b. The Contractor is responsible for performing all obligations under this Contract, whether the obligations are performed by the Contractor or an approved subcontractor. The Contractor is solely responsible for the adherence by subcontractors to all provisions of this Contract. Further, the State will consider the Contractor to be the sole point of contact regarding contractual matters, including but not limited to payment of any costs or fees resulting from the Contract.

c. The State reserves the right to require the Contractor to replace any subcontractor found unacceptable by the Department.

5) **Relationship of the Parties.** The relationship between the Department and the Contractor is that of client and independent Contractor. No agent, employee, or servant of the Contractor or any of its subcontractors shall be or shall be deemed to be an employee, agent, or servant of the Department for any reason. The Contractor will be solely and entirely responsible for its acts and the acts of its agents, employees, servants and subcontractors during the performance of this Contract.

6) **Contracts.** The Contractor may execute contracts or agreements as the operator of the concession. The language of the contracts or agreements shall not obligate the Department or conflict with the terms of this Contract and must contain a provision for automatic termination upon the termination of this Contract. The Contractor shall indemnify, defend, and exculpate the Department from any liability which may accrue or be asserted against the Department under such contracts or agreements.

IV. Sale of Products and Services

1) The Department reserves the right to approve the sale of all products and services and the manner in which all products and services are provided. The Contractor agrees to conduct and use the Premises for no other purpose than those stated in this Contract. The Department holds the right to purchase inventory for the Contractor to be sold at the concession. In the event the Department procures inventory to be sold by the Contractor, the Contractor must offer the inventory for sale at Department approved prices. The Contractors may be offered discount prices to purchase inventory from state contracts for resale, if they choose.

2) **Products and Services.** The concession granted under the provisions of this Contract is as follows:

a. Products and services to be offered for sale include: **Guided horseback rides, trail rides for individuals and groups, temporary boarding, riding lessons, and other special events.**

b. The Contractor shall have a variety of goods and services available to the public. Inventory shall be consistent and meet the needs of the customer. All products, services, and pricing must be submitted for preapproval by the Department. It is suggested that pricing take into consideration the local cost of similar goods or services as well as the benefit of the convenience of acquiring the goods or services at the location.

c. As a Contractor providing services on public lands, the mission of the Contractor must align with the Department. The Contractor shall provide all visitor services in a manner that is consistent with and supportive of any provided Department educational or interpretive assessments, management and strategic plans. The Contractor shall do the following:

- **i.** Support the Department's responsible recreation and sustainable business practices in relationship to the services provided (for example, using only compostable flatware, life jacket training with each rental, solar operated food truck, selling merchandise made of recycled content or produced by local or indigenous artisans, promoting recycling, etc.).
- **ii.** Incorporate interpretive messaging opportunities in business operations (for example, sharing aquatic invasive species prevention information as part of boat rentals, theme of business environment to be reflective of the natural or cultural resources within the park or harbor, etc.)
- **iii.** Establish expectations for staff training, including training for all staff to have a knowledge of the park and its cultural and natural resource assets.

d. The Contractor shall make every effort to implement additional sustainable practices beyond those required below. Sustainable practices are required as a means to maintain the qualities that are valued in the physical, natural, and ecological environment. Efforts to conduct business using sustainable practices will protect natural systems. The following sustainable practices must be implemented, (where applicable to the concession type):

- **i.** Eliminate the use of Styrofoam
- **ii.** Eliminate the use and sale of single use plastic (plastic silverware, straws, trash bags, etc.)
- **iii.** Eliminate the use of paper towels and use cloth towels
- **iv.** Eliminate the use and sale of items in an aerosol can
- **v.** Where possible, eliminate the use of aluminum and utilize local sourcing materials and products where possible
- **vi.** Explore the use of green cleaning products
- **vii.** Implement best practice of energy use (energy saving fixtures, appliances, and bulbs, flow restricting faucets, not running AC with doors open, etc.)
- **viii.** Explore the use of low-power point-of-sale systems
- **ix.** Explore sale/use of bottled water that utilizes cans or recycled plastic
- **x.** Provide for sale toiletry items that reduce/minimize plastic packing and materials (i.e., bar shampoo/conditioner, bamboo toothbrushes, etc.)
- **xi.** Offer for sale reusable water bottles made from recycled materials, and/or make available bottle filling stations
- **xii.** Offer for sale non-chemical-based insect repellant, sunscreen, hair products, etc.

e. In an effort to minimize the impact and transmission of invasive species, the Contractor shall implement methods outlined within the "Invasive Species Decontamination Guidelines" **Attachment E**, where applicable.

3) Riding Stable Services.

a. **Horseback Rides:** Ride-by-the-hour horse rides for the general public must be the major focus of the services provided by the Contractor.

   i. Riding opportunities may be offered for youth, physically and emotionally challenged persons, and other special groups and persons.

   ii. The Contractor must provide and maintain a minimum of twenty (20) horses with a maximum of forty (40) horses for use by the general public. Horse name and photograph must be provided to the Unit Supervisor within 24 hours of arrival.

b. **Riding Lessons:** Riding lessons may be offered by reservation.

c. **Boarding Services:** Boarding services may only be provided with the prior written approval of the Unit Supervisor. The Contractor is required to provide the horse's name, contact information of the horse owner, and a photograph of each horse to the Unit Supervisor within 24 hours of arrival.

   i. Temporary or "hoteling" of horses, if authorized, may only occur during the regular scheduled days of operation.

   ii. The maximum number of boarded horses at any one time is ten (10).

   iii. Any horse not owned or leased by the Contractor is considered a boarded animal.

d. **Events:** Special events such as riding clinics, 4-H horse events, therapeutic riding programs, etc. may be offered with the prior written approval of the Unit Supervisor. Failure to obtain prior written approval for each event will constitute default of this Contract.

e. **Trail Use:** Only the designated equestrian trails may be used for horse rides (see **Attachment F**). The Contractor does not have exclusive use of the trails. All trails must remain open to the public at all times.

f. **Fencing and/or Corrals:** The Contractor is responsible for providing fencing and/or corrals needed for the safe care of animals. Temporary fencing (t-post, electric, etc.) and/or corrals may be set up and left on site the entire season, or the Contractor may choose to remove while not in use.

   i. The Contractor must maintain and repair permanent fencing and gates at their own expense. Any permanent fencing installed or replaced on the Premises must be approved in writing by the Unit Supervisor prior to installation and will become Department property.

   ii. All fencing must be installed so that it is safe, straight, level, and professional in appearance. The Contractor will be required to replace any unsafe or unprofessional appearance fencing as needed (i.e. crooked, broken, sagging, etc.).

g. **Paddocks:** The location, type and number of paddocks must be approved in writing by the Unit Supervisor prior to installation.

h. Equine Care: The Contractor shall ensure that all horses brought onto the property have a current Coggins Test and all other applicable tests and vaccines. Coggins Test documents shall be provided to the Department upon request.

i. The Contractor shall maintain records of Coggins Tests for all equine that enters the property and provide a copy to the Unit Supervisor within 24 hours. If an equine is moved to or from the property for any reason it must have a new Coggins Test within one (1) calendar year.

ii. The Contractor shall keep records of all equines under their care on the Premises. Records must include a description of the equine, age, sex, equine's previous ownership, and medical records. All records must be retained for two (2) years beyond the date the equine leaves the Premises.

iii. The Contractor or a designated employee must physically check on each animal's welfare daily. Animals may not be left unattended for longer than a 24-hour time frame. The Contractor is highly encouraged to use cameras or security systems to ensure animal welfare when staff is not on site.

iv. Adequate shelter must be provided for all animals to get out of the weather and sun. Shelter may be natural or man-made.

v. Animals shall always have access to fresh water. Water tanks shall not contain debris or algae.

vi. Animals shall be well fed. Food shall not contain any signs of mold and cannot smell musty.

vii. Any equine with open saddle wounds, injury, or lameness may not be ridden.

viii. Deceased animals shall be disposed of within 24-hours of death. Disposal methods must be followed as outlined in Public Act 239, PA 1982, (see PA 239 of 1982 Section 287.671) excluding burial or burning on state land. All equine death onsite and method of disposal must be reported to the Unit Supervisor within one (1) week of occurrence.

ix. The Contractor shall comply with and post requirements set forth by the Horse-Riding Stables and Sales Barns, Public Act 93, of 1974 (see PA 93 of 1974).

x. The Contractor shall comply with and post requirements set forth by the Equine Activity Liability, Public Act 351 of 1994 (see PA 351 of 1994).

