

BUSINESS OPPORTUNITY

INTERPRETIVE MOTOR VEHICLE TOURS
HIGHLIGHTING AMERICAN INDIAN CULTURE

Within

GLACIER NATIONAL PARK

Department of the Interior

National Park Service
Intermountain Region

CONTRACT No. GLAC010-18

TABLE OF CONTENTS

INTRODUCTION.....	1
THE NATIONAL PARK SERVICE AND ITS MISSION	1
GLACIER NATIONAL PARK.....	2
PARK VISITATION	4
CONCESSION BUSINESS OPPORTUNITY.....	5
OVERVIEW OF THE BUSINESS OPPORTUNITY.....	5
TERM AND EFFECTIVE DATE OF THE NEW CONTRACT.....	5
REQUIRED AND AUTHORIZED SERVICES: DRAFT CONTRACT	5
PREFERRED OFFEROR DETERMINATION	6
ESTIMATED INITIAL INVESTMENT.....	6
LEASEHOLD SURRENDER INTEREST.....	6
PERSONAL PROPERTY AND INVENTORY USED IN EXISTING CONCESSION OPERATION.....	6
START-UP COSTS.....	6
OTHER DRAFT CONTRACT INFORMATION.....	6
PROPOSED MINIMUM FRANCHISE FEE	6
INSURANCE REQUIREMENTS	6
APPROVED RATES FOR REQUIRED SERVICES.....	7
INFORMATION ON OPERATING CONDITIONS.....	7
EXISTING CONCESSION OPERATION.....	8
HISTORICAL GROSS RECEIPTS.....	8
HISTORICAL USE	8
APPROVED RATES FOR 2016.....	9
MARKET AREA OVERVIEW.....	10
MONTANA TOURISM MARKET	10
LOCAL AREA MARKET.....	10
SITE VISIT.....	10

INTRODUCTION

Glacier National Park

Summary

▪ Term of Contract

10 years

▪ Projected Start

January 1, 2018

▪ Required Visitor Services

Interpretive motor vehicle tours integrating aspects of:

- the history and culture of the Blackfeet, Confederated Salish, and Kootenai Tribes and tribal perspectives as they relate to Glacier National Park; and
- the cultural and natural Area resource interpretation as an integral part of each trip

▪ Minimum Franchise Fee

2% of Gross Receipts

The National Park Service (“Service”) intends to award a concession contract in Glacier National Park (“Park”) for the seasonal operation of interpretive motor vehicle tours highlighting American Indian culture. This Prospectus describes in general terms the existing business operation and the business opportunity for services required by the Service. Offerors are responsible for reviewing all sections of this Prospectus and, specifically, the terms and conditions of the Draft Concession Contract CC-GLAC010-18 (“Draft Contract”), including its exhibits, to determine the full scope of a Concessioner’s responsibilities under the Draft Contract.

The Service is conducting this solicitation in accordance with the National Park Service Concessions Management Improvement Act of 1998 (PL 105-391) as implemented by the Service in 36 C.F.R. Part 51. The term “Concessioner” as used in this Prospectus refers to the entity that will be the Concessioner under the Draft Contract. The Term “Existing Concessioner” refers to Glacier Guides, Inc., the Concessioner under the existing concession contract (“Existing Contract”). The Existing Contract and 36 C.F.R. Part 51 are included as Appendices to this Prospectus.

In the event of any inconsistency between the terms of this Prospectus and 36 CFR Part 51, 36 CFR Part 51 will prevail. In the event of any inconsistency between the description of the terms contained in this Prospectus and the Draft Contract, the Draft Contract will prevail.

THE NATIONAL PARK SERVICE AND ITS MISSION

In 1916, President Woodrow Wilson approved legislation creating the Service within the Department of the Interior. That legislation mandated that Congress create America’s National Park Service 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.

