

## Memorandum

## P.O. Box 4100 ♦ FRISCO, COLORADO 80443

TO: MAYOR AND TOWN COUNCIL

FROM: LOGAN SNYDER, MARINA GENERAL MANAGER

RE: HISTORIC BOAT TOURS CONCESSIONAIRE AGREEMENT AND LICENSE

DATE: MARCH 14, 2023

**<u>Summary and Background</u>**: Attached for Council review is a new concessionaire agreement for historic boat tours on Dillon Reservoir.

Lake Dillon Boat Rides, LLC, (LDBR), will offer two-hour captained scenic tours of Lake Dillon aboard a traditional or classic motor yacht. Also, private charters will be offered. Both tours and charters will be run by either the owner or qualified part-time employees of LDBR who meet DRReC and Town of Frisco requirements along with other additional requirements and certifications required by LDBR.

Tours will depart from Frisco Bay Marina's transient dock and return to the same location at the conclusion of the tour. During low water, LDBR may use a tender or launch to transport passengers to its vessel(s) located at a Frisco Bay Marina deep water mooring.

Tour types may operate under various themes, such as

- Scenic & Historical
- Nature & Ecology
- Astronomy & Stargazing
- Local Music

All LDBR tours will emphasize at least one of the following themes:

- The education of passengers about all Summit County its history and present day
- The creation of awareness of other Summit County small businesses
- The peaceful exhilaration of being on an alpine lake surrounded by nature and stunning panoramic views of the surrounding peaks

While the tours are intended to be a relaxing escape from life onshore, LDBR intends to provide more than just a boat ride service. The splendors of Summit County warrants professional storytelling. Tours will typically offer narratives to help create a memorable experience for passengers.

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Over time, LDBR would like to partner with local small businesses such as:

- The Island Grill along with other eateries for "carry out, carry on-board" tour provisions
- Microbrew and spirits tasting tours hosted by local breweries and distilleries (pending liquor license)
- Special musical guests performing on the tour vessel
- Coffee & Dessert
- Others TBD based on interest and availability of local businesses participating as featured tour co-hosts

LDBR will not provide or serve food. However, it would like to offer BYO option for tour passengers and/or partner with local eateries that could provide carry-out food for tours as noted above.

LDBR will not provide or serve alcoholic beverages. However, it would like to partner with local establishments that could provide beverages for the purposes of "tasting tours" as indicated above.

LDBR may eventually sell blankets or fleece pullovers (for those passengers that don't dress appropriately on chillier days) and other memorabilia.

LDBR may brand its vessel(s) with flags, banners, or decals advertising the business.

**Analysis:** The applicant and founder of LDBR, Tobin Hamer, has secured a special use permit from DRReC to operate this business on Dillon Reservoir. He also has over 35 years of powerboating and sailing experience on inland lakes, the Great Lakes, and coastal waters of both U.S. coasts. He has owned several power and sailing vessels ranging in size from 15 to 27 feet. In addition to the required certifications for this application, Mr. Hamer is also a US SAILING certified Level I and Basic Keelboat Instructor. He has taught over 100 on-the-water sailing classes, most recently as an instructor for Community Sailing of Colorado. Mr. Hamer is also a member of the Denver Sailing Association and Dillon Yacht Club, and plans to join the Summit Chamber upon receipt of a permit.

In addition to his sailing and boating experience, Mr. Hamer's business experience makes him uniquely qualified to own and operate LDBR. He is a former two-time small business owner (both sailing related) and has spent his career working as a sales and business development professional.

Staff feels that the services proposed by LDBR are a prudent and economical means to offer an additional marina amenity. No other companies have come forward inquiring about offering this service at the marina. Staff has looked into offering this service 'in house' but initial costs, coupled with the need for staff with specialized skills, makes this agreement a better choice.

Please note the attached concessionaire agreement has been modeled off of other similar agreements at the marina.

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**<u>Financial Impact</u>**: Approval of the attached amendment will have no financial impact to the budget. Concessionaire shall pay the following fees each year:

- Concessionaire shall pay 4% of all Gross Revenues Collected to Frisco.
- Concessionaire agrees to pay full price for all service work, Slips, Moorings, Dry Storage, and Winter Storage.

<u>Alignment with Strategic Plan:</u> Approval of this agreement aligns with the Town's goals of supporting a Thriving Economy as Lake Dillon Boat Rides, LLC is locally owned and operated, and is visited by locals and visitor alike.

**Environmental Sustainability:** LDBR intends to equip its vessels, when applicable, with solar panels for maintaining house batteries. Power-driven tours will maintain low speeds for the majority of all tours to conserve fuel and minimize emissions. LDBR intends to offer a fully electrically-powered tour vessel at some point in the future. This vessel will be powered by sustainable electrical power stored in batteries that are recharged, at least in part, by solar panels.

**<u>Staff Recommendation</u>**: Staff recommends that Council approve this Concessionaire Agreement and License between the Town of Frisco and Lake Dillon Boat Rides, LLC. Mr. Hamer will be present at the meeting to introduce himself and share the details of his operations, as needed, and answer any questions Council may have.

## Approved By:

Tom Fisher, Town Manager Diane McBride, Assistant Town Manager Leslie Edwards, Finance Director

## Attachments:

Attachment 1 – Concessionaire Agreement and License with Lake Dillon Boat Rides, LLC