4) Additional Items. The Contractor is encouraged to provide additional goods and/or services. Sale/rental of additional items not provided for under Section IV, requires the prior written approval of the Department.

5) Credit Cards. Visa and MasterCard credit cards must be accepted by the concession for all products and services. Credit cards shall not be held as collateral for any good or service.

Holding or cutting up a card shall not be undertaken for a declined payment transaction. The only exception is when a card is declined and the pin pad response states "Hold Card and/or Call Issuer".

6) **Prohibited Merchandise and Services.** The Contractor agrees not to offer for sale or rent prohibited merchandise or services, including:

   a. Souvenirs, merchandise, or clothing which depict locations, landmarks, or natural resources which are not located within the local region;

   b. Tobacco or marijuana products of any kind;

   c. Alcoholic beverages, "mocktails", or controlled substances;

   d. Pornographic pictures, books, magazines, or other such products;

   e. Fireworks of any kind, including Bag Bombs, Firecrackers, Sparklers, Smoke Bombs and Chinese lanterns;

   f. Firearms or ammunition, BB or C02 powered devices, slingshots, bows and arrows;

   g. No children's products that promote or portray immoral, unethical, or unhealthy activities (i.e. candy cigarettes);

   h. All knives, except kitchen or fishing filet knives with a blade 3" or less and knives with folding blades of 3" or less;

   i. Any type or size of saw;

   j. Balloons;

   k. Other items added to this list provided the Contractor has been given written notification of the additional items by the Department.

7) **Point of Sales (POS) System.**

   a. The Contractor shall furnish a Point of Sales system (POS). The POS shall be kept in full view of the public and all sales shall be registered in the presence of the customer and have the capability of providing the customer with a receipt.

   b. POS must be approved in writing, by the Department. Cash registers shall be equipped with the following cash control features when practical:

      i. Sales indication windows which are visible from the front and back of the register.

      ii. Non-resettable grand total counter. Total cannot be reset with a key or by any other means.

c. The POS system shall provide the following required reports:

i. Daily, weekly, monthly, and annual report on specific product name and units sold.

ii. Daily, weekly, monthly, and annual summary to specific type of transaction. System needs to show total daily, weekly, monthly, and annual credit card sales, coupon transactions, and direct cash operations.

iii. Inventory summary of products (goods/services) sold and what should remain on hand.

iv. Products purchased from third party vendors.

8) Pre-numbered Tickets or Receipts: If the Department determines the requirements for POS described in Section IV.14. are not practical, the Contractor shall use an attraction log, ticketing system, or issue a pre-numbered receipt register, or pre-numbered ticket as approved by the Department. Transaction date/time must be included on all tickets as well. POS must maintain accurate schedule and timing.

9) Rates, Prices, and Charges.

a. Prior to offering any goods or services for sale, the Contractor shall submit to the Department for approval a listing of the products or services.

b. Product or service list must include proposed prices.

c. All prices charged are subject to approval of the Department. Unless Contractor can document to the satisfaction and approval of the Department that a higher price is warranted, such prices shall be comparable to prices charged for similar merchandise in the locality in which the concession operates.

d. Except for any discount, coupon, or sale price offered to an already approved good or service, any changes to the Department approved listing of products or prices must be submitted to the Department for review and approval prior to being implemented and/or offered for sale.

e. The Contractor shall maintain on publicly displayed signage the Department approved prices for the sale of products or services. Signage shall not be handwritten.

V. Additional Terms

1) Contractor and concession staff must wear uniforms identifiable by the public as belonging to the Concession, complete with name tag.

2) The Contractor cannot play music outside of the building.

3) No storage will be allowed outside of the concession building without prior authorization from the Department.

4) The Department is not responsible for any delays or cancellations.

5) The Contractor is responsible to maintain the equipment in a safe and workable condition.

6) The Contractor may set up tents, tables and chairs at the concession area with prior Department approval. Tents, tables and chairs may be for daily event use only and must be removed prior to daily close of the Premises.

7) The Contractor acknowledges that the Department is not liable for any theft, vandalism, damage or depreciation that may occur to Contractor's equipment, operations or supplies.

8) No motorized vehicles will be allowed off paved surfaces.

9) The Contractor is responsible for adhering to all state laws, traffic laws, and local ordinances on the Premises.

10) If using a vehicle, Contractor driver(s) must always carry valid operators' license in their possession.

11) Contractor and employee vehicles accessing the Property are required to have a valid Recreation Passport affixed.

VI. Accounting, Reporting, and Advertising

1) Accounting Records.

a. All point of sale (POS) tapes, logs, pre-numbered tickets and receipt registers shall be kept by the Contractor with the applicable monthly sales reports for inspection by the Department for the duration of the Contract, plus one (1) year.

b. The Contractor shall keep or cause to be kept accurate books, records, and accounts of its operations under the Contract.

c. Separate accounting records shall be maintained for each facility or operation in the Contract.

d. All such records shall be maintained in accordance with generally accepted accounting principles (GAAP).

e. The Contractor shall make all bank deposits, cash register tapes, pre-numbered tickets, permits, customer receipts, logs and reports concerning the operation available to the Department at such times as the Department may require.

2) Monthly Reports.

a. The Contractor shall furnish the Department with a monthly concession operator report ("Monthly Report") for the previous calendar month showing the amount of Gross Sales received, on forms furnished by the Department, and also furnish payment of the Contract Fee.

b. The original signed Monthly Report shall be submitted to the Department no later than the 15th day of each month.

c. Failure to timely submit a Monthly Report and/or payment of the Contract Fee will be grounds for issuance of a Notice of Violation and/or termination of the Contract.

3) Annual Reporting Requirements.

a. Prior to opening each season, the Contractor shall provide the following reports to the Concession Manager for review and Department approval:

- **i.** For returning contractors, Profit and Loss (P&L) statement for the prior season. The P&L for the last year of the contract shall be due prior to November 30th, and each annual P&L shall be submitted on form (PR 3068) unless an alternate statement is approved by the Department. This requirement shall survive expiration, cancellation or termination of the contract.
- **ii.** Certificate of general liability and workman compensation insurance listing the "State of Michigan, its departments, divisions, agencies, offices, commissions, officers, employees, and agents" as additional insured.
- **iii.** Performance guarantee if Surety, Letter of Credit or Certificate of Deposit.
- **iv.** Equipment inventory list. May be submitted on form (PR 3067). Not required for food truck concessions or other concessions that do not require use of Department facilities for operation.
- **v.** Price list. May be submitted on form (PR 2999).
- **vi.** Employee/agent/volunteer list with position title, phone number and emergency phone number. Must be submitted on form (PR 3000).
- **vii.** Employee/agents/volunteer background reports (including for minor employees/volunteers) from the following:
  - **(1)** iCHAT,
  - **(2)** Michigan Department of Corrections, and
  - **(3)** National sex offender reports.

b. No later than sixty (60) days, or a different date agreed to by the Department, following the Contract closing of the concession, the Contractor shall submit an annual Profit and Loss Statement for that season's operations. Failure to provide the P&L covering the last year of operation of the contract will result in forfeiture of the Performance Guarantee.

c. Where the Department has determined that a concession operation is substantial enough to warrant, following the close of each tax season, the Contractor shall submit an annual compiled financial statement prepared by an independent accountant. This report is due by April 30th following each operating season.

d. Reports are to be sent directly to the Concession Manager.

4) **Lien.** To secure the payment of all Contract Fees and liquidated damages, the Contractor acknowledges that the Department may place a lien on all personal property owned by the Contractor which is located in the Premises used in the operation of the concession.

5) **Utilities, Telephone, Internet/Cable.**

   a. The Contractor shall pay for all utilities it utilizes on the Premises including any period for which the Premises is occupied by the Contractor whether a contract is or is not in place, which shall include, but not be limited to electric, water, sewer, internet, and refuse.

   b. The Contractor must have a telephone assigned for concession use at the Contractor's expense, and shall pay all related costs. It may be beneficial for the Contractor to provide the phone number to the Department.

   c. In addition, the Contractor is encouraged to provide internet services at the concession location for use of visitors.

   d. Failure to pay utility bills will result in termination of this Contract.

   e. Equipment may be left outside of the operating season but must be unplugged and emptied.

