

**SUMMARY OF CC-DENA001-16 BUSINESS OPPORTUNITY
Pre-Solicitation Site Visit, September 3-4, 2014**

The National Park Service (Service) intends to release the Prospectus for Bus Tours, Transit, Shuttle, Food and Beverage, Retail and Other Services at Denali National Park and Preserve (Park) in October 2014. In order for interested business entities to observe the operation during the operating season, the Service will host a site visit on September 3-4 at the Park. During the site visit the Service will provide a tour of the facilities and a bus trip into the Park. Participants must submit questions in writing for response by the Service once the prospectus issues.

This Summary provides a synopsis of the key elements of the Draft Concession Contract CC-DENA001-16 (“Draft Contract”). The terms of the business opportunity and the elements of the Draft Contract are subject to change before the Service releases the Prospectus. In the event of any inconsistency between the Prospectus and this Summary, the Prospectus will control.

Draft Contract Required Services

The Concessioner is required to provide the following visitor services during the term of the Draft Contract

Required Services in the Draft Contract

Required	Location
Transportation	Transit to and from all locations along the park road, Short Tours and Long Tours to specific destinations along the park road, Front Country Shuttles to locations east of mile 15, Chartered transportation to locations along the park road.
Retail	Riley Creek Mercantile and Wilderness Access Center
Food and Beverage	Morino Grill, Wilderness Access Center, Bus Tours, Murie Dining Hall
ATM	Morino Grill
Camping	Riley Creek, Savage River, Sanctuary, Teklanika and Igloo Creek
Laundry and Showers	Riley Creek Mercantile
RV/Trailer Dump Station	Riley Creek Mercantile
Towing and other repairs	Park Road
Baggage Storage	Baggage claim building across from Alaska Railroad Depot
Wi-Fi	Morino Grill, Riley Creek Mercantile, Wilderness Access Center

Source: National Park Service



Draft Contract Authorized Services

The Concessioner is authorized but not required to provide the following visitor services during the term of the Draft Contract.

Authorized Services

Service	Location
Transportation (Winter)	Denali Park Road to Mile 13
Out of Park Transportation	Various locations within 7 miles of Park Entrance
Special Events	Murie Dining Hall
Limited Garage Services	Concession Maintenance Facilities
ATM	Other Service approved locations
Equipment Rental	Riley Creek Mercantile and Wilderness Access Center

Source: National Park Service

Transportation

The Concessioner must provide four (4) types of transportation services that will vary by distance traveled on the Denali Park Road and amenities available during the trip. The service types will include front country courtesy shuttle buses, transit buses, tour buses, and charter buses, explained in detail below:

Front Country Courtesy Shuttle Buses. The Concessioner will operate three front country courtesy shuttle bus routes daily (mid-May to mid-September). These routes include the Riley Creek Loop (RCL), Savage River Shuttle, and Sled Dog Demonstration Shuttle. The shuttles will be available to all visitors and free of charge. The buses will serve regularly scheduled routes with stops at key activity centers, such as the campgrounds, visitor centers, hiking trailheads, and retail locations.

Transit Buses. The Concessioner will operate transit buses (identified as the “VTS” in the Existing Concession Contract) to provide trips of varying length along the Park Road during the core summer season. The buses will operate as a flag-down system along the road in either direction, allowing visitors to get on and off the bus at their own schedule. Under the Draft Contract, visitors pre-book with ticket pricing determined by destination points between the Wilderness Access Center and Kantishna. The Concessioner must hold a portion of the seats for walk-up passengers.

Tour Buses. The Concessioner will provide tours categorized as “Short Tours” or “Long Tours”. Short Tours will travel to destinations between Milepost 15 and Milepost 30 (Teklanika River) from mid-May through mid-September. Long Tours will visit sites along the full length of the Denali Park Road during the core summer season, but will predominately travel from the entrance to destinations between Milepost 30 (Teklanika River) and Milepost 92 (Kantishna).

Charter Buses. The Concessioner will operate charter buses, as a fee-based service providing transportation along the Denali Park Road. All charters are subject to Service approval.



Denali National Park and Preserve Concession Facility Summary

Frontcountry

- **Bus Maintenance Building**
- **Maintenance Building (near Bus Maintenance Building)**
- **Employee Recreation Hall**
- **Employee Housing**
 - Concession Housing Area (174 pillows)
 - Duplex at Toklat (Mile 53)
 - Wonder Lake Trailer Pads (Mile 86)
- **Morino Grill**
 - Restaurant – approximately 75 seats
- **Murie Dining Hall (attached to Employee Dining Room)**
 - Employee Dining
 - Events and Catering
- **Wilderness Access Center**
 - Reservation desk
 - Retail sales
 - Snack and coffee shop service
 - Theater
- **Riley Creek Mercantile**
 - Convenience Store – 1315 square feet retail space
 - Public Showers and Laundry - 1170 square feet
 - RV Dump Station

