



SPECIFICATION

INVITATION TO LEASE	Lake Callide Retreat - Biloela
CLOSING TIME:	7 April 2019

1. INTRODUCTION

Banana Shire is situated in Central Queensland, Australia. The Banana Shire is primarily a rural shire, with its population of approximately 15,742 people spread over 28,577 square kilometres, of which only 27 square kilometres is urbanised. The main population centre is the town of Biloela, with Moura and Taroom being other significant urban centres in the Shire. The region is home to many natural attractions including gorges, rivers and National Parks such as the Glebe Weir, Lake Murphy and Mount Scoria Conservation Parks, and Expedition, Kroombit Tops and Isla Gorge National Parks.

Council is seeking responses from industry specialists in Caravan Park Management or lessees of facility operations or with relative experience; this may include hospitality or tourism industries. The successful tenderer will operate the facility for an initial term of five (5) years with the option of extending / re-negotiating the agreement upon the lessee fulfilling expectations and meeting established KPI's.

The lessee is encouraged to develop and implement additional commercial services to supplement the core activities provided for on the site, with Council approval.

Banana Shire Council expects that responses to this expression of interest should provide sufficiently detailed information necessary to demonstrate capacity for the efficient and effective operation of the Retreat. Council places particular importance on the respondent's ability to work closely with Banana Shire Council and the local community to increase opportunities for Lake Callide Retreat.

Whilst Council has made every effort to make available appropriate and accurate information, it is mandatory that tenderers carryout site visits (Refer clause 4.1) and undertake the necessary due diligence when compiling their responses. Respondents should note that some information included in this document has been provided by existing operators and therefore Council may not be able to guarantee the accuracy of this information.

2. BACKGROUND INFORMATION

Banana Shire Council (the Lessor) is inviting tenders for the lease of Lake Callide Retreat for five (5) years and an option of extending / re-negotiating the lease for a further 5 years or as negotiated subject to the lessee fulfilling expectations and meeting established KPI's.

In addition to access to water based activities on Lake Callide, Lake Callide Retreat is located adjacent to Lake Callide's children's playground in the recreation area.

FACILITIES INCLUDED IN THE TENDER OF MANAGEMENT AND OPERATION OF LAKE CALLIDE RETREAT:

PORTION OF LOTPLAN: LOT 1 ON SP266150 As the attached map (*Appendix A*).

Lake Callide Retreat is a combination of thirty (30) unpowered self-sufficient camping or RV sites, five (5) self – contained cabins and eight (8) powered sites with the potential to house more.

Current Stay Limits

Cabins – up to three (3) months

Powered sites – up to three (3) months

Unpowered self-sufficient - Seven (7) nights

The total area of Lake Callide Retreat is 5.5 hectares with approximately 4 hectares being available for self-sufficient camping.



Plans are in place for Lake Callide Retreat for Council to construct an additional ablution block located more centrally with the inclusion of a laundry room this financial year.

The kiosk and reception is located at the front of the management/lessees accommodation which has a variety of goods and services on offer.

These include:

- Cool drinks and coffees
- Ice cream and chocolates
- Takeaway food such as Chips, Hot pies and sausage rolls
- Ice, Gas bottle exchange
- Kayak, stand up paddle boards, paddle boats, for hire
- Fishing gear, Red Claw nets, fire rings for hire
- Lures and fishing gear for sale

There is capacity to expand the current food and services options to grow and develop the business.



MINIMUM OPENING HOURS

OCTOBER TO FEBRUARY		
	OPEN	CLOSE
Monday to Friday*	8.00am	5.00pm
Saturday, Sunday and Public Holidays	6.00am	6.00pm
MARCH TO SEPTEMBER		
Monday to Friday	8.00am	6.00pm
Saturday, Sunday and Public Holidays	7.00am	6.00pm
APPROVED NON-TRADE DAYS		
Christmas Day Boxing Day		

OCCUPANCY RATES

2018 (first full year percentages)			
January	23.33	July	42.76
February	17.69	August	33.23
March	30.83	September	36.20
April	33.88	October	36.31
May	30.46	November	45.50
June	38.22	December	15.15

* Percentages are a representation of all sites including the 30 self-contained sites. The percentages of the cabins and powered sites are significantly higher.

