

PROPOSAL PACKAGE

CC-BLRI002-13

Department of the Interior

National Park Service
Blue Ridge Parkway

**Proposal to Operate Craft Sales, Retail and Limited Food and Beverage Services the Northwest
Trading Post**

PROPOSAL SUBMISSION TERMS & CONDITIONS

- 1) The Offeror's Transmittal Letter set forth below indicates your acceptance of the terms and conditions of the concession opportunity as set forth in this Prospectus. It indicates your intention to comply with the terms and conditions of the Contract. **The letter, submitted without alteration, must bear original signatures and be included in the Offeror's Proposal Package.** The National Park Service (Service) will review the entire Proposal Package to determine whether your proposal in fact accepts without condition the terms and conditions of this Prospectus. If not, your proposal may be considered non-responsive, even though you submitted an unconditional Offeror's Transmittal Letter.
- 2) The Proposal Package is drafted upon the assumption that an Offeror is the same legal entity that will execute the new concession Contract as the Concessioner. If the entity that is to be the Concessioner is not in existence as of the time of submission of a proposal, the proposal must demonstrate that the individual(s) or organization(s) (hereinafter Offeror-Guarantor) that intends to establish the entity that will become the Concessioner has the ability and is legally obliged to cause the entity to be financially and managerially capable of carrying out the terms of the Contract. In addition, the Offeror-Guarantor must unconditionally state and guarantee in its proposal that the Offeror-Guarantor will provide the Concessioner with all funding, management, and other resources that the Draft Contract requires and the proposal offers.

OFFEROR'S TRANSMITTAL LETTER

To:

Regional Director
Southeast Region
100 Alabama Street, SW
Atlanta, GA 30303
Attn: Concession Program Manager

Dear Director:

The Offeror hereby agrees to provide visitor services and facilities within Blue Ridge Parkway in accordance with the terms and conditions specified in the Draft Concession Contract CC-BLRI002-12, (Draft Contract) provided in the Prospectus issued by the public notice as listed in the Federal Business Opportunities (www.fedbizopps.gov), and to execute the Draft Contract without substantive modification (except as may be required by the National Park Service pursuant to the terms of the Prospectus). If the Offeror is not yet in existence, the undersigned, acting as guarantor(s) of all certifications, agreements and obligations of Offeror hereunder, makes such certifications, agreements and obligations individually and on behalf of the Offeror.

The Offeror is enclosing the required "PROPOSAL" which, by this reference, is made a part hereof.

The Offeror certifies that the information furnished herewith is complete, true, and correct, and recognizes that false statements may subject the Offeror to criminal penalties under 18 U.S.C. 1001. The Offeror agrees to meet all the minimum requirements of the Draft Contract and the Prospectus. The Offeror certifies that it has provided all of the mandatory information specified in the Prospectus.

The Offeror certifies in accordance with 43 C.F.R. Part 42 the following:

- None of the individuals or entities acting as Offeror or with an ownership interest in the Offeror is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from a public transaction by a federal department or agency.
- Within the three years preceding submission of the Proposal, none of the individuals or entities acting as Offeror or with an ownership interest in the Offeror has been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction, or for violation of federal or state antitrust statutes or for commission of embezzlement, theft, forgery, bribery, falsification of records, making false statements, or receiving stolen property.
- None of the individuals or entities acting as Offeror or with an ownership interest in the Offeror is presently indicted for or otherwise criminally or civilly charged by a federal, state or local unit of the government with commission of any of the aforementioned offenses.
- The individuals or entities acting as Offeror or with an ownership interest in the Offeror have not had one or more public transactions (federal, state or local) terminated for cause or default within the three-year period preceding the submission of the Proposal.
- The individuals or entities seeking participation in this Concession Contract have not had one or more public transactions (federal, state or local) terminated for cause or default within the three-year period preceding the submission of the Proposal.

