



PROPOSAL FOR FALLEN LEAF LAKE COMMUNITY SERVICES DISTRICT

FOR MANAGEMENT OF STORE AND MARINA OPERATIONS MARCH 2023

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Executive summary

We understand that the CSD'S objective is to find a concessionaire to manage operations of the Fallen Leaf Lake Marina, Store and Cafe.

The district desires to maintain the beauty and tranquility of this special area while providing residents and visitors consistency of services and activities desired in our modern environment.

By addressing these challenges with our proposed solution, we are confident that Fallen Leaf Lake Community Services District will experience increased revenues, well cared for homeowners and guests, and continued dedication to the revered community and environment of Fallen Leaf Lake.

In order to achieve these goals, we would love to contract with the District to prove a local solution to your local business. Big Blue Hospitality was born of Lake Tahoe natives who understand the unique environment of this extremely special place.

We are experienced in customer service and are recognized as frontrunners in hospitality management, with a speciality in seasonal locales.

Your questions answered

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Question	Response	Page
Compensation to District		
The proposed payment to District shall be submitted on Exhibit H (Fee Computation), listing the base rent commitment and percentages for payment to District as a percentage of gross revenue.	<p>Annual Base Fee: \$50,000</p> <p>Annual Variable Fee: 7.5% of Contractor's Gross Revenues.</p> <p>Full Details can be viewed HERE</p>	6
Services Offered, Flexibility/Creativity		
Basic Services	<p>Daily operation of General Store, Cafe and Marina Service to include boat rentals and gas dock operation.</p> <p>Full Details can be viewed HERE.</p>	6
Enhanced and Elective Services	<p>Pre-made, grab-and-go deli items, Community gatherings, Gourmet coffee, ice cream and cafe menu items.</p> <p>Full Details can be viewed HERE.</p>	7

Experience		
Key personnel experience	<p>Proposed General Manager; Luke Johnston</p> <p>Full Details can be viewed HERE.</p>	8
Acceptance of Lease Terms and Conditions		
Lease Terms	<p>Full Acceptance of Lease Terms</p> <p>Full Details can be viewed HERE.</p>	8
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RFP Responses

Compensation to District

The Fee is proposed to be computed as follows:

- Annual Base Fee: **\$50,000**
- Annual Variable Fee: **7.5% of Contractor's Gross Revenues.**

The Fee shall be payable as follows: \$10,000 plus any portion of the Annual Variable Fee then due based on Contractor's Gross Revenues for the applicable period on each of the following dates: July 1, August 1, September 1, October 1 and November 1. Any remainder of the Annual Variable Fee not paid on November 1 shall be paid on or before December 15 of the applicable year.

Services Offered, Flexibility/Creativity

BASIC SERVICES

Big Blue Hospitality understands the District's desire to maintain consistency and integrity in the services offered at the Marina and Store/Cafe. We commit to providing consistency in quality and service in all offerings we provide.

CAFE: Business hours are to be Memorial Day through October 1. The cafe will be open at minimum 8am through "dusk" through the Labor Day holiday. After the holiday, BBH may elect to reduce evening hours of the cafe to 8am through 4pm based upon a review of sales numbers, customer activity, and staff availability. The cafe will operate 7 days per week through the Labor Day holiday. After the holiday, BBH may elect to reduce operation by up to 2 days per week based upon a review of sales numbers, customer activity, and staff availability.

The cafe's base menu will be a variety of hot and cold sandwiches. This menu will be duplicated from our extremely successful menu at Tahoe Keys Deli. The menu will include offerings for hot breakfast and lunch; to include sandwiches, hamburgers, hot dogs, accompaniments, ice cream and milkshakes. (Sample Base Menu Exhibit A)

STORE: In maintaining consistency of availability, BBH will strive to operate the store as a true General Store to serve the unique needs of the Fallen Leaf Lake community. We propose to offer a variety of essentials such as fresh produce, dairy and pantry items at reasonable prices to allow residents a one-stop-shopping experience without the need to drive into South Lake Tahoe. To satisfy visitors to the area, BBH will offer a variety of souvenirs and local items along with grab-and-go ice cream, snacks, and beverage offerings to enjoy while experiencing all that the area has to offer. BBH currently holds a type 47 Beer and Wine license issued by the California Alcoholic Beverage Control which should assist in expeditiously obtaining the required license for the store and potentially expansion to an on-sale license for the cafe in the future.

We believe that the General Store should be the heart of the community and will work to keep a friendly, home-town atmosphere and perpetually relevant selection on the shelves. We will work throughout the contract to incentivise customers to support the Fallen Leaf Lake economy whenever possible by offering programs such as rewards programs, special items and events, revolving accounts for homeowners and bespoke items.