3. PARTICULARS OF SERVICES

This invitation to lease this facility is being offered in order to seek the most suitable and cost effective operation option for the Lake Callide Retreat facility. Council is seeking these from private, not for profit organisations, community sector groups, individual/sole traders and other parties who can offer some, or all, of the following in a **five (5) year term**:

- To be successful, tenderers will be expected to demonstrate the ability to set service and quality standards, and deliver significant benefits to facility users. Council is specifically interested in tender responses that deliver continuous improvement in the operation of the facilities, which grow and diversify the business and activities on site.
- Council anticipates entering into a **five (5) year agreement** to lease Lake Callide Retreat and an option of extending / re-negotiating the agreement upon the lessee fulfilling expectations and meeting established KPI's for a further five (5) year period.
- Please note that no construction of any proposed facilities additional to the current facilities shall be undertaken without the approval of the Council.
- The proposed agreement of operation and management includes the lessee and Council meeting the below requirements.

3.1 LESSEE/COUNCIL KEY RESPONSIBILITIES FOR ALL LOCATIONS: LESSEE RESPONSIBILITIES:

- Opening Hours:
 - It is expected that the minimum hours identified in "clause 2 Background Information" will be adhered to. Extended trading hours will be at the lessee's discretion ensuring that all customers are provided with available options and services as required.
- Quality Service:
 - Lessee is to ensure that quality service is established which generates a positive image of the entire operation through appropriate staffing levels and hours of business. It is expected that the lessee will be committed to continuous improvement and quality customer service. Framework will be implemented for the monitoring and measuring of performance. This may include:
 - Gathering and monitoring of customer feedback
 - Complaints procedure
 - Internal audits
 - Measurable quality objectives
- Cleanliness and Presentability:
 - The lessee is to maintain a level of cleanliness and presentability of the facilities and staff to ensure the appropriate image is perceived. This can be demonstrated through the collection of customer feedback to be measured and monitored for improvement.
- Services on Site:
 - The lessee will be expected to maintain the current level of services provided at the facility and increase services offered to enable sustainability and growth to improve the business.
- Maintenance of Assets and Facilities:
 - To ensure the safety of staff, customers and visitors an operational maintenance schedule of all assets and facilities is to be implemented. Framework will be required to be adhered to monitor and record maintenance programs.

3.2 BANANA SHIRE COUNCIL'S RESPONSIBILITIES:

- Approval of capital works requests as negotiated;
- Review and management of key operational performance with lessee as part of the tender;
- Management and procurement of planned/programmed asset replacement including condition audits;
- Structural and major capital equipment replacement; and
- Maintenance of asset/building/asbestos/key registers for all Council buildings, plant, equipment, etc.

4. SPECIFIC REQUIREMENTS OF THIS CONTRACT

4.1 LAKE CALLIDE RETREAT FACILITIES

Council anticipates that the successful respondent awarded the lease of the facility will possess or is able to acquire prior to the commencement of the agreement, the applicable skills, knowledge, resources and commitment to successfully deliver quality services at Lake Callide Retreat.

Council anticipates the successful lessee of the facility will actively and regularly engage in the local community, travelers and establish themselves and the venue as a destination to visit.

Respondent's wishing to be considered should ensure that their submission clearly identifies the capacity to manage a Caravan Park / Retreat Facility on a day-to-day.

NOTE:

A Council officer will be available between Monday and Friday from February to 15 March 2019 to undertake escorted inspections of the site and to answer any questions the potential provider may have. These inspections will be on an individual basis and appointments can be made by contacting Dean Smoothy (Land and Lease Management Coordinator) on (07) 49929500 or by emailing enquiries@banana.qld.gov.au.

4.2 EVALUATION CRITERIA

- Financial capacity to manage cash flows over the respective seasons throughout the year;
- Demonstrate capacity to develop and diversify holiday park enterprises;
- High level of confidence in managing risk and regulatory compliance in a Tourist Park or Related Venture.

4.3 PERFORMANCE MEASURES (KPIs), TARGETS AND OUTCOMES

The following have been put in place to ensure the creation of a positive overall perception of Lake Callide Retreat on the experience of customer through their feedback and lessor inspections. The KPI's will be measured to support the option of extending the term of the lease.

- Overall perception of Lake Callide Retreat which will include: that the facilities are well maintained, staff's presentation and customer service, and it is offering value for money.
- Maintenance of the current services offered and the expansion of additional services towards continuous improvement;
- Maintenance of all assets, ensuring maintenance schedules are created and followed and all repairs are actioned within reasonable time frames to meet workplace health and safety;
- Implementation and management of risk management and safety strategies to ensure sustainable operational measures.