Campgrounds

- **Riley Creek Campground Mile 0.4**
 - 122 Sites (accessible by car)
 - 26 Walk-in Sites
 - 2 Host Sites
- **Savage Campground Mile 12.8**
 - 31 Sites (accessible by car)
 - 3 Group sites
 - 2 Host Sites
- **Sanctuary Campground Mile 22.6**
 - 7 Sites (walk-in only)
- **Teklanika Campground Mile 29.1**
 - 53 Sites (accessible by car with permit only)
 - 1 Host Site
- **Igloo Campground Mile 34**
 - 7 Sites (walk-in only)



Bus Fleet

The Concessioner must acquire enough buses to provide the required services. The Existing Concessioner operates with approximately 98 buses.

Amendment 4 to the Existing Concession Contract requires the successor Concessioner to purchase the listed 47 buses from the current Concessioner. There will be a requirement for the next Concessioner to purchase an additional 30 buses from the current Concessioner to be purchased in 2014 and 2015. It also requires the successor Concessioner to purchase additional items of personal property.

Historical Annual Gross Revenue

Existing Concessioner Historical Gross Revenue			
	2010	2011	2012
Total Revenue	\$20,235,569	\$21,138,178	\$22,359,939

Source: National Park Service

Proposed Minimum Franchise Fee

The Service will publish the Minimum Franchise Fee in the Prospectus.

Term of Draft Contract

Ten (10) years starting January 1, 2016. The effective date of the Draft Contract is subject to change prior to contract award if the Service determines it is necessary.

Preferred Offeror

While no Preferred Offeror for the DENA001-16 Concession Contract exists, concession contracting preferences applicable only in Alaska under section 1307 of the Alaska National Interest Lands Conservation Act of 1980 (ANILCA) allow for a possible qualified preferred offeror. The preferred offeror determination process is codified in 36 C.F.R. 13.315. Refer to: <http://www.gpo.gov/fdsys/pkg/CFR-2011-title36-vol1/pdf/CFR-2011-title36-vol1-sec13-315.pdf>

Estimated Initial Investment (2016)

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Item	Estimated Amount (2016 Dollars)
Leasehold Surrender Interest	Approximately \$5million
Purchase of Personal Property (including buses)	Approximately \$13,000,000
Inventory Investment	\$481,923
Deferred Maintenance	\$356,000
Start-up Costs	\$817,500
Working Capital	\$817,500



CFIP (first year projects)	\$3,100,000-\$3,800,000
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Source: National Park Service

Concession Facility Improvement Program (CFIP)

The CFIP requires the Concessioner to construct three capital improvement projects involving primarily real property improvements (with associated personal property):

1. Food and Beverage Storage and Receiving Facility (Commissary)
2. Automotive Storage and Receiving Facility
3. Automated Bus Wash System

The total CFIP cost estimate is between \$6,250,000 and \$7,650,000. The CFIP includes personal property not eligible for Leasehold Surrender Interest compensation. See 36 CFR Part 51. The Service estimates \$1,900,000 of the CFIP will be Personal Property and not be eligible for LSI (e.g., the bus wash equipment). The Concessioner must complete all CFIP projects by May 1, 2018. The Service anticipates that one-half of the CFIP investment occurs in year one of the Draft Contract.

The 2012 Vehicle Management Plan Record of Decision

The NPS manages the park road according to the 2012 Denali Park Road Vehicle Management Plan (VMP). The Concessioner must ensure that all concession vehicles traveling on the restricted section of the Park Road are managed to meet the desired VMP indicators and standards. In the first two years of the contract the Concessioner will be allowed up to 91 total buses per day on the restricted section of the Denali Park Road. These buses will be distributed among the Short and Long Tour, Transit and Commercial Charter systems (Educational Charters not included in this total). In 2016, the Service anticipates scheduling to look as follows:

- A Transit service scheduled in periods that meets visitor demand and hiker wait times, very similar to 2014.
- A blend of Short and Long Tours along the entire length of the Denali Park Road with a higher volume of these tours occurring between the Savage and Teklanika Rivers (Wildlife Viewing Subzone 1).
- Service approved Commercial Charters (as requested) may be scheduled along the full length of the Denali Park Road.

During the fall and winter following implementation of the initial schedule, the Service will analyze VMP data and potentially generate a new schedule based on this analysis. If a revised schedule is determined to be necessary that will affect capacity of the transportation system the Concessioner would have two additional operating seasons before needing to implement such reduction in order to give the industry and stakeholders time to react to any change in capacity.

The Record of Decision (ROD) on the Denali Vehicle Management Plan can be found at:

<http://parkplanning.nps.gov/documentsList.cfm?projectID=22494h>