The Offeror, by submitting this Proposal hereby agrees, if selected for award of the Draft Contract:

- 1) To the minimum requirements of the Prospectus as identified in Part A of this Proposal Package.
- 2) To complete the execution of the final Concession Contract within thirty working days after it is presented by the National Park Service.
- 3) To commence operations under the resulting Concession Contract on the effective date of the Concession Contract.
- 4) To operate under the current National Park Service approved rates until such time as amended rates may be approved by the National Park Service.
- 5) To acquire the Possessory Interest and Other Property, including merchandise inventory, of the Existing Concessioner under the terms of the Existing Contract.
- 6) To resolve any dispute regarding the value of the property of the Existing Concessioner in accordance with the terms of the Existing Concession Contract and to allow the National Park Service to participate in the Other Property value determination in the same manner and to the same extent as provided for with respect to Possessory Interest value determinations as described in 36 C.F.R. Part 51, Subpart H.
- 7) [Include only if the Offeror is not yet in existence.] To provide the entity that is to be the Concessioner under the Draft Contract with the funding, management, and other resources required under the Draft Contract and/or described in our Proposal.
- 8) [Include only if the Offeror is a business entity, rather than an individual] To deliver to the Regional Director within 10 days following the announcement of the selection of the Offeror as the Concessioner, current copies of the following:
 - Certificate from its state of formation indicating that the entity is in "good standing"(if such form is issued in that state for Offeror's type of business entity);
 - Governance documents of Offeror (e.g. Articles of Incorporation and By-Laws for corporations; Operating Agreement for LLCs; Partnership Agreement for Partnerships; or Venture Agreement for Joint Ventures); and
 - If the business entity was not formed in the State of North Carolina, evidence that it is qualified to do business there.

OFFEROR or OFFEROR-GUARANTOR (if the Offeror is not yet in existence as of the time of submission):

BY _____ DATE _____
 (Type or Print Name)

ORIGINAL SIGNATURE _____

TITLE _____

ADDRESS _____

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 _____

PART A

The minimum requirements for the Draft Contract are identified in this Part A of the Proposal Package. If the Offeror, in its transmittal letter, does not agree to these minimum requirements, its proposal will be considered non-responsive. (The requirements of Part B of this Proposal Package outline detailed submissions referred to in this part, as well as additional secondary selection factors.)

PRINCIPAL SELECTION FACTOR 1. THE RESPONSIVENESS OF THE PROPOSAL TO THE OBJECTIVES, AS DESCRIBED IN THE PROSPECTUS, OF PROTECTING, CONSERVING, AND PRESERVING RESOURCES OF THE PARK.

The Offeror agrees to comply with all terms and conditions specified in the Draft Contract, including compliance with all applicable laws, including, without limitation, environmental protection and conservation laws.

PRINCIPAL SELECTION FACTOR 2. THE RESPONSIVENESS OF THE PROPOSAL TO THE OBJECTIVES, AS DESCRIBED IN THE PROSPECTUS, OF PROVIDING NECESSARY AND APPROPRIATE VISITOR SERVICES AT REASONABLE RATES.

The Offeror agrees to comply with all the terms and conditions specified in the Draft Contract, including its exhibits.

The Offeror agrees to operate at the current Service approved rates during the term of the Concession Contract until such time as a new rate schedule is approved by the Service, in accordance with 16 U.S.C. § 5955.

The Offeror agrees to accept the Concession Facilities, and any assigned government personal property "as is" as required by the Draft Contract, Section 8(f).

The Offeror accepts the draft Operating Plan included as Exhibit B of the Draft Contract.

The Offeror accepts the draft Maintenance Plan included as Exhibit H of the Draft Contract.

The Offeror agrees to fund and use the "Repair and Maintenance Reserve" of **six-tenths of a percent (0.6%)** of annual gross receipts of the contract term, as described in the Draft Contract.

The Offeror agrees to implement an equal opportunity program and comply with the terms of the equal opportunity and handicapped access requirements of the Draft Contract.

The Offeror agrees to develop and implement an effective health and safety program (Concessioner Risk Management Program), according to the requirements of the draft Operating Plan for such programs.

The Offeror agrees to meet the public liability and property insurance requirements of the Draft Contract Exhibit I.

PRINCIPAL SELECTION FACTORS 3 AND 4 DO NOT HAVE SPECIFIC REQUIREMENTS FOR THIS PART A. INFORMATION IS REQUIRED FOR PRINCIPAL SELECTION FACTORS 3 AND 4 IN PART B.

PRINCIPAL SELECTION FACTOR 5. THE AMOUNT OF THE PROPOSED MINIMUM FRANCHISE FEE, IF ANY, AND/OR OTHER FORMS OF FINANCIAL CONSIDERATION TO THE DIRECTOR.

The Offeror agrees to at least the minimum franchise fee of **one half of a percent (0.5%)** of annual gross receipts.