54 U.S.C. § 100101 (a)

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

...preserved and managed for the benefit and inspiration of all the people of the United States.... 54 U.S.C. § 100101 (b)

The Service has as its overall mission the preservation and public enjoyment of significant aspects of the nation’s natural and cultural heritage. To learn more about the National Park Service, visit our website at www.nps.gov. This site includes information about the Service’s mission, policies, and individual park units.



GLACIER NATIONAL PARK

An Act of Congress established Glacier National Park on May 10, 1910. This wilderness park lies in northwestern Montana adjacent to the Canadian border. Its 1,013,572 acres, along with Canada's Waterton Lakes National Park, form Waterton-Glacier International Peace Park, the world's first designated international peace park. Glacier is also honored with designations as a Biosphere Reserve and a World Heritage Site.

Glacier National Park provides visitors with opportunities to experience, understand, and enjoy the Park consistent with the preservation of resources "in a state of nature." The Park has an exceptionally long geologic history, spectacular scenery, and many miles of undeveloped wilderness. It is an ecologically intact temperate area and chronicles a history of human activities that value the area's natural features.

The Park is located approximately 32 miles northeast of Kalispell, MT (a 45-minute drive) and 140 miles north of Missoula, MT (a 3-hour drive). The Park straddles the Continental Divide, and neighbors the Flathead National Forest to the south and west, the Lewis and Clark National Forest to the southeast, and the Blackfoot Indian Reservation to the east. Several American Indian Tribes, including the Blackfoot Tribe and the Confederated Salish and Kootenai Tribes, have strong ties to the Park's land and features. **Exhibit 1** provides a map that illustrates the proximity of the Park to the Canadian border, the surrounding national forests, and the Blackfoot Indian Reservation.

The Park is home to more than 70 species of mammals and over 260 species of birds, including many threatened and endangered species. The spectacular glaciated landscape provides a variety of recreational opportunities and contains over 700 miles of maintained trails. The Park contains a sizeable inventory of culturally significant resources including over 350 structures listed on the National Register of Historic Places and six National Historic Landmarks.