6) **Taxes.** The Contractor shall pay all federal, state, and local taxes, assessments, or fees which are, or which may become legally chargeable to the business operated under the terms of the Contract.

7) **Advertising.**

   a. The Contractor agrees that any social media account or webpage created to promote a facility and/or operation located within the Premises is subject to the approval of the Department. Account username(s) and password(s) for all park related social media account(s) and webpage(s) shall be provided to the Department upon implementation.

   b. At the expiration, termination or cancellation of the Contract, the Contractor shall turn management of all social media account(s) and webpage(s) created to promote a facility and/or operation located within the Premises over to the Department, and/or deactivate.

   c. The Contractor agrees that they will not utilize the DNR logo without written permission. All uses of the DNR logo must be reviewed and approved by the Department and must follow Department logo use standards.

   d. The Contractor will conduct a diverse advertising effort designed to increase business under the provisions of the Contract.

   e. All Contractor promotions, scripts, texts, and layouts must be submitted to the Department for written approval prior to execution or implementation.

f. The Contractor may place promotional signage on the Premises if the location(s), material, and content meet Department approval. The signage may contain operational hours, prices, contact information, and other information approved by the Department.

g. The Contractor shall not employ or use any persons known as "hawkers," "spielers," "criers," or other noisemakers or means of attracting attention to the Contractor's business.

h. The Contractor must include information regarding the Recreation Passport requirement on all web pages, advertisements, and social media platforms.

VII. Contract Operation

1) Standard of Performance.

a. The Contractor shall provide operation supervision and shall operate the business under the Contract in accordance with the laws of the State of Michigan and shall communicate with and respond to the Department on a reasonable basis not to exceed ten (10) business days regarding any operational or management issues or concerns.

b. In performing services for the State under this Contract, the Contractor must comply with Department of Civil Service Rules 2-20 regarding Workplace Safety and 1-8.3 regarding Discriminatory Harassment. In addition, the Contractor must comply with any applicable state agency rules that the Department provides to the Contractor.

c. Use of the Premises for purposes other than those permitted in this Contract shall be grounds for termination of the Contract and/or Notice of Violation.

d. The Contractor shall attend any meeting(s) set by the Department regarding the operation, management, and oversight of the Contract. The Department will work to coordinate a mutually agreed upon date, time, and location of any meetings. If no mutually agreed upon date, time and location can be secured, the Department retains the exclusive ability to set a required date, time and location. Failure to attend a meeting may result in the issuance of a Notice of Violation.

2) Supervision by Property Manager. The Department is responsible for the general management of the Property. The day-to-day oversight of the Contract, with respect to the products or services provided, hours of concession operation, sanitation, building maintenance and other operational matters as the Department may determine shall be the responsibility of the unit manager, supervisor or his or her delegee.

3) Discrimination.

a. The Contractor shall comply with the Elliot-Larsen Civil Rights Act, 1976 PA 435, as amended, MCL 37.2101 et seq., the Persons with Disabilities Civil Rights Act, 1976 PA 220, as amended, MCL 37.1101 et seq., and all other Federal, State, and local fair employment practice and equal opportunity laws, and covenants that Contractor shall not discriminate

against any employee or applicant for employment to be employed in the performance of this Contract, with respect to his or her hire, tenure, terms, conditions, or privileges of employment, or any matter directly or indirectly related to employment, because of his or her race, religion, color, national origin, age, sex, height, weight, marital status, familial status, national origin, sexual orientation, gender identity or expression, or physical or mental disability that is unrelated to the individual's ability to perform the duties of a particular job or position.

b. The Contractor agrees to include, in every subcontract entered into for the performance of this Contract, covenants not to discriminate in employment.

c. No individual shall be denied ingress or egress to the Premises on the basis of race, religion, color, national origin, age, sex, height, weight, marital status, or physical or mental disability.

d. The Contractor's breach of the covenants in VII.C.1, VII.C.2. and VII.C.3. shall be regarded as a failure to comply with this Contract and is cause for its termination.

4) **Unfair Labor Practices.** Under the State Contracts with Certain Employers Prohibited Act, MCL 423.321 et seq., the Department must not award a Contract or subcontract to an employer whose name appears in the current register of employers failing to correct an unfair labor practice compiled under Section 2 of the Act. This information is compiled by the United States National Labor Relations Board. A contractor of the State, in relation to the Contract, must not enter into a contract with a subcontractor, manufacturer, or supplier whose name appears in this register. Pursuant to MCL 423.324, the Department may void any contract if, after award of the contract, the name of contractor as an employer or the name of the subcontractor, manufacturer, or supplier of the contractor appears in the register.

5) **Prevailing Wages.** If execution of this Agreement involves work by a construction mechanic, and any part of that work is sponsored or financed in whole or in part by the State, then the following will apply: The rates of wages and fringe benefits to be paid to each class of construction mechanics by Permittee cannot be less than the wage and fringe benefit rates issued by the Michigan Department of Energy, Labor and Economic Growth, Wage/Hour Division, in its schedule of occupational classification and wage and fringe benefit rates for the locality in which the work is to be performed.

VIII. Maintenance

1) **Alterations.**

a. Alterations and repairs incidental to the operation of the concession may be made by the Contractor at the expense of the Contractor, but only with the specific written approval of the Department.

b. Any additions or improvements made to the buildings or surrounding premises shall become the property of the Department at the expiration, cancellation or termination of this Contract, except as may be otherwise stated in the Contract.

2) Sanitation.

a. The Contractor shall collect and deposit, in approved sanitary containers, all garbage, waste and debris within a fifty (50) feet radius surrounding the concession area for disposal in a licensed sanitary landfill.

b. Department will work with Contractor to identify site location of refuse containers.

c. The Contractor is also responsible for collection, removal, and disposal of all grease products.

d. The Contractor shall keep the Premises occupied under the Contract in a clean and sanitary condition and in conformity with established state and local standards and rules for sanitation and public health.

3) Maintenance of Buildings and Fixtures.

a. Concession facilities are to be turned over to the Contractor in a "concession ready" state. Structural repairs and maintenance are the responsibility of the Department. Non-structural responsibilities fall on the Contractor. Concession specific equipment such as shelving, countertops, fencing, etc., fall under the full responsibility of the Contractor.

Definitions:

Concession ready: A finished building with structural soundness. The concession ready facility is what will be maintained by the Department. The other amenities provided for/by the Contractor are the sole responsibility of the Contractor. The contractor is responsible for general maintenance and will keep those amenities in working condition (i.e. changing light bulbs, oiling door hinges.)

Non-structural: Cosmetic (including paint), shelving, countertops, clearing clogs in plumbing, replacing/servicing hot water heater, replacing/servicing light fixtures, amenities added by the Concession as a part of their operations (fencing, non-permanent fencing, window air conditioning units, etc.).

Structural: Roof, walls (interior/exterior), siding, flooring, doorways, doors, locks, windows, stairways, plumbing infrastructure, electrical infrastructure including fuse box, HVAC system (excluding window units added by Contractor).

b. The Contractor will maintain and keep in repair the interior and exterior of buildings furnished for use of the Contractor, including but not limited to:

i. Keeping in repair and/or replacing all fixtures, furnishings, and equipment of the Department provided for by use of the Contractor.

ii. The maintenance, repair, and decorating of the buildings shall be done by the Contractor to the approval and satisfaction of the Department.

c. The Contractor acknowledges that many of the structures in the Premises are considered "Historic" and as such, have specific requirements regarding repair materials and techniques. Alterations to structures that may significantly impact the "Historic Value" of said structure will not be permitted. Notwithstanding the foregoing, Contractor may make alterations and repairs that are architecturally consistent with the current structures, subject to prior written approval of the Department. Such approval shall not be unreasonably withheld.

The concession facility is not designated as "historic inventory."

d. Any additions or improvements made to the Premises shall become the property of the Department upon installation.

e. The Contractor shall provide written notice to the Park Supervisor when facility maintenance and/or repair is required. Failure to provide notification may result in a written notice of violation, termination of the concession contract, financial responsibility for the repair, and/or allocation of the performance guarantee.

