

Executive Summary of the Business Opportunity

This Executive Summary provides a synopsis of the key elements of the National Park Service (Service) Draft Concession Contract CC-ASIS001-14 (Draft Contract), included in section IV of the Prospectus, for the concession operations at the “Beach Hut” and “Kayak Shed” at Assateague Island National Seashore. In the event of any inconsistency between the terms of the Draft Contract and this Summary, the Draft Contract, introduced with the publishing of the Prospectus, will prevail. This Prospectus will be available for review within the next few weeks and potential offerors will have 90 days from the date of issue to prepare their proposals to the Service.

Nature of Business and Services Provided

Prior to this offering, the Beach Hut and Kayak Shed have operated as two separate and distinct businesses; one as a concession offering limited convenience merchandise and pre-packaged food and beverages, and the other with a Commercial Use Authorization (CUA) offering rentals of kayaks, canoes, bikes and clam rakes. The Service recognizes that by combining the two businesses and allowing the new entity to expand the variety of visitor services, that there should be a more comprehensive business opportunity; and that is what is being offered within this prospectus.

The Business Opportunity section of this Prospectus describes the seasonal commercial visitor services required and authorized by the Draft Contract. The following visitor services are required:

- Equipment Rentals of kayaks, canoes, bicycles, and clam rakes
- The sale of Convenience Items and Merchandise
- The sale of Pre-packaged Food and Beverages

The following visitor services are authorized but not required under the Draft Contract

- The rental of Additional Recreation Equipment
- Recreation Equipment Lessons
- Guided Tours
- Mobile Vending within the Park
- Vending Machines

Historical Annual Gross Receipts

	2009	2010	2011	2012
Beach Hut	\$35,285	\$49,842	\$47,799	\$67,547
Kayak Shed	\$40,592	\$56,680	\$69,532	\$82,220
Total	\$75,877	\$106,522	\$117,331	\$149,767

Minimum Franchise Fee

The minimum franchise fee for CC-ASIS001-14 is **Six and six-tenths percent (6.6%)** of annual Gross Receipts as defined in Section 2 of the Draft Contract.

Term of Contract

The Contract will be issued for a term of approximately nine years and 8 months, beginning about May 1, 2014 and ending December 31, 2023. The effective dates of the Contract are subject to change prior to Contract award if determined necessary by the Service.

Estimated Required Initial Investment

See the "Investment Analysis" section of the full Business Opportunity document for information regarding the use of this information.

Schedule of Estimated Initial Investments¹

Investment	Total
Personal Property	\$69,629
Inventory	\$5,250
Deferred Maintenance (Year 1 DM) ²	\$443
TOTAL	\$75,332

¹ Estimates are not warranted by the Service, but are included to provide a reasonable expectation of the investment associated with the requirements herein.

² Represents Year 1 (i.e., 2014) DM not covered by regular operating expenses. See Exhibit E, Attachment 1 for a detailed list of DM.

No Preferred Offeror

The 1998 Concessions Act includes a limited right of preference in renewal for certain categories of concession contracts. The Service has determined that no preferred Offeror for this Draft Contract exists pursuant to the terms of 36 C.F.R. Part 51. This solicitation for commercial services is fully competitive.

Site Visit

A one-day site visit will occur on November 21, 2013 and an additional site visit may be added at a later date. At that time, an overview of the Area will be provided by Service personnel, along with a site tour. The Draft Contract associated with the release of the Prospectus, and the Prospectus itself, will be published for review within the next several weeks. The Park contact is Debbie Morlock who can be telephoned at 410-629-6046 or contacted by email at Debbie_Morlock@nps.gov

Questions

Questions will be entertained at the Site Visit and recorded. Many will be answered post visit when the Prospectus is publicly released. There will also be an opportunity for interested parties to ask additional questions about the Business Opportunity after they have a chance to review the Prospectus. All questions will be listed and answered on the NPS web site. The deadline for questions is set at January 2, 2014 and answers will be posted by January 8, 2014.