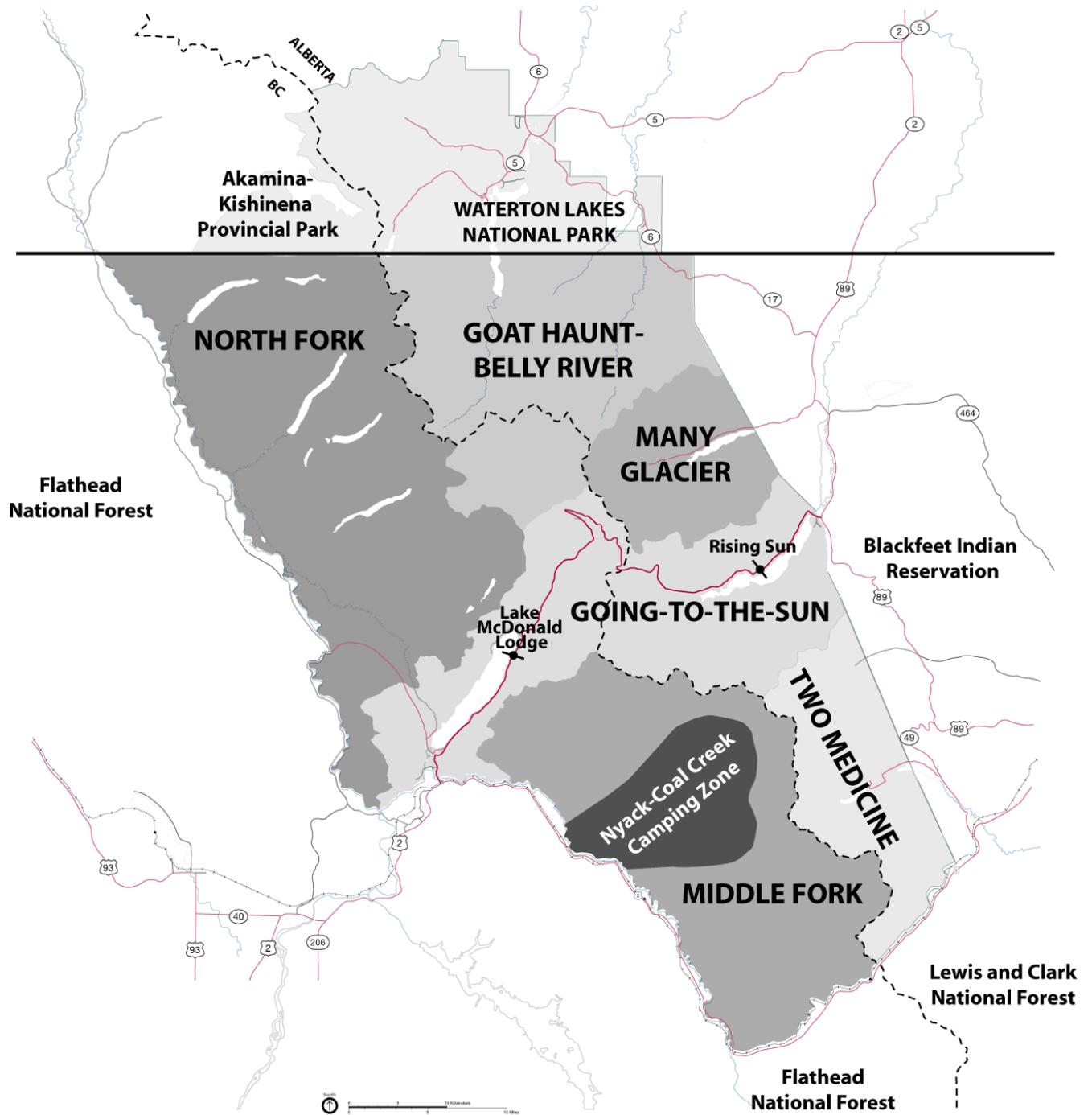
Over two million visitors come to the Park each year to enjoy the broad variety of experiences offered, including hiking, boating, horseback riding, and driving the Going-to-the-Sun Road. The Park is open year round; however, most services are available only from late spring to early fall. Many of the park roads close to vehicle traffic during the winter months. Six concessioners and roughly 35 other commercial operators provide commercial visitor services in the Park through concession contracts or commercial use authorizations. In addition to the services provided by the Existing Concessioner, park commercial services include:

- Art, birding and photography workshops
- Lodging
- Food and beverage services
- Retail
- Guided hiking, cross-country skiing and bicycle tours
- Interpretive motor vehicle tours
- Interpretive horseback trail rides
- Boat tours and small boat rentals
- Public showers and laundry

The National Park Service provides the infrastructure in the Park and operates a range of visitor services including visitor centers, campgrounds, picnic areas, and interpretive services. The Park has three official nonprofit partners that facilitate fundraising, coordinate volunteers, and provide environmental education services and materials. To learn more about Glacier National Park visit <http://nps.gov/glac>.