4) Special Contractor Responsibilities.

a. Maintain and replace stable fencing and/or gates as necessary or determined by the Department. No barbed wire or razor wire shall be used. Materials must be approved by the Department and installed in a professional manner (straight, level, etc.).

b. Mow and trim the lawn areas within the Premises. Department staff will only mow the parking area and roadside/front facing areas of the stable.

c. Perform routine maintenance on equine trails regularly used by the Contractor and customers, including but not limited to brushing, stone removal, and trimming.

d. Arrange and pay for annual service of fire extinguishers and water testing, as needed.

e. Dispose of Contractor-owned equipment.

f. Clean interior and exterior of Premises on a daily basis or more often as necessary.

f. Paint interior of building according to Department specifications, as needed.

g. Maintain and replace all lights, water heater, and fixtures as needed.

h. Obtain and comply with all licensing and permit requirements as needed, including but not limited to: Health Department, Fire Marshall, EGLE, LARA.

i. Sweep the entrance, porch, sidewalk, and patio area, pickup and dispose of trash, and remove cobwebs from the Premises on a daily basis or more often as necessary.

j. Perform routine maintenance and repairs to Premises including but not limited to lights, water heater, replacing faucets, valves, switches, fixtures, vent fan system over the cooking grill, etc.

k. Submit copies of all approved permits and inspection reports to the Department Representative within seven (7) days of receipt.

5) Janitorial.

a. The Contractor shall perform cleaning and janitorial services within the Premises.

b. ALL areas of the Premises must be kept clean and safe. This includes, but is not limited to staff break areas, areas fenced off from visitors, and locations that are not visible to visitors.

c. The Contractor shall supply cleaning supplies which have been approved by the Department and must maintain "Safety Data Sheets" on site.

d. The Contractor is required, whenever possible and within reasonable costs, to equip appliances with energy reduction accessories, utilize environmentally friendly (green) cleaning and maintenance products and provide customers and employee recycling opportunities.

6) Cleanliness.

a. The Contractor shall maintain standards of cleanliness which will reflect favorable public opinion on the Contractor and the Department.

b. The Department may perform or have others perform the duties of the Contractor under this Section, if the Department determines the Contractor has failed to maintain an acceptable standard of cleanliness.

c. The Contractor shall pay 105% of the cost of such work, whether performed by the Department, or by others, at the discretion of the Department.

d. If the Department determines the need for cleaning after the Contractor returns the facility at the expiration, cancellation or termination of this Contract, the Contractor must reimburse the Department at the above rate for all cleaning costs incurred during that cleaning.

7) Environmental.

a. The parties agree that they will not bring onto the Premises any hazardous substances, hazardous wastes, pollutants, asbestos, polychlorinated biphenyls (PCBs), petroleum or other fuels (including crude oil or any fraction or derivative thereof), other than fuel

necessary to operate Contractor's backup generator on the Premises, or underground storage tanks (collectively Environmental Hazards).

b. For purposes of this Contract, the term hazardous substances shall mean the term as defined in the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. §9601, et seq., and any subsequent or amended regulations thereto and as defined in the Natural Resources and Environmental Protection Act, MCL 324.20101, et seq., and any subsequent amendment thereto. The term hazardous wastes shall be as defined in the Resource Conservation and Recovery Act, 42 U.S.C. §6901, et seq., and any subsequent or amended regulations thereto.

c. For purposes of this Contract, the term pollutants shall be as defined in the Clean Water Act, 33 U.S.C. §1251, et seq., and any subsequent or amended regulations thereto.

d. Each party shall promptly notify the other party in writing of any environmental accident, claim, or complaint involving the Premises or the Contractor's activities thereon.

8) Flammable / Poisonous Materials. The Contractor shall not use or permit storage within the Premises, of any illuminating oils, fuel, candles, oil lamps, turpentine, benzene, naphtha, or other similar substances of any kind, except for citronella candles, propane fuel cylinders less than 16 ounces, and other similar items intended for resale which are properly stored and identified and approved on the annual Price List.

IX. Equipment and Supplies

1) Equipment.

a. The Contractor shall provide and maintain a minimum of two (2) porta-john for employee and customer use during the operating season. The porta-johns shall be cleaned and stocked at all times.

b. The Contractor must equip the concession with all needed equipment, including but not limited to 20 to 40 riding horses, riding tack and related items that are properly fit to each horse, safety helmets in a variety of sizes that are not worn or cracked, and all needed maintenance equipment.

c. The Contractor must equip the concession with all needed equipment.

d. All equipment must be in new or like new condition.

e. Annually, the Contractor shall furnish to the Department a complete list of equipment inventory provided by the Contractor for use at the Concession. Any equipment added during the season shall be updated on the list of equipment inventory and the updated version must be provided to the Department between the hours of 8:00 am to 5:00 pm Monday through Friday prior to use.

f. The Contractor acknowledges that any equipment made available for use by the Contractor is not the responsibility of the Department.

g. Permanent fixtures may be installed only with the written approval of the Department.

h. All equipment that becomes a permanent fixture to the building or structure and fastened thereto shall become the property of the Department.

i. All equipment and materials to be kept on the Premises in connection with the concession shall be supplied at the Contractor's own cost and expense.

2) **Coin-operated.** The Contractor shall not permit or provide for the installation of mechanical rides, pinball machines, coin-operated amusement machines, jukeboxes (music boxes, record/CD players), or similar devices in or about the Premises.

3) **Alteration of Premises.** The Contractor shall not install, move, or alter any permanent or temporary equipment belonging to the Department in or about the Premises. The Contractor shall not modify water supply lines, waste lines, electric lines, or other utility, machinery or fixtures, except upon written permission from the Department.

4) **Vending Equipment.** The Contractor shall secure the written approval of the Department prior to the installation on the Premises of any vending equipment. All such machines must be equipped with non-resettable, automatic product sale counters. The Department must be permitted to read these counters as needed to review sales.

X. Employees

1) **Employment.**

a. The Contractor shall employ and maintain such help and labor as may be necessary to operate in a manner acceptable to the Department.

b. The Contractor may undertake job shadowing opportunities with individuals who are considering future employment with the following conditions:

i. Individuals job shadowing for less than two (2) business days do not require prior submission of background check reports or inclusion into the employee list.

ii. Individuals job shadowing for more than two (2) business days requires the Contractor to provide written notification to the Department and submission and approval of background check reports by the Department.

c. Annually, the Contractor shall provide the Department with the information required in Section X.2.

d. With prior approval of the Department, the Contractor may employ a manager.

e. If, at any time, the Department shall be of the opinion that any employees, agents and/or volunteers of the Contractor has engaged in improper conduct on the Premises, the Department shall notify the Contractor and the Contractor shall take appropriate action to

address with the employees, agents and/or volunteers the improper conduct, including discharge of employees, agents and/or volunteers or reassigning such employees, agents and/or volunteers to duties not related to the park concession contract.

i. Improper conduct includes, but is not limited to, behavior that is not in accordance with propriety, reason, or honesty. It is behavior that is unfitting, insulting, intimidating, humiliating, malicious, degrading, or offensive. Improper conduct can include corrupt conduct, serious professional misconduct, misconduct, and unsatisfactory conduct.

2) Moral Conduct. From a public viewpoint, the Contractor, its employees, agents and volunteers are direct representatives of the Department. Therefore, the Contractor, its employees, agents and volunteers are required to conduct themselves in a professional manner befitting a state employee. Professional requirements include, but are not limited to the following:

a. The Contractor shall prohibit gambling, drinking, discourtesy to guests, and other illegal and/or undesirable acts by employees, agents and volunteers, whether on or off duty on the Premises.

b. All employees, agents and volunteers must use appropriate ("G" rated) language and actions at all times.

c. Annually, and upon hiring throughout the season, Contractor shall obtain, and provide to the Department for review and approval, the background reports identified below for each and every one of its employees, agents and volunteers prior to them report to or performing work at the Property or Premises. Submissions must include:

i. State of Michigan's Internet Criminal History Access Tool (iCHAT) Home Page - ICHAT Menu (michigan.gov)

ii. Michigan Department of Corrections (OTIS) Offender Tracking Information System (OTIS) (state.mi.us)

iii. National Sex Offender Registry (NSOPW) United States Department of Justice National Sex Offender Public Website (nsopw.gov)

d. The Department may require Contractor to suspend or remove a concession employee(s), agent(s) and volunteer(s) who has violated a law, rule, order or performed inappropriate customer service. Department will work with Contractor to ensure enough time for proper staffing. Inappropriate customer service includes but is not limited to any interaction with a customer that results in a negative opinion, dissatisfaction, or harm to the Department's reputation.

e. The Department prohibits alcohol consumption or drug use while on duty, possession of a drug or an open alcoholic beverage container on state-owned or leased property or in a state-owned or leased vehicle and reporting to duty or being on duty with a prohibited level of alcohol or drugs.

