



Commonwealth of the Northern Mariana Islands
Office of the Governor
DEPARTMENT OF PUBLIC LANDS



RFP25-RED001
MANAGAHA MASTER CONCESSIONAIRE
QUESTIONS & RESPONSE

- Question:** The RFP states a minimum annual rent of \$300,000. In the event that no proposals are submitted under these terms, would there be a possibility of adjusting the amount? The reason I ask is that based on current projections, the tourism industry in Saipan is recovering slowly, with only 2-3 flights arriving per day. In this situation, it may not be feasible for an operator to meet the current rent condition.
- Response:** The minimum annual rent as stated in the RFP Information Packet is \$300,000. Bidders may propose a higher amount; however, any amount below the minimum is considered non-responsive and may be disqualified.
- Questions:** If adjustments are considered, is it possible for DPL to accept a higher BGR (Business Gross Receipts) percentage in exchange for a lower base rent? or is the \$300,000 minimum rent amount non-negotiable under any circumstances?
- Response:** DPL will not accept a higher BGR percentage in lieu of a lower minimum annual rent. Bidders may propose a higher BGR percentage rate; however, if a lower annual rent is proposed than that of the minimum requirement, it will be considered non-responsive to the RFP and may be disqualified.
- Question:** Is there a required minimum capacity or size for the boats that provide round-trip transportation to and from Managaha Island?
- Response:** The RFP does not require a minimum capacity or size of vessel; however, § 145-30-110(a)(5) and (c) DPL's Commercial Use of Managaha Island Rules and Regulations provides that the Concessionaire shall reserve 20% of its seating capacity for local residents.
- Question:** Could you kindly provide an estimate monthly or annual cost for the reimbursable categories listed in the RFP?
- Response:** The average reimbursement amount per quarter is \$80,743.68. This amount varies based on daily activities, number of visitors and emergency operation expenses.
- Question:** Could you please clarify the exact scope of infrastructure maintenance on the island. For example, the RO system and generators appear to be quite outdated. Would the selected concessionaire be required to cover the full cost of replacing such aging equipment?

Response: As indicated in the RFP, DPL will reimburse 50% for the cost of maintenance of infrastructure and equipment. DPL acknowledges that the equipments are outdated and will eventually need to be replaced or upgraded. Any replacement or upgrade to the infrastructure or equipment needs to be approved by DPL and may be considered under the 50% reimbursable cost.

Question: Please provide the total number of visitors per year to Managaha from Y2021 – 2024 (we are looking for the visitors who paid the landing fee upon entry to the island)

Response: Year 2021 - 2,131
Year 2022 - 50,847
Year 2023 - 139,988
Year 2024 - 141,196

Question: To operate Managaha as Master Concessionaire, what are the necessary licenses and permits that the Master Concessionaire must apply for?

Response: Permits, licenses and certifications for the overall management and operation of Managaha Island will be the responsibility of the Master Concessionaire. Below is a list of several permits and licenses that the Concessionaire may needed to operate the facilities and equipment on Managaha Island, but not limited to:

1. Business Licenses for each service: food and drinks, beach concession, gift shop, recreational, etc.
2. Building Permits: DPW Occupancy Permit, Bureau of Environmental and Coastal Quality (BECQ), DFEMS Fire Safety Permit, Public Health Sanitation Permit, etc.
3. Equipment Permits: United States Environmental Protection Agency , BECQ, etc.
4. Landscaping and Maintenance: DLNR, BECQ, etc.
5. Food and Beverage Service: Food Handlers, Sanitation Permit, ABTC, etc.
6. Water Sports: Division of Coastal Resources Management (DCRM)

Question: Will you allow installation of additional lighting outside of the exclusive concession area (ECA) pathway/trails? Are there any recommended or per-approved specifications for the lighting modules?

Response: Although DPL may allow installation of additional lighting outside the Exclusive Concession Area, additional development or expansion is discouraged. Concessionaire must submit an installation plan for review and approval. Costs associated with the installation may not be considered as a reimbursable.

Question: Will you allow installation solar panels (within and outside of ECA)?

Response: Although DPL may allow installation of additional lighting outside the Exclusive Concession Area, additional development or expansion is discouraged. Concessionaire must submit an installation plan for review and approval. Costs associated with the installation may not be considered as a reimbursable.

Question: Will you allow modifications/repairs of existing pavilions within and outside of the ECA?

Response: Any and all repairs of existing facilities and structures within and outside of the ECA must be approved by DPL. Costs associated with improvements may not be considered as a reimbursable cost as indicated in the RFP.

Question: Will you allow installation of non-permanent structures within and outside of the ECA?

Response: DPL may approve installation of non-permanent structures within the ECA; however, DPL discourages any further development or expansion outside of the ECA.

Question: Will additional construction of new structures/concession be allowed within and outside of the ECA that will be tied up to the island's existing equipment (ie. Generator, waste water treatment and RO System)?

Response: DPL may approve additional construction/improvements within the ECA upon submission and evaluation of the construction plan. If approved, Concessionaire will be responsible for the processing of all permits and licenses and costs related to the project may not be reimbursable.

DPL discourages any further development or expansion outside of the ECA.

Question: Will Glamping structures be permissible?

Response: Glamping falls under camping activities which are regulated and approved by DPL through a permit. Permittees may set up equipments that are portable and removable upon expiration of the permit.

Question: Will you allow landscaping of vegetation on targeted locations within the island? If yes, are there any limitations in the type of foliage that can be brought in and planted around the island?

Response: DPL may allow landscaping of vegetation as indicated in the RFP; however, such activity may require approval from other regulatory agencies.

Question: Are battery operated water sports equipment allowed (ex. Fun Catamaran)?

Response: Allowable water sports equipments are listed in the RFP Information Packet. All water sports activities must be approved by BECQ's DCRM.

Question: Will you allow rental of solar powered water sports equipment?

Response: Allowable water sports equipments are listed in the RFP Information Packet. Equipments not listed may require the approval of BECQ's DCRM.

Question: Is there a cap/limit to the number of water sports equipment in the island (for Fun Catamaran?)

Response: DPL does not have jurisdiction over water activities and is not aware of any cap or limit to water sports activities. Please inquire with BECQ-DCRM.

Question: Will additional beach activities on the East Side of the island permissible?

Response: The Concession permit only allows for revenue-generating activities inside the ECA. No revenue-generating activities outside the ECA is allowed.

Question: Is there a timeline for Master Concessionaire to be in operation after being awarded as the operator for Managaha?

Response: Upon the commencement of the Concession Agreement, DPL will begin to charge the Concessionaire the rental fee. In order to maximize revenue, we encourage the Concessionaire to immediately operate as of the commencement date of the agreement.

Question: It was mentioned during the pre-proposal tour that an uninstalled RO System is on site, if awarded as MC for Managaha, will this unit be available to MC for installation at Managaha if necessary?

Response: The RO system installed by the former Concessionaire is inoperable. Currently, DPL has two RO System on Managaha. One is operable and the other is undergoing repair works.