Exhibit 1 - Glacier National Park Area Map



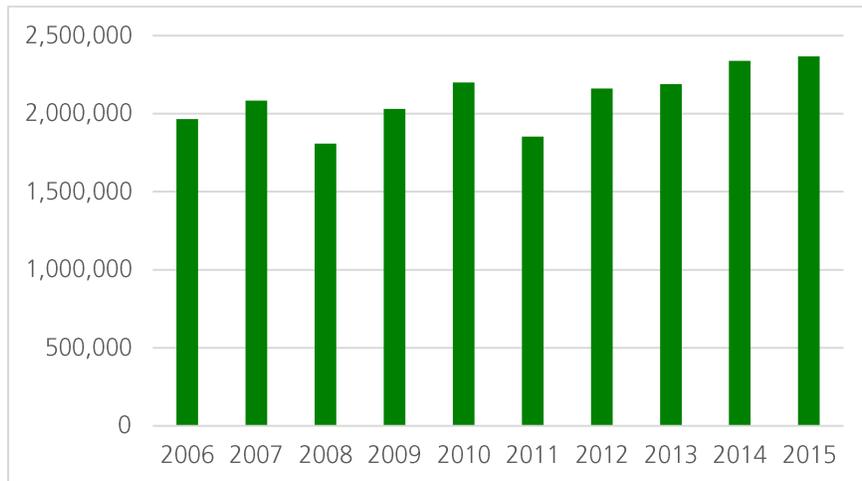
Source: National Park Service



PARK VISITATION

The Park hosts approximately 2 million visitors per year ranging from over 2.36 million in 2015 to 1.80 million in 2008. The majority of visitation occurs from June through September. Park visitation has fluctuated over recent years for various reasons, including wildland fires, spring snow conditions, and the economy.

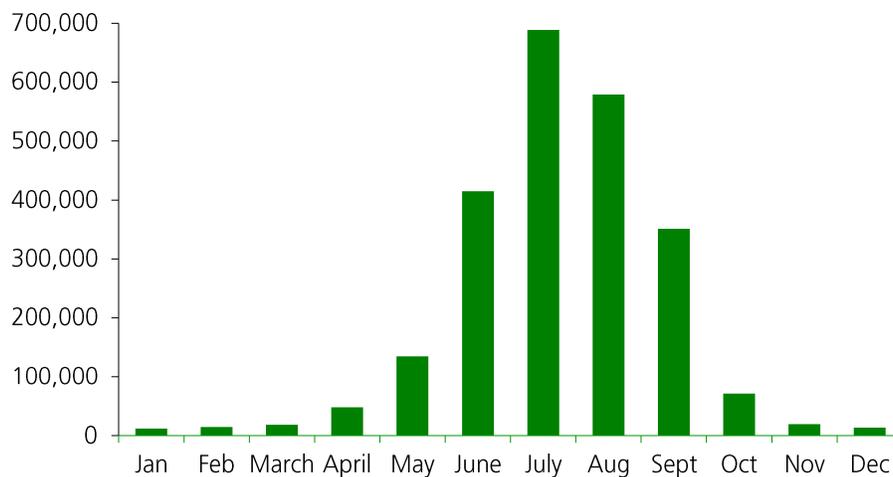
Exhibit 2 Glacier National Park Visitation, 2006 through 2015



Source: National Park Service

Visitation to the Park is highly seasonal. Peak season runs from late June through early September. Lodging occupancy in the Park during July and August is consistently near capacity. The Park is open to the public year-round, but many of the roads in the interior of the Park are closed due to snow from November through April. **Exhibit 3** presents visitation by month for 2015.

Exhibit 3 - Glacier National Park 2015 Visitation by Month



Source: National Park Service

Additional visitation and visitor use statistics are available at <https://irma.nps.gov/Stats/>



CONCESSION BUSINESS OPPORTUNITY

OVERVIEW OF THE BUSINESS OPPORTUNITY

Park concessioners play a vital role in serving visitors in national parks. Concession contracts offer members of the private sector opportunities to enhance visitors' enjoyment of, and to form lasting connections with, many of our nation's most treasured places. The visitor services to be provided under this contract are interpretive motor vehicle tours highlighting the rich history of the American Indian Culture. The Concessioner must provide interpretation that includes the history of the Blackfeet, Salish, and Kootenai peoples, the significance of the Area (in historical and contemporary contexts) to the Blackfeet, Salish, and Kootenai peoples, and Native American cultural perspectives of the Area. The Concessioner must also provide interpretation of the cultural and natural resources of the Area.