Contractor and employees, agents and volunteers of the Contractor shall not consume alcohol or use drugs while on duty. Possession of a drug or an open alcoholic beverage container by a Contractor or employees, agents and volunteers, while on state-owned or leased property or in a state-owned or leased vehicle, is likewise prohibited.

A Contractor and employees, agents and volunteers of the Contractor shall not report to duty or be on duty with a level of alcohol or drugs in his or her bodily fluids that is prohibited by Michigan Civil Service Commission (CSC) Rule 2-7.1 and Civil Service Commission (CSC) Regulation 2.07 and 2.08. If there is reasonable suspicion that a Contractor or employees, agents and volunteers of the Contractor has reported for duty or is on duty with a prohibited level, the Contractor or employees, agents and volunteers of the Contractor shall submit to a drug test or an alcohol test.

A Contractor and employee/volunteer of the Contractor who 1) consumes alcohol or uses drugs while on duty; 2) possess a drug or an open alcoholic beverage container while on state-owned or leased property or in a state-owned or leased vehicle; 3) reports to duty or is on duty with a level of alcohol or drugs prohibited by CSC Rule 2-7.1 and CSC Regulation 2.07 and 2.08; 4) refuses to submit to a drug test or an alcohol test when there is reasonable suspicion the Contractor and employees, agents and volunteers of the Contractor is in violation of CSC Rule 2-7.1 and CSC Regulation 2.07 and 2.08, OR 5) interferes or tampers with reasonable suspicion drug or alcohol testing, shall be subject to disciplinary action, up to and including termination of the Contract.

As used in this Contract, the terms "drug" and "drugs" means a controlled substance, or a controlled substance analogue listed in Schedule 1 or 2 of Part 72 of the Michigan Public Health Code.

3) Appearance.

a. Concession personnel who encounter the public shall be neat, clean, and in uniforms identifiable by the public, complete with employee name tag identification. Uniforms shall be approved by the Department.

b. Contractor employees, agents and volunteers will ensure proper hygiene is maintained, including, but not limited to, showering, maintaining a clean and acceptable appearance, and removal/covering of any non-G rated body piercings and tattoos.

4) Training.

a. To promote the facilities of the Department of Natural Resources and to provide quality service to the public, employees, agents and volunteers of the Contractor must receive thorough training.

b. Concession operators and their employees, agents and volunteers must attend seasonal training programs if offered by the Department on the Property where the Premises is located. These training programs will acquaint personnel with information about the Property/Premises, as well as information to disseminate to the general public.

c. In addition, designated Department staff will be invited to Contractor concession training. Department attendees will then share key training information with their staff.

5) Parking.

a. The Contractor, and all agents of the Contractor, shall park in areas identified by the Department.

b. The identified parking area may be changed by the Department to facilitate construction, to protect the public or the Property.

c. The Department is not responsible for damage or theft to vehicles of the Contractor or the Contractor's agents.

6) Special Conditions.

a. No motor vehicles will be allowed, without prior approval of the Department, except on paved surfaces intended for vehicle use.

b. This Contract does not provide Contractor with the ability to go directly to the front of the line when entering the Property. Contractor and its employees must wait in line with all other park guests.

c. A valid Recreation Passport is required on all Contractor owned, and employee/volunteer owned vehicles entering the Property.

d. Off-road vehicles (ORV) such as golf carts are not permitted on State property without prior authorization of the Department. If approved for use by the Contractor, an ORV must be street legal and are required to have a valid Recreation Passport affixed.

XI. Insurance and Performance Guarantee

1) General.

a. At least thirty (30) calendar days prior to occupancy of the Premises, Contractor shall provide proof of the minimum levels of insurance coverage identified below and listing the State of Michigan, its departments, divisions, agencies, offices, commissions, officers, employees, and agents as additional insureds. A commercial Contractor shall provide this proof on commercial general liability form CG 2110 00 01 an endorsement, a non-commercial Contractor shall provide this proof on the appropriate ACCORD, or other documentation as otherwise approved by the Department. All such certificate(s) shall contain a provision indicating that coverages afforded under the policies will not be cancelled or materially changed without prior written notice having been given to Department.

b. Prior to expiration of the insurance coverage, the Contractor must provide an updated certificate of insurance meeting all of the above requirements. Failure to provide may result in a Notice of Violation, suspension of activities, and/or termination.

c. The purpose of this coverage shall be to protect the State from claims which may arise out of or result from the Contractor's performance of services under the terms of this Contract, whether such services are performed by the Contractor, or by any subcontractor, or by anyone directly or indirectly employed by any of them, or by anyone for whose acts they may be liable.

d. The Contractor hereby releases, waives, discharges and covenants not to sue the State of Michigan, its departments, officers, employees and agents, from any and all liability to Contractor, its officers, employees and agents, for all losses, injury, death or damage, and any claims or demands thereto, on account of injury to person or property, or resulting in death of Contractor, its officers, employees or agents, in reference to the activities authorized by this Contract.

e. The insurance shall be written for not less than the minimum coverage herein specified or required by law, whichever is greater. All deductibility amounts for any of the required policies must be approved by the Department.

f. The Department reserves the right to reject insurance written by an insurer the State deems unacceptable.

g. Before starting work the Contractor must furnish to the Department, certificate(s) of insurance verifying insurance coverage. The certificate must be on the standard "ACCORD" form. All such certificate(s) are to be prepared and submitted by the insurance provider and not by the Contractor. All such certificate(s) shall contain a provision indicating that coverages afforded under the policies will not be cancelled or materially changed without prior written notice having been given to Department.

h. The insurance must include as an additional insured– State of Michigan, its departments, divisions, agencies, offices, commissions, officers, employees, and agents. The language, as provided, must be included without deviation or exception.

i. The Contractor is required to provide Commercial General Liability Insurance with the following minimum limits:

General Aggregate: $2,000,000
Each Occurrence: $1,000,000
Property Damage (structures and equipment - only applicable for State owned building): $500,000

2) **Workers Compensation.** To the extent as required by law, the Contractor is required to provide Worker's Disability Compensation, disability benefit or other similar employee benefit act with minimum statutory limits. Any citing of a policy of insurance must include a listing of the States where that policy's coverage is applicable. Any policy of insurance must contain a provision or endorsement providing that the insurers' rights of subrogation are

waived. This provision shall not be applicable where prohibited or limited by the laws of the jurisdiction in which the work is to be performed.

3) **Automobile/Watercraft Insurance.** The Contractor must maintain automobile and/or Watercraft insurance required by law for claims arising from ownership, maintenance, or use of a motor vehicle or any watercraft equipment as may be required by this Contract.

4) **Proof of Insurance.**

   a. All required Insurance shall be kept in force during the period of the Contract and shall be written for not less than the limits of liability specified above.

   b. The Contractor is responsible for making each subcontractor comply with these insurance requirements.

   c. All certificates of Insurance, or changes in insurance coverage, require approval by the Department and shall be filed with the Department prior to the Contractor's occupancy of the Premises and operation of the concession, for each year of the Contract.

   d. The certificates shall contain a provision that the coverage's afforded under the policies will not be modified or cancelled until after at least thirty (30) days written notice to the Department.

   e. Failure to comply with all insurance requirements specified in this contract may result in termination of this Contract.

5) **Performance Guarantee.**

   a. The Contractor, as a prior condition to any rights under this Contract, shall furnish a performance guarantee in a manner and in an amount acceptable to the Department.

   b. Proof of the current performance guarantee covering the period of operation must be kept on file with or provided to the Department prior to opening each season.

   c. All performance guarantees must be written in such a manner that they provide coverage in the amount specified with the minimum term covering the Contract period and shall not expire or diminish in value until relinquished by the Department after inspection for damages and/or completion of Contract obligations.

   d. The performance guarantee may be used by the Department for purposes including, but not limited to, Contractor damages to property and/or premises, Contractor damages to equipment, Contractor failure to perform contract obligations and/or Contractor monetary obligations accruing under this Contract.

   e. If such valid performance guarantee is not kept in force with written documentation provided to the Department, this Contract may be immediately terminated by the Department.

f. The guarantee shall contain a provision that it may not be cancelled except by written approval by the Department. The performance guarantee requirement for this Contract is $**3,000**.

g. Should any portion of the performance guarantee be exhausted, Contractor shall replenish it to the original amount required above.