PART B

Response Format

For the page limits set out in these Principal Selection Factors, please note that the Service will not review or consider the information on any pages that exceed the page limitation stated, including attachments, appendices or other additional materials the Offeror submits. The Service considers text on two sides of one sheet of paper to be two pages. Offerors must use normal sized font, such as 11 or 12 point, and 1 inch margins on all sides, in the body of the proposal. Tables, charts, graphs, provided forms, and copies of sample material using less than 11 point font is acceptable. The Service would like to see clear and concise answers. A longer answer will not necessarily be considered a better answer. Please respond only with the information requested in the subfactors.

PRINCIPAL SELECTION FACTOR 1. THE RESPONSIVENESS OF THE PROPOSAL TO THE OBJECTIVES, AS DESCRIBED IN THE PROSPECTUS, OF PROTECTING, CONSERVING, AND PRESERVING RESOURCES OF THE PARK. (0-5 POINTS)

***Note to Offeror:** This selection factor is concerned with objectives that relate specifically to the protection of particular resources of the Blue Ridge Parkway (the Area). Objectives for improvement of the natural environment in general (e.g. waste reduction, green procurement, recycling) are addressed under Secondary Selection Factor 1. Please avoid overlap between responses here and responses to Secondary Selection Factor 1. For Principal Selection Factor 1, please respond only with the information requested in the subfactors.)*

Service Objectives

The Service's objectives under this factor are for the Concessioner to protect, conserve, and preserve the Concession Facilities. In the following subfactors, demonstrate your experience and ability to provide a comprehensive maintenance program for the care of facilities within the land assignment.

The concession operation at the Northwest Trading Post includes the operation and maintenance of the main Gift Shop building, storage building and rest rooms. A list of recommended recurring and preventative maintenance for these facilities is provided in Appendix E.

Subfactor 1a: Substantiate your commitment to the maintenance of assets by providing the following information:

Using not more than **15 pages**, including all text, pictures, graphs, etc.:

1. Describe your proposed process for determining and tracking building condition and for setting priorities for facility maintenance.
2. Describe your proposed preventative and cyclic maintenance program and provide examples of standard maintenance procedures such as inspection procedures and schedules, and preventive and cyclic maintenance procedures and schedules.
3. Explain how you will track and communicate information about the maintenance of facilities.

Subfactor 1b: Describe how you will conduct your operation in a manner that will minimize its impacts on the environment of the park area.

Using not more than **15 pages**, including all text, pictures, graphs, etc.:

Discuss how you will ensure that your operations do not adversely impact park resources. Examples should include:

1. Solid waste management, especially as it pertains to wildlife management. If proposing to expand food service, please describe how you would limit packaging, litter and wildlife (bear) attractants,
2. Proper handling of hazardous chemicals,
3. Use of Service approved Integrated Pest Management (IPM) methods for controlling pests,
4. Use of environmentally preferable products, including products that are less toxic.

Subfactor 1c: The Northwest Trading Post is a seasonal operation, closed for several months each winter. Using not more than **15 pages**, including all text, pictures, graphs, etc. describe your prior experience in winterizing and re-opening a seasonal business, including examples of winterizing and re-opening procedures and schedules. If you have no prior experience, describe your proposed procedures, including examples of winterizing and re-opening procedures and schedules.

PRINCIPAL SELECTION FACTOR 2. THE RESPONSIVENESS OF THE PROPOSAL TO THE OBJECTIVES, AS DESCRIBED IN THE PROSPECTUS, OF PROVIDING NECESSARY AND APPROPRIATE VISITOR SERVICES AT REASONABLE RATES. (0 - 5 POINTS)

Service Objectives

The Service's primary objective for the visitor services to be provided under the Draft Contract is for the Concession to operate a country store selling locally handmade Southern Appalachian crafts, other retail merchandise and limited food and beverage at the Northwest Trading Post at Milepost 259 on the Blue Ridge Parkway. The Concessioner must be able to meet these objectives within the existing facilities.

Subfactor 2a: Merchandise

Using not more than **15 pages**, including all text, pictures, graphs, etc.:

The concessioner will provide visitors with high-quality merchandise which appeals to a wide range of visitors at a variety of price points. The Service expects merchandise to focus on the park's purpose, significance and cultural themes.