The General Store will be operated 7 days per week 8am through 8pm through the Labor Day Holiday. After the holiday, BBH may elect to reduce operation by up to 2 days per week and limited hours based upon a review of sales numbers, customer activity, and staff availability.

MARINA: BBH feels that the Fallen Leaf Lake marina is a hidden gem and should be treated as such. We commit to providing the best experience for local and visiting outdoor enthusiasts alike. We will strive to provide the highest quality watersports rentals to include;

- (2) 20'-22' pontoon boats
- (2) 14'-16' 15hp outboard fishing boats
- (1) rescue/retrieval vessel
- single and tandem kayaks
- standup paddle boards
- canoes

In an effort to maintain the serenity and integrity of the area, BBH will employ a marina manager who has documented experience and a commitment to safety and environmental preservation. This person will be charged with all aspects of marina operations and will be responsible for a staff of personnel to operate watersports rentals and management, watercraft launching and inspections, hot washing and inspections of all non-powered watercraft, and daily maintenance of the marina and swimming locations.

BBH believes that reasonable access to on-water fuel is crucial to protecting the environment and maintaining the safety of the community. We commit to supplying the gas pump located in the marina and maintaining reasonable pricing. We will work throughout the contract to incentivise boaters to utilize the marina's pump by offering special pricing for homeowners, rewards programs, and other methods that may work.

ENHANCED SERVICES

Big Blue Hospitality understands that basic services are not sufficient for the Fallen Leaf Lake community. We will commit to continuously introduce new enhanced services and offerings as budget and staff availability allows. Below are some concepts that will be explored to enhance the offerings to the community.

CAFE:

- **Gourmet food offerings such as gourmet sandwiches, hot lunch meals and accompaniments.**
- **Extensive local and elevated wine and beer offerings.**
- **Specialty take-home and dine-in dinners.**
- **Expanded hot breakfast menu offerings.**
- **Expanded grab-and-go menu offerings.**
- **Soda fountain and expanded ice cream/milkshake offerings.**
- **Order ahead/delivery services to the marina/beach.**

STORE:

- **Extensive local and elevated wine and beer offerings.**
- **Focus on offering locally made/sourced souvenirs.**
- **Order ahead/delivery services to the marina/beach or local residents.**
- **Revolving house accounts for residents to ensure convenience.**

MARINA:

- **Expanded marina hours to allow anglers early morning fishing opportunities.**
- **Boat Repair services.**

- **Boat launching/hauling services.**
- **Off-Site temporary and long-term trailer storage.**
- **Addition of a TRPA boat inspection station for powered vessels.**
- **Ferry services to and from the campground area.**
- **Captained vessel charters for guided cruises.**
- **With all appropriate approvals; Movie Nights/Live Music on the beach.**
- **Fishing competitions.**
- **Expanded winter/spring offerings such as guided snowshoe/cross country ski tours.**

Experience

Big Blue Hospitality is locally owned and operated by a family native to South Lake Tahoe. Co-Owner Luke Johnston who would serve as General Manager over the Fallen Leaf Lake contract was born and raised in South Lake Tahoe. In his early 20s, Luke moved from South Lake Tahoe to the San Francisco Bay Area where he took a position at a large corporate theatre organization. During his tenure at Broadway San Francisco, Luke climbed the ranks to become a senior executive managing sales, customer experience and service for almost a decade. After working through the unique challenges of COVID-19 in the live events industry, Luke returned to El Dorado County where he formed Big Blue Hospitality and purchased Tahoe Keys Deli in South Lake Tahoe. Luke's career has been dedicated to exceptional customer experience and service and he has continued that mission in his daily operation of Tahoe Keys Deli for the last 2 years. As a Tahoe local, Luke has the unique opportunity to have visited Fallen Leaf Lake throughout his life and experience the community throughout the years. Luke would depend upon his large network of Tahoe locals to consistently provide the best experience and highest revenue opportunity for the District.

Big Blue Hospitality prides ourselves in being an ethical and productive member of the local community. We strive to employ staff who truly enjoy working with the public and providing the best experience at every touch point. BBH will maintain this goal when employing a team to provide the community of Fallen Leaf Lake consistently top-notch experiences and service.

Acceptance of Lease Terms and Conditions

Big Blue Hospitality accepts the terms and conditions of the lease as indicated in the RFP exhibits. Big Blue Hospitality would appreciate the opportunity to renegotiate the tenancy of the apartment in the store building if it were to become available in the future.

Financial Plan

Big Blue Hospitality has operated Tahoe Keys Deli as a profitable business since acquisition in September 2021. We have secured private investment commitments upwards of the \$500,000 anticipated start-up costs for the Fallen Leaf Lake Marina and Store operation. We are very conscious of the importance of smooth transition and operations to the Fallen Leaf community and the Community Services District. We are also very conscious of the significant monetary and time investment this opportunity will entail and are fully committed to making this opportunity a successful venture for BBH and the District.