

REQUEST FOR QUALIFICATIONS

FOR A
TEMPORARY CONCESSION CONTRACT
providing

Lodging, Retail, and Food & Beverage Services

Within
Canyon De Chelly National Monument
Temporary Concession Contract TC-CACH001-13

Department of the Interior

National Park Service



REQUEST FOR QUALIFICATIONS

Pursuant to the National Park Service Concessions Management Improvement Act of 1998, Public Law 105-391, the Director of the National Park Service may award non-competitive temporary concession contracts for consecutive terms not to exceed three years in the aggregate.

White Dove, Inc. (White Dove) has informed the National Park Service (NPS) that it does not want to continue operating under Concession Contract No. CC-CACH001-84 at the Thunderbird Lodge within Canyon de Chelly National Monument (the Monument) effective December 31, 2012. To avoid interruption of visitor services, and to allow the park and region sufficient time to award a long-term concession contract, approval was granted to award a Temporary Concession Contract not to exceed three years, beginning January 1, 2013.

The NPS anticipates awarding a temporary concession contract to provide required lodging, food and beverage and retail services. Motorized vehicle tours will not be an authorized service under the Temporary Contract.

The NPS issues this Request For Qualifications (RFQ) to determine if an interested operator is qualified to provide services as described herein. The NPS is issuing this RFQ to obtain information about the experience and financial capability of entities willing to provide the described visitor services within Canyon de Chelly National Monument. While responses do not constitute offers, the Service plans to rely, in part, on the information provided as a basis for selecting the temporary concessioner.

This RFQ does not constitute a REQUEST FOR PROPOSAL (RFP), nor does it constitute an offer, either express or implied.

In this document, the entity providing information to the Service in response to this RFQ is referred to as the "Submitter". When the pronouns "you and yours" are used, those refer to the Submitter.

Responses Considered a Public Document

The NPS considers all information submitted in response to this RFQ as public documents.

If the Submitter believes that your response contains trade secrets or confidential commercial or financial information exempt from disclosure under the Freedom of Information Act, you must mark the cover page of the response with the following legend:

CONFIDENTIAL: The Submitter requests this information not be disclosed to the public, except as may be required by law.

The NPS will not make public such information so identified in accordance with law.



REQUIRED VISITOR SERVICES

Services in Temporary Draft Contract (TC-CACH001-13)

		Temp Contract CACH001-13
Lodging – 69 Rooms		Required
Food Service – Cafeteria		Required
Retail		Required



Temporary Draft Contract

IN COMPLIANCE WITH 36 CFR § 51.5, THE NPS PROVIDES THE FOLLOWING INFORMATION ABOUT THE MINIMUM REQUIREMENTS OF THE TEMPORARY DRAFT CONCESSION CONTRACT¹:

1. The minimum acceptable franchise fee is .55% of annual gross receipts.
2. The term of the Temporary Draft Contract is 3 years.
3. No Concessions Facilities Improvement Program is required under the Draft Contract.
4. No Repair and Maintenance Reserve is required under the Draft Contract.
5. The minimum measures that the Concessioner must take to ensure the protection, conservation, and preservation of the resources of Canyon De Chelly National Monument are set forth in federal law, specifically in Title 16 United States Code, federal regulations, 36 CFR Part 51, and in the Draft Contract including all of its exhibits and attachments.
6. Other minimum requirements that the Temporary Draft Contract specifies are set forth in the Draft Contract, including all of its exhibits and attachments.
7. A description of the facilities and services provided by the NPS to the Concessioner are set forth in the Draft Contract, including its exhibits and attachments.

1 The Temporary Draft Contract will be released under separate cover. The National Park Service anticipates that the Temporary Draft Contract will be released for review on or before September 26, 2012.



The National Park Service and Its Mission

America's National Park Service was created by Congress to:

...conserve the scenery and the natural and historic objects and the wild life therein, and to provide for the enjoyment of the same in such a manner and by such means as will leave them unimpaired for the enjoyment of future generations. (16 U.S.C. §1)

Additionally, the Congress has declared that the National Park System should be:

...preserved and managed for the benefit and inspiration of all the people of the United States. (16 U.S.C. §1a-1)

To learn more about the National Park Service, visit our website at www.nps.gov. This site includes information about who we are, our mission, and policies, and information on individual park units.