4.4 REPORTING REQUIREMENTS

The lessee must keep records and report to Council as per the following:

REPORT (to be received within seven (7) days of the end of each period) including but not be limited to the following information:

- Council owned equipment condition and breakdown reports (**quarterly**)
- Customer feedback (**quarterly**)
- Maintenance activity (**quarterly**)
- Occupancy percentages figures (**monthly**)
- Proposed activities for upcoming months (**quarterly**)
- Marketing activity conducted and planned (**quarterly**)
- Facility inspection checklists (**monthly or as required**)
- Statement confirming all suppliers have been paid in accordance with their trading terms and that the lessee is able to meet all payments as they fall due. (**Monthly**)

All reports are to be submitted electronically in the required format to enquiries@banana.qld.gov.au and addressed to Attention: Land and Lease Management Coordinator.

4.5 TENDER BRIEF

Lease;

- Lessee to pay fees for lease to be drawn up
- Lessee to nominate annual lease fee
- Lessee to compensate Council a percentage of monthly revenue profit to cover rates, water, etc
- Lessee to set accommodation fees that are reasonable and in line with current market values
- Lessee to set Kiosk and hire fees which promotes patronage
- Lessee responsible for operational expenses
- Term 5 years with option to extend
- Accommodation provided
- Purchase of current stock
- Lessee **MUST** hold an ABN

5. TENDER TIMETABLE

Issue request for tender	21 February 2019
Closing date*	5.00 pm 7 April 2019
Evaluation of tender responses* and approvals	9 April 2019
Preferred Start Date*	No later than 15 April 2019

**Dates are subject to alteration by the Lessor at its discretion.*

Tenders are to be submitted via email to enquiries@banana.qld.gov.au

6. IMPLEMENTATION TIMETABLE

It is **mandatory** that all interested parties undertake an escorted site inspection prior to submitting a response / expression of interest (refer clause 4.1). The responses will be short listed and interviews will be arranged and conducted. It is envisaged that the successful respondent/s will be notified once the lease has been awarded. Council will provide suitable information and support to the successful respondents to ensure efficient transition of operation.

Effective commencement date is no later than **30 April 2019**. The successful lessee would be permitted access to the facilities as early as possible after awarding of the contract to assist in establishing procedures and continuity of operation. Council will provide all available information relating to the operation of the facilities.

Note: Submissions will not be accepted from any individual or potential provider who has not undertaken an inspection.

6.1 FACILITY OPERATING HOURS

The minimum office hours to be maintained by the Lessees are to be as outlined in clause 2 Background Information.

6.2 GENERAL MAINTENANCE RESPONSIBILITIES

The lessee must keep the facilities clean and presentable including but not limited to, grounds (including lawns and gardens), pipes, drains, surfaces and gutters, ablution facilities, table and chairs, equipment and any other facilities.

The lessee will generally conduct all general maintenance and repairs except where that maintenance work relates to structural components (buildings) or is otherwise identified as the responsibility of the Council.

6.3 ADDITIONAL IMPROVEMENTS

The lessee may offer to construct additional improvements on the managed area as part of their proposal to Council. Any additional improvements shall become the property of the Council upon construction. The lessee will be responsible for any maintenance, running and replacement costs associated with additional improvements during the term of the Contract. The lessee will be responsible for obtaining all development and other statutory approvals associated with any proposed additional improvements. All proposed improvements will be subject to final approval and sign off by the Council. All improvements made by the lessee, unless otherwise agreed, will immediately revert to Council ownership upon construction or installation.

6.4 EQUIPMENT

An inventory of Council-provided fixtures, fittings and equipment will be provided and will form part of the Facility Operation and Lease Agreement. The lessee must supply and maintain any other equipment required to operate the Facility and meet its obligations under the contract.

6.5 INSURANCE AND INDEMNITIES (REFER TO CLAUSE 2.8 IN PART 3 RESPONSE FORMS)

The lessee must hold the following insurance for the term of the agreement:

- Property (for the lessee's property and additional improvements);
- Public Liability - \$20 million per occurrence;
- Workers Compensation; and
- Any other insurance deemed necessary by the lessee or that is reasonably required by the Banana Shire Council.

6.6 KIOSK

The lessee must conduct the kiosk business and keep the kiosk open for business each day. The lessee has exclusive rights to provide catering and hire equipment at the Lake Callide Retreat. There is capacity to expand the food offerings by agreement with Council.

6.7 CONDUCT OF BUSINESS AND SUPERVISION

The lessee must conduct business honestly and professionally, in accordance with good business practices and so as to retain and enhance the goodwill of the business. The lessee must supervise the facilities in accordance with the Rules and Regulations that form part of the lease agreement.

6.8 MARKETING

The lessee will ensure that the facility is promoted and will not use the Council name, when promoting the facility.