1. Describe your merchandising plan indicating the approximate square footage allocated to major retail categories (such as interpretive media, apparel, gifts, local handicrafts, souvenirs, and children's items), and describe a minimum of three examples of merchandise items you intend to carry in each category. (Please do not include samples of merchandise, include descriptions or pictures).
2. Explain your strategy for identifying and procuring high quality locally made handicrafts. Describe your plan for highlighting the availability of locally made merchandise in the gift shop. Include a description of at least three examples of high quality locally made handicrafts. (Please do not include samples of merchandise; written descriptions or pictures of the merchandise are acceptable.)

Subfactor 2b: Food and Beverage Service

Using not more than **15 pages**, including all text, pictures, graphs, etc.:

The Service is interested in proposals for improving the food and beverage service at the Northwest Trading Post. The concessioner will be required to sell Park-approved locally made, high quality foodstuffs and prepackaged snacks and beverages as described in the Draft Contract and Operating Plan.

1. Explain your strategy for identifying and procuring high quality locally made foodstuffs. Provide descriptions or pictures of at least three specific examples.
2. Describe your proposal to improve the food and beverage service. For example, the Service is open to proposals to include additional grab and go food and beverage options either prepared and packaged on-site or off-site. Currently, the concession facilities do not meet Ashe County Health Code standards for food service preparation, only the sale of prepackaged snacks and beverages. The Service is not interested in proposals that would create dine-in food and beverage service or proposals that would significantly reduce the space available for merchandise and displays.

Your proposal should include your plans and improvements you have for providing these services including:

- a. Provide a tentative listing of specific examples of the type of food and beverage services you will provide.
- b. Describe any equipment you would use to provide these services.
- c. Describe how you would you incorporate healthy and sustainable food options into your offerings.
- d. Describe how much space you would allocate in the gift shop for these services and the impact on existing space currently allocated for other merchandise.

Items that may generate a Leasehold Surrender Interest event should not be proposed and will not be considered if proposed.¹

¹ Public Law 105-391 states that a concessioner who constructs a capital improvement upon land owned by the United States within a unit of the National Park System pursuant to a concession contract shall have a leasehold surrender interest in the capital improvement, which is defined as a structure, fixture, or non-removable equipment provided by a concessioner pursuant to the terms of a concession contract. 36 CFR Part 51, Subpart G further describes leasehold surrender interest.

PRINCIPAL SELECTION FACTOR 3. THE EXPERIENCE AND RELATED BACKGROUND OF THE OFFEROR, INCLUDING THE PAST PERFORMANCE AND EXPERTISE OF THE OFFEROR IN PROVIDING THE SAME OR SIMILAR VISITOR SERVICES AS THOSE TO BE PROVIDED UNDER THE CONCESSION CONTRACT. (0-5 POINTS)

Note to Offeror: *To assist in the evaluation of proposals under this and other selection factors, provide the following information regarding the organizational structure of the business entity that will execute the Draft Contract. This organizational structure information will not be scored for selection purposes, but may be used for assessing responses to various selection factors. If the Offeror is not yet in existence, the Offeror-Guarantor should describe its own experience and explain how such experience will carry over to the Offeror entity.*

Offeror's Organizational Structure

Describe the entity with which the National Park Service will contract, specifying whether it is currently in existence or is to be formed. Clearly define the Offeror's relationship to all superior and subordinate entities. Identify the entity, if other than the Offeror, that has the authority to allocate funds, hire and fire management employees of the Offeror. Identify any individual or business entity that holds or will hold a controlling interest in the Offeror. If the Offeror is a limited liability company, a partnership, or a joint venture, identify and provide information about each managing member or general partner or venturer, respectively.

Submit your organizational documents (e.g., partnership agreement, articles of incorporation).

Using the appropriate Business Organization Information form (as applicable) at the end of this section, identify the Offeror and each business entity and/or individual to be involved in the management of the proposed concession operation. Use the form appropriate for your business entity or sole proprietorship and include all information necessary to make the relationship among the parties clear. When completed, the Business Organization Information form should convey the following information:

- 1) Full legal name of the Offeror and any trade name under which it proposes to do business.
- 2) The legal form of the Offeror, if other than an individual.
- 3) The name, address and, if applicable, form of business entity of all owner(s) of the Offeror, including, without limitation, all levels of parent organizations, their relationship to the Offeror, and the precise extent of their ownership interests.
- 4) The name, address and, if applicable, form of business entity of all related, subordinate, or superior business organizations and/or individuals that will have a significant role in managing, directing, operating, or otherwise carrying out the services to be provided by the Offeror. Describe in detail how these relationships will work formally and in practice. Use additional pages if the information does not fit within the forms provided.
- 5) If applicable, the length of Offeror's existence as a business entity.