Recent archaeological surveys have found evidence of human use dating back over 10,000 years. These people were probably the ancestors of tribes that live in the area today. By the time the first European explorers came to this region, several different tribes inhabited the area. The Blackfeet Indians controlled the vast prairies east of the mountains. The Salish and Kootenai Indians lived and hunted in the western valleys. They also traveled east of the mountains to hunt buffalo. These interpretive motor vehicle tours offer Park visitors insights on Glacier's natural features and the cultural relevance of the past and present.

The following document presents the key elements of the business opportunity for the CC-GLAC010-18 Draft Contract. Should the data presented in this Business Opportunity differ from or contradict the Draft Contract, the Draft Contract will prevail

TERM AND EFFECTIVE DATE OF THE NEW CONTRACT

The term of the Draft Contract will be for ten (10) years with an estimated beginning date of January 1, 2018. The effective date of the Draft Contract is subject to change prior to award if determined necessary by the Service. In such an event, the expiration date of the Draft Contract will be changed to continue the same term length from any adjustment to the effective date.

REQUIRED AND AUTHORIZED SERVICES: DRAFT CONTRACT

The required and authorized services for the Draft Contract, including any changes to the existing services, are described in **Exhibit 4**.

Exhibit 4 – Draft Contract Required and Authorized Services

Required Services	Location	Material Changes from Existing contract
Interpretive motor vehicle tours integrating aspects of <ul style="list-style-type: none"> The history and culture of the Blackfeet, Confederated Salish, and Kootenai Tribes and tribal perspectives as they relate to Glacier National Park, and Cultural and natural Area resource interpretation as an integral part of each trip 	Tours occur daily on roads within the Area, excluding the North Fork area of the park.	NONE
Authorized Services		Material Changes from Existing Contract
NONE	N/A	N/A

Source: National Park Service



PREFERRED OFFEROR DETERMINATION

The Service has determined that the Existing Concessioner is a Preferred Offeror for the Draft Contract pursuant to the terms of 36 C.F.R. Part 51. The Existing Concessioner must submit a responsive proposal to this Prospectus to be considered for award of the Contract. If the Existing Concessioner submits a responsive proposal and that proposal is not selected as the best proposal, the Preferred Offeror designation allows it to match the terms of the best offer and be awarded the contract.

ESTIMATED INITIAL INVESTMENT

Investment	Amount in 2016 Dollars
Personal Property	\$55,000
Inventory and Working Capital	\$10,000
Other Start-Up Cost	\$10,000
Total	\$75,000

LEASEHOLD SURRENDER INTEREST

Leasehold Surrender Interest is a compensable interest in real property and real property improvements. The Existing Concessioner has no Leasehold Surrender Interest in Concession Facilities. No land or facilities are assigned and there will be no Leasehold Surrender Interest in the Draft Contracts.

PERSONAL PROPERTY AND INVENTORY USED IN EXISTING CONCESSION OPERATION

The Existing Contract does not require the Existing Concessioner to sell personal property, merchandise (inventory), and supplies used in the operation to the future Concessioner; however, a new operator will be required to provide such equipment, personal property, and inventory necessary for the proper and efficient operation of Draft Contract requirements.

START-UP COSTS

The Concessioner will incur start-up costs prior to commencing operations and will need to provide working capital and personal property and supplies. The Concessioner under the Draft Contract must have sufficient vehicles, equipment, supplies, and cash at the commencement of the contract to initiate operations. Offerors must make their own determination of the investment required to support the Required Services.

OTHER DRAFT CONTRACT INFORMATION

PROPOSED MINIMUM FRANCHISE FEE

The minimum franchise fee will be equal to three percent (2.0%) of the Concessioner's annual gross receipts or a flat fee of \$500, whichever is higher, for the term of the Draft Contract. Offerors may propose a higher minimum franchise fee, as described more fully in the Proposal Package (included in Tab 3 of this Prospectus).