6.9 RULES AND REGULATIONS

The lessee must ensure rules and regulations are in accordance with the Council guidelines and applicable local laws and legislation. The successful lessee agrees to observe and comply with the guidelines, as amended from time to time.

6.10 WORKPLACE HEALTH AND SAFETY (WHS)

The lessee must ensure that the Facility complies with all statutory workplace health and safety obligations.

The lessee must implement an WHS management system to meet the statutory obligations and all aspects of the facility's operation. These include, but are not limited to, working at heights, confined spaces, dangerous goods, hazardous substances, chemical storage and handling, emergency procedures and staff training.

6.11 ENVIRONMENTAL DUTY

The lessee must ensure that the Facility complies with all statutory workplace environmental obligations and shall take all reasonable steps to ensure that Environmental Harm does not occur from the lessee's business activity.

6.12 COMMUNICATION WITH COUNCIL

The lessee is to direct all service problems, enquiries and tax invoices to Council's Corporate and Community Services Department:

Phone: (07) 4992 9500
Email: enquiries@banana.qld.gov.au
Mail: Chief Executive Officer
Banana Shire Council
Attn: Land and Lease Management Coordinator
PO Box 412
BILOELA QLD 4715

The lessee agrees to keep the terms of the Contract confidential between the tenderer and Council at all times and not disclose the terms of the Contract to any other person or entity without the prior written consent of Council.

6.13 INVOICING

The lessee will agree to supply council with a simple profit and loss at the end of each month which demonstrates the gross profit. Council will then issue the lessee with an invoice for the amount of commission to be paid.

6.14 PAYMENT

The lessee must pay the amount due to the Council as stated in the conditions on the invoice. (or such other period as may be mutually agreed in writing between the parties).

Failure by the lessee to pay the amount payable by the due time will not be grounds to invalidate or void the Contract.

7. CONFLICTS OF INTEREST

The lessee warrants that, to the best of its knowledge, information and belief, at the time of signing the Tender that no conflict of interest exists or is likely to arise in the performance of its obligations under the Tender. If, during the execution and completion of the Work, a conflict of interest or risk of such conflict arises because of work undertaken for any person other than Principal, the lessee must promptly give written notice to the Authorised Officer of that conflict of interest or risk of it.

The lessee must take all reasonable measures to ensure that its employees, agents and sub-contractors do not, during the execution and completion of the Work, engage in any activity or obtain any interest, which is in conflict with the execution and completion of the Work for the Principal under the Contract. Any such activity must be disclosed in writing to the Authorised Officer immediately.

The lessee must not engage in any activity, transaction or arrangement that would be likely to result in a Conflict of Interest arising or continuing (including any activity, transaction or arrangement which Council may reasonably view as a Conflict of Interest), unless the Lessee has complied with this clause and Council has given its written approval for the Lessee to engage in that activity.

Where a Conflict of Interest arises in the performance of the lessee's obligations under the Agreement, the lessee must notify Council promptly of the situation, provide any information reasonably requested by Council and follow all reasonable directions by Council about the method for handling the Conflict of Interest.

Without limiting Council's rights, a failure to comply with this clause 7 is a breach of the Agreement and Council may terminate the Agreement in accordance with the contract.

8. CODE OF CONDUCT FOR LESSEES/SUBCONTRACTORS

8.1 FOLLOWING DIRECTION OF MANAGEMENT OR A COUNCIL REPRESENTATIVE

The Lessee agrees to follow all reasonable directions in regards to this contract from Council Management or a Council Representative.

8.2 GIFTS OR BENEFITS TO COUNCIL EMPLOYEES

Tenderers must refrain from providing gifts or benefits to employees or contractors of Council. These gifts and benefits may be seen as an inducement to influence a procurement decision.

8.3 REQUIREMENT TO REPORT FRAUD AND CORRUPTION

Should a tenderer or successful tenderer have reasonable grounds to suspect that an employee or contractor of Council has sought inducements in return for allocation of contracts or work; the tenderer must report the matter to the Chief Executive Officer of the Council or the Crime and Corruption Commission.

8.4 CONFIDENTIALITY

The Lessee agrees to keep confidential, and not to use or disclose, other than as permitted by this Agreement, any Confidential Information of Council provided to or obtained by the Lessee prior to or after entry into this Agreement.

8.5 DISPUTES BETWEEN LESSEES

The Lessee must promptly report in writing to Council any dispute between the lessee and Council that has the potential to affect the performance of the lessee's Services under this arrangement.

8.6 USE OF INAPPROPRIATE LANGUAGE

The Lessee or any lessees employees will conduct themselves in a professional manner at all times and not use any inappropriate language while on any sites, buildings or public place while contracted under this agreement. If reported the Council will take appropriate action.