Canyon De Chelly National Monument Overview

Established as a national monument in 1931, Canyon De Chelly offers visitors a unique opportunity to experience the natural wonder of the canyon and the historic traditions of the Navajo people. The canyon itself is the second longest in the United States (after the Grand Canyon). During the spring months, snow melt from the Rocky Mountains flows through the canyon, creating a river that, over time, cut the canyon from the plateau area that surrounds it. The sheer face of the canyon wall reaches 1,200 feet in many places, and is a rainbow of oranges, red and beige stones.

In addition to its natural beauty, Canyon de Chelly is also known as one of the oldest, continuously inhabited sites in the United States. Anthropological studies have found evidence of canyon occupation dating back as far as 5,000 years ago.

The Navajo Nation is the landowner of Canyon de Chelly. The NPS has an agreement with the Navajo Nation to manage canyon visitation and the fragile natural resources that exist within the canyon. Canyon de Chelly covers approximately 84,000 acres in the northeastern area of Arizona. There are numerous other attractions and activities within a 200-mile radius, including national parks and recreation areas (Mesa Verde, Glen Canyon, Petrified Forest), the Four-Corners areas (the confluence of Arizona, New Mexico, Colorado and Utah), and Monument Valley, a unit of the Navajo Nation park system.

Additional information about Canyon De Chelly National Monument can be found at <http://www.nps.gov/cach/index.htm>

MARKET AREA OVERVIEW

Local Market Area: Chinle, AZ

The town of Chinle, the second largest in the Navajo Nation, is adjacent to Canyon De Chelly national Monument. 2010 Census data indicates a population of 4,518. Canyon De Chelly is the primary attraction in Chinle. The economy of the town is heavily dependent on Canyon de Chelly visitors. Chinle is a relatively long drive from any airport – the town is 141 miles from Cortez, CO, 185 miles from Durango, CO and 149 miles from Farmington, NM. Due to the travel distance from major airport and population centers, Canyon de Chelly is subject to changes in leisure travel trends.

Accommodations

In addition to the Thunderbird Lodge, Chinle offers two other lodging options for visitors to the area: Best Western Canyon De Chelly Inn (104 rooms) and Holiday Inn Canyon De Chelly (108 rooms).



Restaurants

Food and beverage options are somewhat limited in Chinle. The Best Western and the Holiday Inn each have full-service restaurants. The Thunderbird Lodge offers a cafeteria-style dining option with a supplementary a la carte menu. There are other fast food and locally owned restaurants as well.

Retail Supply

The Navajo people's traditions provide an array of woven rugs, souvenirs and turquoise and silver jewelry. Each of the lodging operations has an associated retail shop. In addition, visitors to Canyon de Chelly are given numerous opportunities to purchase items from vendors while visiting the Monument.

EXISTING CONCESSION OPERATIONS

Current Visitor Services

The following visitor services are offered by the current concessioner:

- Lodging
- Food and Beverage
- Retail
- Interpretive Tours

Lodging

The 74-room Thunderbird Lodge is open year round. The rooms are contained in several buildings which were originally constructed in the 1920s, 1940s, 1960s and 1980s. The rooms are of varying levels of finish, size and configuration. The units are served by a central check-in facility and are situated within walking distance to the check-in desk, the cafeteria and retail store,

Food and Beverage

The current concessioner's food and beverage consists of a cafeteria-style dining room that serves breakfast, lunch and dinner.

Guests may choose items from the cafeteria line or order items to be freshly made from an a la carte menu. Each meal period typically offers at least one traditional Navajo food item and no alcohol is served/sold. The food and beverage operation operates year round.

The cafeteria building is one of the oldest buildings on the property, and it was once used a trading post. The current concessioner extends the retail operation into the cafeteria by displaying woven rigs, paintings, and other souvenir items throughout the cafeteria.

Retail

The existing concessioner offers souvenirs, and Native-American arts and crafts including jewelry, rugs, yarn for weaving, and other merchandise.

Interpretive Tours

The existing concessioner offers half-day and full-day motorized tours of Canyon de Chelly.