INSURANCE REQUIREMENTS

The Service has included minimum insurance requirements in Exhibit D of the Draft Contract. Interested parties should consider these requirements in preparing their proposals, specifically note the increase in the minimum insurance required under the Draft Contract from the Existing Contract. Concessioners may choose to utilize umbrella policies to bridge the cost of attaining certain liability thresholds.



APPROVED RATES FOR REQUIRED SERVICES

The methodologies used by the Service to determine the reasonableness and appropriateness of rates and charges are set out in the National Park Service Concession Management Rate Approval Guide (July 2010). Rates for the Existing Contract are based on Comparability, and are not anticipated to change from the Existing Contract. Current approved rates are listed in Exhibit 8 below.

INFORMATION ON OPERATING CONDITIONS

Public vehicles and vehicle combinations longer than 21 feet (including bumpers) or wider than 8 feet (including mirrors) are prohibited on the Going-to-the-Sun Road between Avalanche Campground and the Sun Point parking area. Vehicles taller than 10 feet may have difficulty driving west from Logan Pass due to rock overhangs. As a provision of the Draft Contract, the new Concessioner may use only vehicles under 25 feet long including bumpers.

The operating season for this opportunity is anticipated to run from late May through early October. The Park may approve a shorter operating season; however, in general the Concessioner is expected to provide services during the primary visitor season (Memorial Day to Labor Day). The Superintendent considers operating dates on an annual basis.

Some Park roads are not accessible during the late fall, winter, and early spring months. Snow, slides, and rock fall may temporarily close roads to vehicular traffic. Public road access typically opens into Many Glacier in early April, into Two Medicine in early May, and the upper portion of the Going-to-the-Sun Road across Logan Pass in mid to late June.

The Park is an area of exclusive federal jurisdiction where Park Rangers holding federal law enforcement commissions furnish law enforcement.

Glacier National Park has undergone several planning processes to help guide management of the Park. The General Management Plan (GMP) completed in 1999 provides broad guidance and management philosophy for the Park. A Commercial Services Plan tiering off of the GMP was completed in 2005. These documents include decisions that directly affect the provision of commercial services in the Park. These planning documents may be viewed <http://parkplanning.nps.gov/parkHome.cfm?parkID=61&archived=Y>.

Offerors should be aware the Service is currently in the process of preparing a Going-to-the-Sun Road (GTSR) Corridor Management Plan and Environmental Impact Statement (EIS). The Plan will outline actions that the Service may take in order to address congestion, parking shortages, and resource impacts along the GTSR, and other related issues. The Service anticipates release of a draft plan and EIS in 2017. The Service encourages all interested parties to provide input during the public scoping phase.



EXISTING CONCESSION OPERATION

Interpretive motor vehicle tours highlighting American Indian Culture in Glacier National Park are currently being provided by Edward L. DesRosier dba Sun Tours (CC-GLAC010-07). The Existing Contract initially had a 10-year term, expiring on December 31, 2016; however, the Service has extended the Existing Contract through 12/31/17 to avoid interruption of visitor services during the prospectus development process.

Provided in **Exhibit 5** below is a summary the required and authorized services.

Exhibit 5 – Existing Required and Authorized Services

Required Services	Location
Cultural interpretive motor vehicle tours integrating aspects of <ul style="list-style-type: none"> The history and culture of the Blackfeet, Confederated Salish, and Kootenai Tribes and tribal perspectives as they relate to Glacier National Park and Cultural and natural Area resource interpretation as an integral part of each trip 	Tours occur daily on roads within the Area, excluding the North Fork area of the park.
Authorized Services	
NONE	N/A

Source: National Park Service

The following section presents basic historical financial data and historical use for three years of operation in order to assist Offerors in developing projections for future operations associated with the Draft Contract.

HISTORICAL GROSS RECEIPTS

Historical annual gross receipts for the past three seasons is listed in **Exhibit 6**.