XII. Notice of Violation and Damages

1) This Contract has been established to provide services, goods, or both, to the visitors of the Department's facilities and the citizens of the State of Michigan. The Contractor's failure to comply with the various provisions of the Contract may cause a loss of services or goods to those visitors and also may cause untimely delays in the administration of this Contract, depriving the Department of the agreed upon services or causing a loss of revenue. The Contractor's failure to comply with the provisions of this Contract will subject the Contractor to a system of damages as stated below.

2) Failure to Open.

a. The Contractor shall be in full and complete operation with a full staff of employees on the first day of the term of operation as provided in Section II of this Contract.

b. If the Contractor is not in full operation on that date (except for causes wholly beyond the control of the Contractor), this Contract, at the option of the Department, may be terminated without notice. Upon termination, the Department may enter the Premises and obtain a new Contractor for the operation of the facilities.

c. In addition to any other remedy, the Department may issue a Notice of Violation and/or assess liquidated damages of $50 per day, per facility, for each day that any facility remains out-of-service because of non-performance by the Contractor.

3) Notice of Violation.

a. Upon identification by the Department of a violation of any term of the Contract, the Contractor will be provided with a written "Notice of Violation" identifying which term of the Contract that has been violated and the time period by which the stated violation must be corrected.

b. If a violation communicated to the Contractor via a Notice of Violation has not been corrected by the time period specified, the Department may assess, and the Contractor agrees to pay to the Department, liquidated damages in the sum of $150 per violation. A $10 per day late fee ("Late Fee") may be assessed by the Department to the Contractor for each day beyond the due date the liquidated damages is not paid.

c. If after the fourteenth (14th) day, the violation is still not corrected, the Department may assess, and the Contractor agrees to pay to the Department, liquidated damages in the sum of $300 per violation. A $10 per day late fee ("Late Fee") may be assessed by the

Department to the Contractor for each day beyond the due date the liquidated damages is not paid.

d. If during the contract period a "Notice of Violation" is issued for recurrent violation(s) the initial sum of the liquidated damages shall be $400 per violation. A $10 per day late fee ("Late Fee") may be assessed by the Department to the Contractor for each day beyond the due date the liquidated damages is not paid.

e. The system of progressive liquidated damages is not intended to be in lieu of the Contractor performing according to the Contract provisions or any other recovery in law.

f. This liquidated damage provision does not waive or modify any rights the Department has to terminate or cancel this Contract pursuant to the Contract's terms.

g. The Department reserves the right to waive liquidated damages.

h. In addition to the terms of the Contract related to termination, the Department may terminate this contract upon the Contractor receiving up to three (3) major violation or six (6) minor violations (two (2) minor violations are equivalent to one (1) major).

i. Major Violation – A violation of term(s) of the contract that impacts the health, safety and/or welfare of visitors or Department staff or that negatively impacts the environment, resource, or mission of the Department.

ii. Minor Violation – A violation of term(s) of the contract that is not a "Major Violation".

XIII. Extension, Renegotiation, Modification

1) Extension and Renegotiation.

a. This Contract is subject to an annual review by the Department. Which review may result in addendums to the Contract.

b. At the expiration date of the Contract, the Department, at its option, may grant an extension of the Contract, or renegotiate the Contract with the Contractor.

c. Every seven (7) years, this Contract must be put out for competitive bids, unless circumstances arise where it is in the best interest of the State to extend or renegotiate. Barring termination or cancellation, the earliest this Contract may be re-bid is for the 2034 operation season.

2) Modification.

a. This Contract shall not be modified by or interpreted by reference to any course of dealing or usage of trade and shall not be modified by any course of performance.

b. No modifications of this Contract are effective unless in writing, signed by the parties, and executed in the same manner as this Contract was originally executed.

c. A party may waive or release the other party's breach or default only in writing.

3) **Severability.** Each provision of this Contract is severable from all other provisions of this Contract, and if one or more of the provisions of this Contract are declared invalid, the remaining provisions of the Contract remain in full force and effect.

IX. Termination, Cancellation

1) **Act of God.** Whenever, as a result of any cause beyond the Department or Contractor's control (such as, but not limited to, fire, flood, windstorm, or other acts of God or emergency declared by federal or state governments), the Department or the Contractor is prevented from complying with any obligation of this Contract, the Department or Contractor shall not be liable for any damages for default of this Contract. In the event of an Act of God causing noncompliance with the Contract, at the option of the Department, this Contract shall terminate, and each party hereto shall be released from further obligation under the Contract.

2) **Delays.** The Department shall not be liable for any damages due to any delay to Contractor's Operating Schedule.

3) **Cancellation.**

a. In the event the Contractor wishes to cancel this Contract, Contractor may do so only with the prior written approval of the Department.

b. If the cancellation request is approved, it is understood that the Contractor will not be considered as a prospective bidder for that concession until after it has been determined that no other party is interested.

c. The Contractor may not cancel, and the Department may not approve any request to cancel this Contract where the effective date for cancellation falls during any operating season established in accordance with Section II. above or within ninety (90) days of the Concession beginning operating date.

4) **Termination/Cancellation.**

a. Upon the failure of the Contractor to comply with any provision, stipulation, or condition of the Contract, including the regular payment of rent and fees as agreed upon, this Contract may be terminated at the option of the Department.

b. In the event of the termination or cancellation of this Contract for any cause, the Contractor shall be liable for that portion of the Contract Fee, Pro-rated to the effective date of such termination (see Section II.).

5) **Cancellation for Convenience.**

a. The Department may cancel this Contract for its convenience, in whole or part, upon thirty (30) days' notice to Contractor, if the Department determines that such a cancellation is in the Department's best interest.

b. Cancellation shall be left to the sole discretion of the Department and may include, but are not limited to:

i. The Department no longer needs the services or products specified in the Contract.
ii. The Contractor provided information to the Department in its bid for this contract or at any time during the contract term, that was false or fraudulent.
iii. Changes in laws, rules, or regulations that make implementation of the Contract services no longer practical or feasible.
iv. Change in ownership of the State property or damage to the Premises.
v. Unacceptable prices for additional services requested by the Department.

c. If the State chooses to cancel this Contract in part, the charges payable under this Contract shall be equitably adjusted to reflect the good or services that are cancelled and those that remain.

d. In the event of the cancellation of this Contract, the Contractor shall be liable for that portion of the Contract Fee, Pro-rated to the effective date of such cancellation (see Section II.).

6) **Vacating Premises.**

a. The Contractor shall vacate the Premises by the expiration date of the Contract, unless another date is approved by the Department.

b. If termination or cancellation shall occur, then the Contractor shall not be permitted to operate on the Premises and must vacate the Premises within fifteen (15) days of termination or cancellation.

c. No personal property on which the Department has placed a lien shall be removed from the Premises until all Contract Fees and other sums owed to the Department have been paid.

7) **Waiver of Default.** The failure of a party to insist upon strict adherence to any term of this Contract does not deprive the party of the right to insist upon strict adherence to that term, or any other term, of this Contract.

8) **Integration.** This Contract constitutes the complete agreement and understanding of the parties as it relates to this transaction. This Contract supersedes all proposals or other prior agreements and all other communications between the parties relating to this transaction.

9) **Governing Law.** This Contract is governed by and construed in accordance with the laws of the State of Michigan. Civil action jurisdiction for claims against the State of Michigan and/or its agencies shall reside with the Michigan Court of Claims, unless otherwise required by law.

Individuals needing mobility, visual, hearing, written or other assistance should contact the DNR, PRD, Concession Manager.

The remainder of this page is intentionally left blank (see signatures below).

Department:
State of Michigan
Department of Natural Resources

_____ _____

Thomas Bissett, Chief Date
DNR, Parks and Recreation Division

Contractor:

Each of the signatories below herein represents and warrants that the execution, delivery, and performance of this Contract have been duly authorized and signed by a person who has legal ability and authority to sign on behalf of its business or organization as named in this Contract.