Exhibit 2: Historic Gross Receipts Canyon De Chelly National Monument

Department	2011	2010	2009
Lodging	\$ 1,355,177	\$ 1,294,872	\$ 1,311,539
Food Service	\$ 985,163	\$ 1,075,081	\$ 1,117,381
Retail- Souvenirs	\$ 408,030	\$ 396,843	\$ 511,065
Guided Tours	\$ 643,898	\$ 666,679	\$ 756,438
Total Gross Receipts	\$ 3,392,268	\$ 3,433,475	\$ 3,696,423

Source: National Park Service

Information on Operating Conditions

All facilities are open year-round with the busiest period occurring between April and October.

Future Operations

The Draft Temporary Contract will include lodging, food and beverage and retail. It will not include any motorized vehicle tours. Please note the room count will be reduced to 69 rooms under the Temporary Contract. This is the case because the Superintendent's Residence and Lodge Rooms 3, 4, 5 & 7 will be removed from the concessioner's assignment for use by the NPS.

During the term of the Temporary Contract, the operator will not have an opportunity to incorporate new services or facilities. All new investments, other than personal property, will be undertaken by the National Park Service.

Essential operating and maintenance requirements for each required service are provided in the Operating and Maintenance Plans that are a part of the Draft Contract.

GENERAL UTILIZATION AND OPERATING DATA

Exhibit 3: Monthly Visitation Statistics, Canyon De Chelly National Monument

Month	2011		2010		2009	
	Recreational Visits	Concession Lodging	Recreational Visits	Concession Lodging	Recreational Visits	Concession Lodging
January	54,563	1,144	54,232	1,000	54,579	1,128
February	44,424	1,101	44,205	1,350	43,536	1,469
March	61,879	1,945	61,933	2,057	63,235	2,243
April	74,912	2,519	74,913	2,719	75,190	3,184
May	76,441	3,074	78,388	3,360	68,590	3,497
June	90,506	2,663	90,385	2,847	91,479	2,646
July	94,802	2,299	94,843	2,517	94,477	2,444
August	95,149	2,719	95,278	2,742	95,631	2,807
September	94,022	2,712	92,198	2,977	104,891	3,117



October	53,258	2,722	53,967	3,001	48,289	3,403
November	47,221	1,182	46,958	1,608	46,053	1,968
December	40,968	1,066	39,947	1,185	40,475	1,266
Total	828,145	25,146	827,247	27,363	826,425	29,172

Visitation Statistics Source: National Park Service. Lodging statistics provided by current concessioner.

<http://www2.nrintra.nps.gov/impurl>

INVESTMENT ANALYSIS

Value of Possessory Interest / Leasehold Surrender Interest

The incoming concessioner must purchase \$ 2,984,099 in possessory interest from the existing concessioner. This will become the initial Leasehold Surrender Interest for the Temporary Contract. Details about Leasehold Surrender Interest are included in Exhibit A of the Draft Temporary Contract.

Personal Property

The incoming concessioner must purchase personal property from the existing concessioner. The estimated value of personal property to be sold and transferred to the successor concessioner is \$650,000. This total includes furniture, fixtures, and equipment. As motorized tours will not be authorized in the Temporary Contract, the incoming concessioner is not required to buy the vehicles associated with the tours (neither the historic or modern vehicles); however, there are some vehicles that the incoming concessioner will be required to purchase. This total is only an estimate, and the determined value could differ from the estimate based on final negotiations with the existing concessioner. Merchandise (inventory) and supplies are also considered "other property" under the Existing Contract, and must be sold and transferred to the successor concessioner.

New Personal Property Investment

The incoming concessioner will be required to purchase a point of sale system to manage food and beverage sales as well as retail sales. This system is estimated to cost about \$104,000. The system to be purchased will be approved by the NPS prior to purchase.

Start-Up Expenses

Prior to, and just following inception of the Draft Temporary Contract, the new Concessioner will need to make a one-time investment in a range of activities to start operations. These activities include staff recruitment, training, IT implementation, legal and administrative support services, marketing and advertising beyond normal annual expenditures, and purchase of initial inventory and operating supplies. An NPS estimate of the investment the new Concessioner will need to make in Start-Up costs are shown below.