8.7 VIOLENCE AND THREATS

The Lessee or any lessees employees will conduct themselves in a professional manner at all times and not use any violence or threats against any Council employees or Councillors to intimidate or coerce decisions while on any sites, buildings or public place while contracted under this agreement. If reported the Council will take appropriate action.

8.8 USE OF COUNCIL RESOURCES

The Lessee or any lessees employees shall not use or borrow any Council plant, equipment, materials, or fuel unless authorized by a Council Representative. Use of Council plant and equipment shall only be with the prior written approval of Council's Fleet Manager.

8.9 RELATIONSHIP OF PARTIES

During the term of this Contract, the parties acknowledge and agree that the lessee is an independent lessee and that at no time during the term of this Contract will the relationship of the parties be that of employer/employee, master/servant, principal/agent, or a partnership.

The lessee has no authority to act as a representative or an agent of Council and under no circumstances will the lessee state or suggest to any third party that the lessee is a representative or an agent of Council.

Neither Council nor the lessee has any right to enter into any Contract or commitment in the name of, or on the behalf of, the other or, to bind the other in any respect whatsoever.

9 WORKPLACE HEALTH AND SAFETY

9.1 RISK MANAGEMENT

The lessee is responsible for ensuring all hazards associated with work to be performed have been identified, assessed and appropriate controls implemented prior to any work commencing. This includes undertaking risk assessments as well as the provision of Work Method Statements where required.

9.2 SAFETY TRAINING

The lessee shall be responsible for identifying and providing any Health and Safety training required for work under the Contract.

9.3 NO DRUGS AND ALCOHOL ON SITE

The lessee shall comply with any legislative requirements for Drug and Alcohol Testing and Procedures.

The lessee must ensure that they and their employees, whilst undertaking any work or performing their duties:

- a) Do not consume any alcohol
- b) Are not intoxicated or under the influence of any drug which impedes their ability to safely and efficiently perform any services or duties.

10 LESSEE PERFORMANCE ASSESSMENT

The Lessor will continually assess the lessee performance and will issue notices under the following 2 categories:

10.1 LESSEE IMPROVEMENT NOTIFICATION

A lessee Improvement Notification may be issued at any time by an authorized Council Officer if they believe, acting reasonably, that one or more of the following issues need to be addressed by the lessee:

- Continual Plant/Equipment breakdowns;
- Failure by the lessee to maintain grounds and garden to The level as per recommended guidelines;
- Failure by the lessee to undertake maintenance as required by the Lessor;
- Failure by the lessee to maintain minimum opening hours;
- Failure by the lessee to provide minimum services or activities;
- Failure by the lessee to comply with the Lessors requirements for cleanliness;
- Failure by the lessee to comply with the Lessors environmental regulations;
- Failure to comply with the Specifications of the Tender;
- Lessees failure to comply with work health and safety regulations;
- Lessees lacking in skill and performance;
- Lessee unfit for work;

A lessee Improvement Notification Form will be issued to the lessee and a copy will be sent to the lessee within Seven (7) days of issuing the form accompanied by a letter from Council's Chief Executive Officer ("the CEO") inviting feedback from the lessee. This form will only be issued against a particular item of Plant/Equipment or a specific lessee. Council may require that the offending lessee or item of Plant/Equipment be substituted (if available) or stood down until the problem is fixed. Three lessee Improvement notices issued to the lessee or an lessee engaged by the lessee will result in a Non-Conformance Notice being issued to the lessee.

10.2 NON-CONFORMANCE NOTICE

Non-Conformance notices shall be issued to a lessee for the following:

- If Council has previously issued three lessee Improvement notices to the lessee or a sub-lessee engaged by the lessee
- Failure of lessee or its lessees to comply with work health and safety regulations;
- In the event of a major incident or significant damage to Council equipment or facilities occurring in which the lessee's actions or inactions or the lessee/s are found to be at fault;

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Non-Conformance Notices will only be issued by the Senior Council Officer and will be signed by the CEO. Once a Non-Conformance Notice has been issued a Show Cause notice from the CEO will be sent to the lessee requesting details of proposed corrective and preventative actions. If a second (2nd) Non-Conformance is issued during the term of the contract then that contractor will be removed from the panel of preferred lessees for the duration of the contract.

10.3 UNRESOLVED NON-CONFORMANCE NOTICE

The Lessor will not engage lessees with unresolved Non-Conformance Notices.

Last Modified On:	03/07/17
Last Modified By:	DRC