_____

Printed Name

_____

Title

_____ _____

Contractor Signature Date

Attachment A



Premises boundary is outlined in red.

Attachment B

Waterloo Riding Stable – Improvements

***Note 1**: Approval from DNR/PRD must be obtained prior to installation of any items in historic buildings. Additional projects may be added to this list if identified and agreed upon by both parties.*
***Note 2:** The expenditure for improvements completed each year will only be credited to the Contract Fee in the same year the project was completed unless the Department has preapproved a special credit and only after proper paperwork has been submitted and approved by the Department.*

Priority	Project (Includes Design/engineering, Submittals and approvals, and Permits as needed)	Department Staff Required	Estimated Capital Improvement Cost
High	Add pasture fencing and gates	Park Manager	$5,000
High	Finish the stall barn so it meets the needs of the operator	Park Manager	$1,000
High	Repair flooring in the large barn	Park Manager	$5,000
Low	Upgrade water system so the facility can be used year-round	Park Manager	$3,000
Low	Plant shade trees in the pasture	Park Manager	$1,000
Low	Clear out road frontage view	Park Manager	$1,000
Low	Repair barn doors	Park Manager	$1,000
Low	Clean out the barns	Park Manager	$1,500

Low	Replace fencing between the two barns along old drive (materials on hand)	Park Manager	$500
		Estimated Total Capital Improvement Cost	**$19,000**

Attachment C

Michigan Department of Natural Resources – Parks and Recreation Division

PROJECT REQUEST FORM

This form is intended to be used by concessionaires, lessees or other partners to whom a contract has been issued and authorizes the undertaking of projects on the Premises upon Department approval

PROJECT INFORMATION

For construction projects under 50,000 review and approval shall be made at the Department level. Construction projects over $50,000 will require additional review and approval by the Department Technology Management and Budget.

Project Description/Name

PROJECT REQUEST DATE/TIMING INFORMATION

Date of Submission	Target Activity Date	Anticipated Project Completion Date	Internal PRD Number

LOCATION INFORMATION

Lease Building/Property Location	WIP Number (if applicable)

Location Detail (where property is, what components, room(s), etc.)

PROJECT CONTACTS

Primary Contact Person	Telephone Number
Secondary Contact Person	Telephone Number
Other Contact Name	Telephone Number

PROJECT PURPOSE/VISION

Please attach additional information/project plans, etc. as needed. Additional attachments attached: ☐ Yes ☐ No
Why/What for?
Details
Additional Comments

CONTRACTOR INFORMATION (IF NECESSARY)

Company Name	Was Insurance Provided to the Park? ☐ Yes ☐ No	Needed Permits ☐ Identified ☐ Attached
Task(s)		
Heavy Equipment (if applicable)		

Contact Name	Telephone Number	Estimated Cost of Project (Attach estimates, quotes, etc.)

SUBMITTER

Printed Name	Signature
Comments	

DNR APPROVERS

Unit Supervisor Name (Print)	Signature	Date
Planning/Stewardship Planner Name (Print)	Signature	Date
Comments		

Attachment D

Michigan Department of Natural Resources – Parks and Recreation Division

MONTHLY PROJECT EXPENDITURES REPORT FORM

This form is intended to be used by concessionaires, lessees or other partners to whom a contract has been issued and authorizes the undertaking of projects on the Premises upon Department approval.

Concessionaire/Lessee		Date Submitted	Report Period
Location(s) of Project	Park/Harbor		
Project Name	Work Completed By	WIP Number	
Project Request Form Number		Project Progress Report (% status of project)	

Monthly Expenditures

Item/Service	Quantity/Time	Cost
Item/Service	Quantity/Time	Cost
Item/Service	Quantity/Time	Cost
Item/Service	Quantity/Time	Cost
Item/Service	Quantity/Time	Cost
Item/Service	Quantity/Time	Cost
Item/Service	Quantity/Time	Cost
	Total Monthly Costs	$ 0.00
Year-to-Date Costs	Supporting Paid Receipts Attached? ☐ Yes ☐ No	Photos of Completed Projects Attached? ☐ Yes ☐ No
Photo of Inspection Tag? ☐ Yes ☐ No	Inspection Date	Inspection Approval Number

Warranties associated with project

Comments

Concessionaire labor may not be included in this report. Unpaid vendor invoice/bills will not be reimbursed.

PRD Use Only

Inspected By	Date
Reviewed By	Date
Planning/Stewardship Review (optional/completed projects only)	Date

Comments

Attachment E

Invasive Species Decontamination Guidelines

Updated October 2026

Invasive species are harmful to the environment, economy, and human health. Preventing new introductions and limiting the spread of existing populations is the most effective approach to management. Decontamination is the process of cleaning and disinfecting gear and equipment with the intent of removing any attached invasive species.

Requirements:

All persons conducting commercial business on state land are required to follow the decontamination guidelines outlined within this document. Specific guidance for equipment and risk is provided in Table 1. At a minimum, the Permittee, Permittee employees, and volunteers must inspect and remove debris from the equipment.

Visually examine equipment, gear, clothing/footwear and **remove any attached plant fragments, dirt/mud, seeds, or invertebrates.** This could be done using a brush, broom, vacuum, or compressed air or by simply removing them by hand. When possible, decontaminate at the site before leaving. Materials can be placed in black contractor trash bags and discarded in the trash (preferred) or left on-site.

When using aquatic equipment, additional minimum actions include draining, rinsing with potable water, and drying.

Michigan law has specific requirements for watercraft, trailers, and associated equipment. **All drain plugs must be removed from bilges, ballast tanks, and live wells to release any contained water. Before trailering or transporting, the watercraft and trailer must be free of aquatic organisms.** See the Natural Resources and Environmental Protection Act (Act 451 of 1994, Part 413) for more information. If possible, dry the equipment either by air or with a towel.

Additional steps should be taken in high-risk situations:

These include:

- The gear, equipment, or clothing were unable to be cleaned well using the basic steps above.
- Equipment is in contact with multiple waterbodies or field sites in a week and invasive species are either known to be present or are observed in at least one of those locations.
- Work is conducted in muddy/sticky soil.
- Equipment is in contact with pristine/isolated locations which may contain rare, threatened, or endangered species.

Extra decontamination steps include:

- Pressure wash: Use a hose or high-pressure washer to remove debris from the equipment. Some equipment may be taken through a car wash, which is especially effective if the facility has an underbody rinse feature.
- Pressure wash with hot water: Use a hot water pressure washer to remove debris from the equipment when it is critical to kill invasive species including viruses and diseases. The hot water sprays should be a minimum of 140°F/60°C for ten seconds.
- Treat with chemical solutions: Spray or soak the equipment in a chemical solution (Table 2) to disinfect the gear. When using chemicals, the safety protocols listed on the label must be followed. Staff should avoid inhaling the fumes or coming into physical contact with the chemicals, and appropriate personal protective equipment should be worn (e.g., goggles, gloves, aprons, etc.).
- Flush the motor of an aquatic vessel: Use either Virkon Aquatic or bleach, using the guidance presented in Table 2.

Recommended decontamination gear:

The Permittee may find it helpful to create kits to provide basic decontamination supplies in one place. Consider including:

- Boot brushes
- Screwdriver or hoof pick
- 5-gallon bucket(s)
- Towels
- Spray bottles
- Adhesive rollers
- Potable water
- Trash bags
- Brooms and brushes
- Shovels
- Vacuum
- Pressure washer
- Air compressor
- Hand sanitizer
- Chemical disinfectants
- Leaf blower
- Grabber tool
- Personal protective equipment (e.g., goggles, gloves, and apron)

Things to keep in mind:

There are simple steps that can be taken to reduce the risk of spreading invasive species, including:

1. Knowing where invasive species are located and your level of risk in transporting or spreading them. Visit areas without invasive species first, gradually moving to areas that are infested (i.e., work from the lowest risk sites to the highest risk sites; work upstream first then downstream).
2. Using the simplest gear possible when working in an infested area. For example, when working in an aquatic environment, use waders or boots that are one-piece, rubber, and non-felt soled.
3. Inspecting gear and equipment between work sites. When possible, perform the decontamination steps on-site.