Exhibit 6 - Annual Historical Gross Receipts

	2013	2014	2015
Gross Revenue	\$105,167	\$158,752	\$141,495

Source: National Park Service

HISTORICAL USE

Exhibit 7 below presents historical use for the Existing Concessioner for the past three years. Due to the government shut down in the first half of October 2013, the Concessioner had no visitor use in that month. The Concessioner normally operates through October 15. In 2015, the Reynolds Fire forced the closure of the GTSR on July 2, with partial access from the west side restored on July 29, and full access on August 7. Park visitation overall was reduced in late July and August of 2015 due to large fires and associated evacuations and road closures in the park. Additional visitor use statistics are available at <http://www.irma.nps.gov/stats/>.



Exhibit 7 – Historical Use

2013		2014		2015	
No. of Tours	Total Participants	No. of Tours	Total Participants	No. of Tours	Total Participants
164	2,693	181	3,852	108	3,363

Source: National Park Service

APPROVED RATES FOR 2016

Exhibit 8 below presents the current approved rates by type of tour for the 2016 season.

Exhibit 8 – Current Approved Rates

Service	Current Approved Rate
East Glacier to Big Bend to East Glacier	\$ 85.00 Adults \$ 45.00 Children 5-12 years
Browning to Big Bend to Browning	\$ 85.00 Adults \$ 45.00 Children 5-12 years
St. Mary to Big Bend to St. Mary	\$ 45.00 Adults \$ 30.00 Children 5-12 years
St. Mary to Big Bend to St. Mary (Pickup and drop off outside of the park)	\$ 45.00 Adults \$ 30.00 Children 5-12 years
West Glacier to Logan Pass to West Glacier	\$ 50.00 Adults \$ 30.00 Children 6-12 years

*Children under 5 are free

Source: National Park Service



Photo Credit: NPS



MARKET AREA OVERVIEW

MONTANA TOURISM MARKET

Montana is the fourth largest state in the U.S., with a population of approximately 1,000,000 people. The state's remoteness, vast open spaces, availability of rugged terrain, and scenic beauty are among its greatest attractions. Montana's transportation gateways include major highways, airports, and Amtrak stations. The state hosted 11.7 million visitors in 2015 (up 7.7% from 2014), which added approximately \$3.7 billion in non-resident spending to the state's economy and making tourism and recreation one of the state's leading industries. From 2011 through 2015 visitation has increased 11.5%, while spending has increased 31.8%. (source: <http://tourism.mt.gov/LinkClick.aspx?fileticket=npeOA6o2J-s%3d&tabid=10624&portalid=92>).

Montana has six tourism regions: Custer Country, Glacier Country, Gold West Country, Missouri River Country, Russell Country, and Yellowstone Country. Glacier National Park is located in Glacier Country, which encompasses eight counties in the northwestern part of the state.

Montana tourism is divided into two seasons. The fall/winter/spring season extends from October through April, while the summer season extends May through September, with peak tourist season occurring July through September.

LOCAL AREA MARKET

Glacier National Park is adjacent to the United States and Canadian border, resulting in local economic impacts to Lake, Flathead, and Glacier Counties and southwest Alberta, British Columbia. There are numerous local organizations engaged in economic development and tourism, including chambers of commerce, regional organizations, economic development organizations, and the tribal councils of both the Blackfeet and the Confederated Salish and Kootenai tribes.

A combination of entities provide visitor services in the Park, including the National Park Service, private businesses under Concession Contracts or Commercial Use Authorizations with the Service, private businesses operating on privately owned lands within the boundary of the Park, and the Service's non-profit partners.

For more information on the local market area, visit Glacier Country's website at www.glaciermt.com or the Montana Office of Tourism at <http://www.tourism.mt.gov>.

SITE VISIT

No concession facilities are associated with the Draft Contract; therefore, no site visit will be conducted. However, Offerors are encouraged to visit the area and become familiar with the physical conditions and limitations involved and become acquainted with the details requisite to operating the services authorized under the Draft Contract.