Note to Offeror: *For the remaining part of this Principal Selection Factor, please respond only with the information requested in the subfactors. The Service will evaluate your responses to these subfactors for selection purposes. The Service will consider alternate experience for evaluation purposes only if you clearly demonstrate the relevance of such experience to the required and authorized services at the Concession. Please provide names and contact information for individuals who can verify the experience you describe in your response to subfactors 3b and 3c.*

Subfactor 3 (A): Organization Structure and Staffing

Using not more than **15 pages**, including all text, pictures, graphs, etc.:

The Service is seeking Offerors that demonstrate a commitment to excellence in providing personnel with the most professional experience, education, and accomplishment to carry out the responsibilities of the Draft Concession Contract. Please describe a staffing plan for your operations that includes the following information:

- A) A list of the primary positions you plan to hire including a brief description of the role they fill and/or their function. Include any specific hiring requirements such as experience, expertise or education for primary key position of General Manager.
- B) The estimated number of employees.
- C) Explain how you will recruit staff considering the seasonal (peak and off-peak) nature of the operation.
- D) Describe training to be provided to management and non-management staff, and any certifications required.
- E) Provide, if possible, an example of a staffing challenges you have successfully met that dealt with peak and off-peak seasons.

Subfactor 3 (B): Relevant Experience

Using not more than **15 pages**, including all text, pictures, graphs, etc.:

Describe any previous experience of the Offeror in the operation and management of the range of services identified in the Draft Contract including Retail and Food Service operations. For each operation discussed, please provide the following information segmented by operating department. Note: tabular submissions are preferred.

- A) Name and location of operation
- B) Time frame of experience
- C) Role in the operation
- D) Description of services provided
- E) Operating season and hours
- F) Number of employees during high and low seasons
- G) Average annual number of transactions
- H) Annual gross receipts
- I) Any special operating conditions similar to those found at the Northwest Trading Post, for example somewhat remote locations and seasonality of business

Subfactor 3(C). Violations or Infractions

Using not more than **15 pages**, including all text, pictures, graphs, etc.:

The Service is aware that any business may receive the occasional audit deficiency, notice of violation, penalty, fine, less than satisfactory public health rating, or similar regulatory notice from a federal, state, or local agency (hereinafter collectively referred to as "Infractions"). The Service is interested in understanding how your business manages these Infractions.

- 1) For the Offeror and all of its principals (for corporations, their executive officers, Directors, and controlling shareholders; for partnerships, their general partners; for limited liability companies, their managing members; and for joint ventures, each venturer) and all parent entities, subsidiaries or related entities under the primary organizational entity (that is, a parent corporation and all subsidiaries), that provide the same or similar services as required or authorized by the Draft Contract, whether as a principal or employee of Offeror or otherwise, identify all Infractions issued by a federal or state regulatory agency in the last five years. If the Offeror has not yet been formed,

the Offeror-Guarantor should respond to the items in this sub-factor for itself and its affiliates as identified above. For each Infraction by each of the above-listed individuals or entities, provide the following:

- a) The basis for the Infraction
- b) The entity that issued the Infraction
- c) When the Infraction was issued
- d) How the Infraction was addressed
- e) How you will ensure that the problem is minimized or does not recur
- f) Describe the entities you considered in preparing this response, why you included those included and why you excluded those you omitted.

Do NOT submit copies of the Infraction report, tabular submissions are preferred.

- 2) If the Offeror (as defined above to include the identified affiliates) has not received any Infraction in the last five years, explain how you would respond if you do receive an Infraction and the process you would follow to resolve such Infractions and minimize future occurrences.

FORM 1

BUSINESS ORGANIZATION INFORMATION
CORPORATION, LIMITED LIABILITY COMPANY, PARTNERSHIP
OR JOINT VENTURE
(PRINCIPAL SELECTION FACTOR 3)

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 Offeror with respect to funding and management.

FORM 2

**BUSINESS INFORMATION
INDIVIDUAL* OR SOLE PROPRIETORSHIP
(PRINCIPAL SELECTION FACTOR 3)**

Name of Individual and Tradename, if Any**	
Address	
Telephone Number	
Fax Number	
Email Address	
Contact Person (if other than the Offeror)	
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 Offeror or the husband and wife must form a corporation, partnership, or limited liability company to serve as Offeror.