Estimate of Initial Investment

A breakdown of the initial investments estimated to be made by the incoming concessioner is presented in the following table. This is only an estimate; the submitter must make its own financial determination of the investment required to support the Required Services.



Exhibit 4: Estimated Initial Investment, Canyon De Chelly National Monument

Estimated Investment	Amount
Possessory Interest	\$ 2,984,099
Estimated Purchase of Personal Property from Existing Concessioner	\$ 650,000
Estimated Purchase of Point of Sale System	\$ 104,000
Estimated Start-up Expenses	\$ 68,132
Estimated Inventory & Working Capital	\$ 315,150
Total Estimated Initial Investment	\$ 4,137,282

Source: National Park Service

Submitters should not rely on NPS financial estimates in preparing and submitting proposals in response to this Prospectus

FRANCHISE FEE

The minimum franchise fee under the Draft Temporary Contract is .55% of the Concessioner's annual gross receipts for the term of the Temporary Contract.

TERM AND EFFECTIVE DATE OF THE DRAFT TEMPORARY CONTRACT

The Draft Temporary Contract is for a term of three (3) years beginning on its effective date, which is estimated to be January 1, 2013. The effective date of the Draft Temporary Contract is subject to change prior to Contract award if determined necessary by the NPS. The expiration date of the Draft Contract will be changed to continue the same term length from any adjustment to the effective date

INFORMATION SOUGHT

To determine the qualifications of those interested in providing the services under the Temporary Concession Contract, this RFQ solicits information concerning the Submitter's:

- Financial capacity
- Business Organization
- Applicable experience
- Personnel
- Ability to mobilize to commence operations

Please provide a thorough response to all of the information solicited below:



Financial Capacity

DEMONSTRATE THAT YOU HAVE A CREDIBLE, PROVEN TRACK RECORD OF MEETING YOUR FINANCIAL OBLIGATIONS BY PROVIDING THE FOLLOWING:

- 1) The completed Business History Information form provided at the end of this section.
- 2) Audited financial statements for the two most recent fiscal years, with all notes to the financial statements. Financial statements should be provided for the Submitter AND all parent companies. Personal financial statements must be provided for any owners of a sole proprietorship or general partners within a partnership, and members of a limited liability company.

-OR-

If audited financial statement are not available or not representative of your financial history, present an explanation in sufficient detail to enable a reviewer to fully understand the reasons why audited financial statements are not available (for example, if reviewed statements were submitted instead of audited statements, include an explanation as to why the statements were reviewed and not audited). In addition, provide compelling evidence/documentation, accompanied by descriptions, of your financial track record of meeting your financial obligations.

- 3) A CURRENT credit report (within the last six months) in the name of the Submitter from a major credit reporting company such as Equifax, Experian, or Dunn & Bradstreet.



Business Organization

On the following forms, clearly disclose the Submitter’s business entity and organizational structure as applicable.

FORM 1

BUSINESS ORGANIZATION INFORMATION CORPORATION, LIMITED LIABILITY COMPANY, PARTNERSHIP OR JOINT VENTURE

Complete separate form for the submitting business entity and any and all parent entities).

Name of Entity and Trade-name, if any	
Address	
Telephone Number	
Fax Number	
Email Address	
Contact Person	
Title	
Tax ID#	
State of Formation	
Date of Formation	

OWNERSHIP	PERCENTAGE OF OWNERSHIP INTERESTS	CURRENT VALUE OF INVESTMENT
Names and Addresses of those with controlling interest and key principals of business		
Total Interests Outstanding and Type(s):		

OFFICERS AND DIRECTORS OR GENERAL PARTNERS OR MANAGING MEMBERS OR VENTURERS	ADDRESS	TITLE AND/OR AFFILIATION

Attach the following:

- Description of relationship of any and all parent entities to the Submitter with respect to funding and management.

FORM 2
BUSINESS INFORMATION
INDIVIDUAL* OR SOLE PROPRIETORSHIP

Name of Individual and Tradename, if Any**	
Address	
Telephone Number	
Fax Number	
Email Address	
Contact Person (if other than the Submitter)	
Tax ID #	
Years in Business (of same type as required service(s))	
Current Value of Business	
Role in Providing Concession Service(s)	

*Due to difficulties determining authority to act and ownership, the Service will not accept a proposal from a husband and wife jointly as a purported business entity. Either one individual must serve as the Submitter or the husband and wife must form a corporation, partnership, or limited liability company to serve as Submitter.