4. Performing work duties when the invasive species are at the lowest risk of being spread. For example, avoid working in areas when invasive plants are at seed.
5. Using well-traveled paths or roadways when moving between locations and avoiding infested areas.
6. Considering alternatives to moving equipment between field sites, such as having dedicated equipment that will remain on-site in important natural areas or those with rare or endangered species.
7. Monitoring the invasive species community over time, including differences in distribution.
8. Drying aquatic equipment for five days before moving to a new site.

For more information: visit Michigan.gov/invasives.

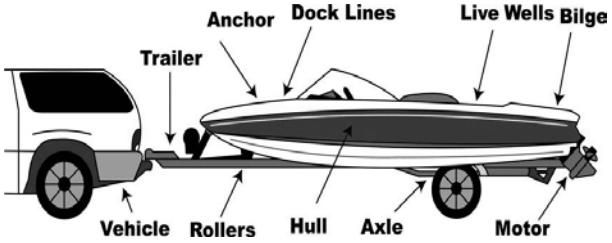
To report invasive species: visit misin.msu.edu.

Where to Check:

Below are three schematics, showing examples of locations to check when decontaminating.

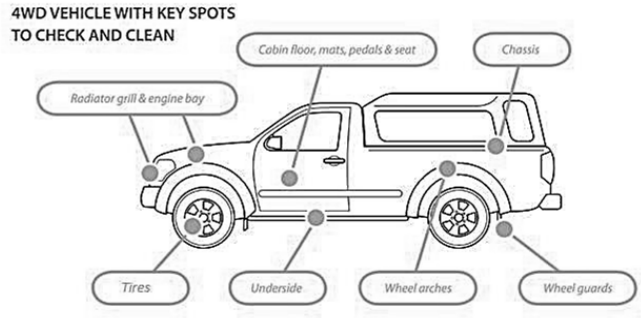
A: Key areas on boats and trailers to inspect for plants, animals, mud, and water include trailer, anchor, dock lines, live wells, bilge, rollers, hull, axle and motor.

Diagram from the California Department of Fish and Wildlife.



B: Key areas to inspect and clean on vehicles include radiator, grill and engine bay; cabin floor, mats, pedals and seat; chassis, tires, underside, wheel arches and wheel guards.

Diagram from the Ontario Invasive Plant Council.



C: Key areas to check and clean on large equipment include boom, buckets and other attachments; cabin floor, mats, pedals and seat; turn table and track frame; tracks, track chains and plates; drive sprocket rollers and idlers; chassis, air cleaner, radiator grill and engine bay.

Diagram from the Ontario Invasive Plant Council.

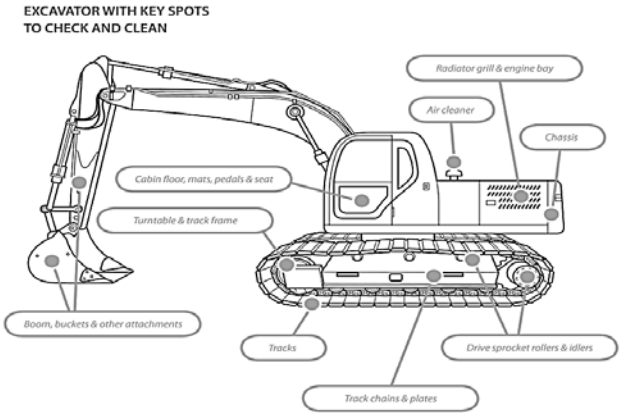


Table 1. Decontamination methods

The “minimum steps” should be followed whenever gear or equipment is moved between field sites. Follow the “high risk” steps when the gear or equipment is not adequately cleaned by the basic steps, when working in invasive species-infested areas, or when working in areas with rare, threatened, or endangered species.

Equipment	Actions	Methods
Clothing and personhood	Minimum Actions	Inspect and remove debris with an adhesive roller or brush
Clothing and personhood	High-risk Actions	Launder/wash, rinse and dry clothing; wash hair (if covered in seeds or other propagules); Wash hands or use hand sanitizer; Heat with a household steamer then let dry
Waders, boots, and diving gear	Minimum actions	Inspect and remove debris with a brush; Rinse with potable water and let dry
Waders, boots, and diving gear	High-risk actions	Chemical disinfect (See Table 2)
Vehicles	Minimum actions	Inspect and remove debris from interior and exterior with a broom, brush, or vacuum
Vehicles	High-risk actions	Pressure wash or car wash with an undercarriage flush, if available
Heavy equipment (e.g., mowers, dozers, etc.)	Minimum actions	Inspect and remove debris with a broom, brush or grabber tool; Run fans in reverse to clean air intakes
Heavy equipment (e.g., mowers, dozers, etc.)	High-risk actions	Use an air compressor, leaf blower, or vacuum to remove debris;
Handheld tools (e.g., chainsaw, etc.)	Minimum actions	Inspect and remove debris with a broom or brush
Handheld tools (e.g., chainsaw, etc.)	High-risk actions	Use an air compressor or leaf blower to remove debris
Watercraft, motors, and trailers	Minimum actions	Inspect and remove debris from interior and exterior with a broom or brush; Drain, rinse with potable water, and air or towel dry
Watercraft, motors, and trailers	High-risk actions	Pressure wash with hot water, if available; Flush the motor; Treat with chemical solutions if there is a pathogen risk
Aquatic gear (e.g., nets, pumps, etc.)	Minimum actions	Inspect and remove debris with a brush; Drain, rinse with potable water, and dry
Aquatic gear (e.g., nets, pumps, etc.)	High-risk actions	Pressure wash with hot water, if available; Chemical disinfect (See Table 2)

Table 2. Chemical options to decontaminate equipment.

Always refer to the manufacturer's directions for additional guidance. When using chemicals for disinfection, certain safety protocols should always be followed. Read the Material Safety Data Sheet or Safety Data Sheet and product labels for chemicals being used and follow instructions to avoid inhalation and eye/skin irritation problems. Wear chemical splash goggles, gloves and an apron to prevent contact with eyes or skin. Spray downwind.

Chemical	Rate/Preparation	Method	Notes
Chlorine bleach	500 ppm concentration If using 5.25% bleach, mix 1.2 oz of bleach in one gallon of water If using 8.25% bleach, mix 0.8 oz of bleach in one gallon of water	Apply by spraying or using a sponge to thoroughly expose the surface to the bleach solution. Contact time should be at least 10 minutes. Rinse well with tap water afterwards.	**Effective at killing most invasive species.** 1. Chlorine bleach degrades over time and its effectiveness as a disinfecting agent diminishes. A bottle should only be used for two months after opening. Diluted bleach should be used within 24 hours. 2. Dispose of unused bleach and diluted bleach solutions in the sanitary sewer. 3. If concerned about bleach residue on equipment, rinse with sodium thiosulfate. Follow label instructions for use and disposal. 4. Bleach is corrosive to metal, rubber, and some fabrics.
Virkon Aquatic	Mix 20 g with 1 liter of water	Apply straight to surfaces by spraying or using a sponge. Contact time should be 20 minutes.	**Effective at killing New Zealand mudsnails.** 1. Virkon Aquatic is a powder and 99.9% biodegradable. 2. It is labeled for use only as a bactericide and viricide. 3. Use within 7 days post-mixing. 4. Dispose unused chemical in a sanitary sewer.

Formula 409 antibacterial all-purpose cleaner	Use directly from the bottle	Submerse equipment in Formula 409 for 10 minutes.	**Effective at killing New Zealand mudsnails and didymo.** 1. This is a popular household disinfectant that can be purchased at grocery and home stores. 2. Look for "EPA Reg. No. 5813-73" on the label to ensure it is the correct product. 4. Apply to waders and gear on land, a reasonable distance from water.
Table salt (sodium chloride)	1/2 cup of salt per gallon of water	Submerse equipment in the salt solution for 30 minutes.	**Effective at killing zebra and quagga mussel veligers.** 1. Dispose of unused solution in a sanitary sewer.
Benzalkonium chloride (i.e., Lysol)	Use directly from the bottle	Spray directly or soak for 2 minutes. Let air dry.	**Effective at killing bacteria, fungi, and viruses.** 1. Use on hand tools like pruners. 2. Does not corrode metal or damage fabric.
Isopropanol (i.e., rubbing alcohol)	70% solution	Spray directly and wipe, then leave to dry.	**Effective at killing plant pathogens.** 1. Less effective than bleach or Lysol, but also a lower risk to tool degradation. 2. Shelf life is indefinite if sealed and kept in a cool, dry place.