**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.

PRINCIPAL SELECTION FACTOR 4. THE FINANCIAL CAPABILITY OF THE OFFEROR TO CARRY OUT ITS PROPOSAL. (0-5 POINTS)**Notes to Offeror:**

In the event the Offeror is not yet in existence, provide the information described below with respect to both the to-be-formed Offeror and the Offeror-Guarantor(s), which must unconditionally state and guarantee that the Offeror-Guarantor(s) will provide the Offeror with all funding, management and other resources that the Draft Contract requires and the proposal offers.

All forms are provided electronically on the enclosed compact disk. The Offeror must complete all forms provided and submit both a hard copy and an Excel spreadsheet file.

Subfactor 4(A). 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. Audited financial statements should be provided for the Offeror AND all parent companies. Audited financial statements must be provided for any individual Offerors, general partners in a partnership, managing members of a limited liability company and all venturers in a joint venture. If the Offeror is not yet formed, include audited financial statements for each Offeror-Guarantor.

-OR-

If audited financial statements are not available, 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), but include financial statements of each Offeror-Guarantor if the Offeror is not yet formed.

- 3) A CURRENT credit report (within the last six months) in the name of the Offeror from a major credit reporting company such as Equifax, Experian, TRW or Dun & Bradstreet. If the Offeror is not yet formed, include a credit report for each Offeror-Guarantor.

Subfactor 4(B). Demonstrate that your proposal is financially viable and that you understand the financial obligations of the Draft Contract by providing the following:

- 1) Your estimate of the acquisition and start-up costs of this business using the Initial Investment and Start-Up Expense and the Initial Investments and Start-Up Expenses Assumptions forms included in the Excel spreadsheets provided as an Appendix to the prospectus. Explain fully the methodology and the assumptions used to develop the estimate. The information provided should be of sufficient detail to allow a reviewer to understand how the estimates were determined. If you are the Existing Concessioner and will have no initial investment or start-up costs, please include that information on the form.
- 2) Using the Excel spreadsheets provided as an Appendix to the prospectus, complete the Income Statement and Income Statement Assumptions forms and the Cash Flow Statement and the Cash Flow Statement Assumptions forms found in tabs to the Excel spreadsheets. Provide estimates of prospective revenues and expenses of the concession business in the form of annual prospective income and cash flow statements for the entire term of the Draft Contract. Also complete the Operating Assumptions tab to explain your financial projections.

General notes regarding the forms provided as an Appendix to the prospectus:

- The Service has provided forms that request the information in the format it desires. These forms may differ from the format and requirements set forth in generally accepted auditing standards

(GAAS) with regard to prospective financial statements. The Service does NOT request that the prospective financial statements be reviewed in accordance with GAAS.

- Do not add or eliminate rows on the Excel spreadsheets provided in the appendix. Columns should not be deleted. If you wish to provide additional information, do so in additional spreadsheets, outside of the ones provided. If additional information is provided, clearly identify how it fits into the income statement, cash flow, and/or assumption tables. For the purpose of the pro forma statements utilize the calendar year as the fiscal year.
- Provide a clear and concise narrative explanation of the method(s) used to prepare the estimates and the assumptions on which your projections are based. Information must be sufficiently detailed to provide a full understanding of how the estimates were determined.
- Complete all of the forms provided and submit both a hard copy and an electronic Excel spreadsheet file. Failure to provide all of the information requested on these forms may result in a reduced score.

Subfactor 4(C). Demonstrate your ability to obtain the required funds for start-up costs and continued operations under the Draft Contract by providing credible, compelling documentation, particularly evidence from independent sources, such as bank statements, audited or reviewed financial statements, and signed loan commitments letters. Fully explain the financial arrangements you propose, using the following guidelines:

- 1) If funds are to be obtained from operating cash flows, document each source and the availability of these funds by referring to your previous and current audited financial statements.
- 2) If funds are to be obtained from lending institutions (banks, savings and loans, etc.), provide financing agreements, letters of commitment or similar supporting documents. The support documents must, at a minimum, include the amount of the loan, the interest rate, the term of the loan and any encumbrances on the loan. Also, include a letter addressed to the National Park Service from the lender stating the amount of funds available to the Offeror at the date of the letter and at the projected effective date of the Draft Contract. The letter must be on the lending institution's letterhead and include a statement that the Offeror has authorized the lending institution to release any information to the National Park Service concerning relevant financing arrangements.
- 3) If funds are to be obtained from an individual, or a business entity whose primary fund source is an individual, provide the following as appropriate with respect to such individual:
 - Signed funding commitment from the individual.
 - Current personal financial statement certified as to accuracy and completeness by the individual submitting it.
 - Current bank/financial institution documents that verify the account and account balance for the primary fund source.
 - Documentation of any assets to be sold.
 - Any other assurances or documents that demonstrate that the funds are available.
- 4) If funds are to be obtained from working capital liabilities (such as advance deposits), please provide estimates and a rationale for each estimate. The information provided should be of sufficient detail to allow a reviewer to fully understand how the estimates were determined.
- 5) If funds are to be obtained from another source (e.g., a business entity whose primary fund source is not an individual), provide the following as appropriate:
 - Signed funding commitment from the fund source.
 - Evidence that the source has the necessary funds to operate this business opportunity.

**BUSINESS HISTORY INFORMATION FORM
(PRINCIPAL SELECTION FACTOR 4 - SUBFACTOR 4A)**

Business history information should be provided for the Offeror AND all parent companies. If the Offeror has not been formed yet, business history information should be provided for each Offeror-Guarantor.

The information provided below is for the entity: _____

- 1) Has Offeror 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 Bankruptcies, Receiverships, Foreclosures, 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 the circumstances, including nature of the event, date, type of debt (e.g., secured or unsecured loan), type of security (if applicable), approximate amount of debt, name of lender, resolution, bankruptcy plan, and/or other documentation as appropriate.
- 3) Describe any pending litigation or administrative proceeding (other than those covered adequately by insurance) which if adversely resolved could materially impact the financial position of the Offeror.
- 4) Describe any lawsuit, administrative proceeding or bankruptcy case within the past five years that concerned the Offeror's alleged inability or unwillingness to meet its financial obligations.

PRINCIPAL SELECTION FACTOR 5. THE AMOUNT OF THE PROPOSED MINIMUM FRANCHISE FEE AND OTHER FORMS OF FINANCIAL CONSIDERATION TO THE DIRECTOR. (0-4 POINTS)

The minimum franchise fee acceptable to the Service is 0.5% of gross receipts.

The offer of a higher franchise fee than this minimum is generally beneficial to the Service and accordingly will generally result in a higher score under this selection factor. However, consideration of revenue to the United States is subordinate to the objectives of protecting, conserving, and preserving resources of the Area and of providing necessary and appropriate visitor services to the public at reasonable rates.

State the amount of franchise fee you propose. Such fee must at least equal the minimum franchise fee set forth above. Express this fee as a percentage of annual gross receipts. Do not propose a tiered franchise fee, e.g., 5% on the first \$10,000 of gross receipts, 6% on gross receipts between \$10,001 and \$25,000, 7% on gross receipts between \$25,001 and above.

_____ percent of annual gross receipts

SECONDARY SELECTION FACTORS

SECONDARY SELECTION FACTOR 1. THE QUALITY OF THE OFFEROR'S PROPOSAL TO CONDUCT ITS OPERATIONS IN A MANNER THAT FURTHERS THE PROTECTION, CONSERVATION, AND PRESERVATION OF THE PARK AND OTHER RESOURCES THROUGH ENVIRONMENTAL MANAGEMENT PROGRAMS AND ACTIVITIES, INCLUDING, WITHOUT LIMITATION, ENERGY CONSERVATION, WASTE REDUCTION, AND RECYCLING. (0-3 POINTS)

Note to Offeror: *The subfactors for secondary Selection factor 1 focus on environmental management programs and activities that promote general environmental objectives (e.g. impacts outside of park boundaries) such as waste reduction, fuel efficiency, recycling, etc. Please avoid overlap between your response here and your response to Principal Selection Factor 1. For this secondary Selection Factor, please respond only with the information requested in the subfactors.*

Service Objectives

The Service seeks environmentally friendly business practices, notably in the areas of sustainability and energy and water conservation; purchasing of environmentally preferable products and equipment; solid waste reduction; recycling; purchasing locally recyclable, manufactured locally, or made from renewable resources and/or recycled materials and other similar proactive actions.

Subfactor 1a:

Using not more than **10 pages**, including all text, pictures, graphs, etc.:

Provide three examples of programs and associated activities (not already described under other selection factors) that you will implement to achieve this objective. Your response should be concise and to the point.