**If the sole proprietorship acts under a name other than that of its owner (i.e., does business as "company name"), also add the jurisdiction where the company's trade name is registered, if any.



BUSINESS HISTORY INFORMATION FORM

Business history information should be provided for the Submitter AND all parent companies.

The information provided below is for the entity: _____

- 1) Has Submitter ever defaulted from or been terminated from a management or concession contract, or been forbidden from contracting by a public agency or private company?

YES NO

If YES, provide full details of the circumstances.

- 2) List any Foreclosures, Bankruptcies, Transfers in Lieu of Foreclosure, and/or Work-Out/Loan Modification Transactions during the past five years. (If none, then so indicate). Attach an explanation of circumstances, including resolution, bankruptcy plan, and/or other documentation as appropriate.

Name of Property	City/State	Property Type	Approximate Loan Amount	Lender	Year of Event

- 3) Describe any pending litigation or current lawsuits (other than those covered adequately by insurance) which if adversely resolved would materially impact the financial position of the Submitter.

CERTIFICATE OF BUSINESS ENTITY OFFEROR

(Offerors who are individuals should skip this certificate)

I, _____, certify that I am the _____ of the [specify one] corporation/partnership/limited liability company/joint venture named as Offeror herein; that I signed this proposal for and on behalf of the Offeror, with full authority under its governing instrument(s), within the scope of its powers, and with the intent to bind the entity.

NAME OF ENTITY: _____

BY _____ DATE _____
(Type or Print Name)

ORIGINAL SIGNATURE _____

TITLE _____

ADDRESS _____

CERTIFICATE OF INDIVIDUAL/SOLE PROPRIETORSHIP

I, _____, certify that I am the _____ of the [specify one] corporation/partnership/limited liability company/joint venture named as Offeror herein; that I signed this proposal for and on behalf of the Offeror, with full authority under its governing instrument(s), within the scope of its powers, and with the intent to bind the entity.

NAME OF ENTITY: _____

BY _____ DATE _____
(Type or Print Name)

ORIGINAL SIGNATURE _____

TITLE _____

ADDRESS _____

APPLICABLE EXPERIENCE

Using no more than five (5) pages (8.5 X 11 inches; 1 inch margins; 10 point or larger font), provide a description of your experience in the operation and management of lodging, food and beverage and retail.

1. Name of entity providing the services
2. Location where the services is/was provided
3. Amenities and other related services offered in this operation
4. Role of the Submitter in providing the service
5. Number of years in this operation.
6. Annual revenue earned from these services during the past three (3) years or operating seasons.
7. Authority to operate and experience operating on Navajo Nation lands.

PERSONNEL

The existing concessioner employs many local residents who are Navajo people. It is crucial to continue this practice to the greatest extent possible.

Describe your staffing plan, including use of existing and projected additional personnel necessary to provide the services and meet all terms and conditions of the Draft Temporary Concession Contract using no more than three (3) pages (8.5 X 11 inches; 1 inch margins; 10 point or larger font).

Using no more than one (1) page, describe you experience hiring, training and managing a predominately Navajo workforce in lodging, food and beverage and retail operations.

ABILITY TO MOBILIZE TO COMMENCE OPERATIONS

Using no more than three (3) pages (8.5 X 11 inches; 1 inch margins; 10 point or larger font) describe your plan (including a timeline) to mobilize your resources to begin providing the required services described in the Draft Temporary Concession Contract. Please understand that it is of the utmost importance to the Service that the concessioner mobilize as quickly as possible to avoid an interruption in visitor services.

DEADLINE FOR SUBMITTING INFORMATION

The Service must receive your response no later than 4:00PM MDT on October 15, 2012. Please send your information to:

Jennifer Parker, Chief of Concessions
National Park Service
Intermountain Region
12795 W. Alameda Parkway, Suite 206
Lakewood, CO 80228
Email Address: Jennifer_Parker@nps.gov

